

## **THE MODERNISATION OF THE POST OFFICE NETWORK**

**Submitted by:** Executive Director – Resources and Support Services

**Portfolio:** Communications, Transformation and Partnerships / Stronger and Active Neighbourhoods

**Ward(s) affected:** All

### **Purpose of the Report**

To review the enclosed joint report entitled “The Local Authority and Post Office Ltd. Pathfinder Programme” – An Evaluation of Strategic Engagement” recently issued by the Local Government Association, Department of Business, Innovation and Skills (BIS) and the Post Office Ltd.

### **Decision Required**

**Does the committee wish a scrutiny brief to be produced and included as part of their future work plan?**

#### 1. **Background**

1.1 At its meeting on 19 November 2012, the committee received a presentation from Richard Lynds, Senior Stakeholder Manager for the Post Office in order to consider the modernisation of the Post Office network, in particular the possibility of partnership working, as a potential new scrutiny topic for the committee.

1.2 To remind members of the discussion that took place, the minutes of the meeting were:

*The modernisation programme would create two types of branches: larger main branches and smaller local models. There would be no branch closures and it was hoped the number of branches would increase as they became more profitable. Half of the Borough’s branches would be modernised, with any changes communicated to the Council in advance. Two branches within the Borough had indicated that they wished to be part of the modernisation programme and it was expected that in the next twelve months another ten would be added to them. It was requested that the contact details for all Parish Councils within the Borough be provided to Richard Lynds to allow him to pass communications to them.*

*The Post Office was looking at how they could work with local government and in the last twelve months had worked with 25 pathfinder councils. They had a good I.T. platform and infrastructure that could work well with both local authority and customer systems. A tender from the Post Office to a Council would depend on the services required by the Council, and could be a single item tender or a framework agreement. Some services could be implemented*

*immediately, whereas others could be developed. In Birmingham, a customer facing computer room had been installed in a Post Office to enable public access to the Council's website and online forms. Members highlighted that some members of the public did not have internet access. The Post Office wished to help the eight million people in the country who were not online, and were encouraging and assisting people to do so.*

*Members questioned how new services would be incorporated into Post Office franchises; would the Post Office or the franchise fund them. It would depend on the facility, but the Post Office would provide the products, computers, kits etc. There was a transactional link between the Post Office and the franchises, with a small fee based upon the transactions conducted being received from the franchises. The difference between Newcastle-under-Lyme and the London authorities the Post Office was working with was noted by Members. The Borough Council was a two-tier authority with Staffordshire County Council, with different services provided by the two authorities and Members questioned how services delivered by the Post Office would work. It was for the Council to specify what they would like the Post Office to help them with. For example if a bin collection had been missed, the Post Office could provide an online notification. The Post Office was working with county councils and in Warwick there was a branch in a library.*

*Members noted that if the Post Office was to take on Council work this could have implications for Council employees. Some of the suggestions made would take away frontline staff, but it would be up to the Council to respond to this in a way that they saw fit. Members considered it was a topic the Committee may very well wish to investigate further, but that employees would look on it with trepidation. At other councils there had been a shift from frontline to back office staff to support the digital delivery of services.*

*The Local Government Association was undertaking a piece of work with around 25 councils regarding the issue, the results of which were expected to be published imminently. The Committee would await the results of this work before moving forward with scrutiny. If it was considered prudent to proceed, then a scrutiny brief would be provided at a future meeting of the Committee.*

- 1.3 The final paragraph of the minutes refers to work that the Local Government Association was doing. This work was undertaken with the Department of Business, Innovation and Skills (BIS) and the Post Office, and a joint report entitled "The Local Authority and Post Office Ltd. Pathfinder Programme – An Evaluation of Strategic Engagement" has recently been published. This is attached as an Appendix .

## 2. **Report Overview**

- 2.1 Officers have reviewed the report and would summarise the main findings as follows:
- 2.2 The authors of the report feel that the Pathfinder Programme demonstrates the value of closer working relationships between Post

Office and local authorities. It welcomes the assurance given by Post Office through its plan to invest, maintain and modernise its current network of no further closures.

- 2.3 The programme is based around the premise that many councils do not provide frontline services in the community and that the location of post offices “at the heart of the community” make them ideal to be used where these frontline services do not currently exist.
- 2.4 The programme seems to be more successful in large conurbations, covering a wide area where outreach to council services can be best served by existing Post Office facilities rather than a council starting to invest in additional staff and buildings.
- 2.5 There are no examples of Post Office working with local authorities to co locate in existing council offices, or where Post Office has joined local authorities frontline services where they are already provided across community areas.
- 2.6 The main service benefits provided by Post Office seem to be in areas such as Social Services eg carers payments and payments to vulnerable clients.
- 2.7 The indicative pricing and services the Post Office can provide is unclear.
- 2.8 There may be a case for the council to provide limited services at small sub post offices in hard to reach areas to supplement the customer service centres but clarity of cost would be required.
- 2.9 The report recognises and accepts that each Post Office and local authority relationship will be different.

### 3. **Decision Required**

- 3.1 Members are requested to review the document and discuss their ideas for a scrutiny brief to be produced, if desired.

**Appendix** – “The Local Authority and Post Office Ltd. Pathfinder Programme – An Evaluation of Strategic Engagement”.