



Background Briefing

Summary of the Government's response to the consultation on the post office network

1. The Government has set minimum **access criteria** for the post office national network. This is about the location of post offices. These are:

- Nationally, 99% of the UK population will be within 3 miles and 90% within 1 mile of their nearest post office outlet.
- 99% of the total population in deprived urban areas across the UK to be within 1 mile of their nearest post office outlet.
- 95% of the urban population will be within 1 mile of their nearest post office outlet.
- 95% of the rural population will be within 3 miles of their nearest post office outlet.
- In addition, for each postcode district, 95% of the population will be within 6 miles of their nearest post office outlet. This protects access in remote areas. Earlier 38 postal districts had been exempted from the criteria – now there will be no exemptions. This may mean some new post office outlets will have to open.

In addition to the above criteria, the Post Office will have to take into account:

- **geographic features** such as rivers, motorways and sea crossings
- the **availability of public transport and access to alternative services, local demographics and the impact on local economies in drawing up area plans.**

The Post Office will have to demonstrate how it took these factors into consideration in its area plans.

2. In addition the Government announced that:

- There will be **2,500 compensated closures** within the above framework. No list has yet been published of these closures. There will be roughly similar numbers of closures in rural and urban areas. The Government believes a network of 12,000 post offices will be sustainable.

- The **subsidy** will continue for the social network but will include urban deprived as well as rural areas. However, because of the 2,500 closures, this will not reduce support for the remaining rural part of the network.
- In relation to **further closures** beyond the 2,500, (for example, if a sub postmaster/mistress wants to give up the business) if the closure would mean that the network would not meet the above criteria, the post office/staff will be replaced.
- **500 new outreach locations** will be introduced to part compensate for the 2,500 compensated closures. The report states that arrangements for local service delivery should reflect the needs and demands of local communities and they should be consulted on the plans. There should also be an investigation of the level of demand where there has never been, or is not now, a stand alone post office.
- A new account will be introduced to succeed the **Post Office Card Account**. This has gone out to tender as required under legislation.

3. Area plans and consultation

- The **restructuring** of the network will take place over an 18 month period.
- There will be 50-60 **area plans** grouping together constituencies.
- By July, the Post Office will publish a **timetable** of when they expect to announce plans for each area. The restructuring will be completed by the end of 2008.
- Once the plans are drawn up there will be **6 weeks for local consultation**.
- **Postwatch** (the watchdog for the service on which Age Concern is represented) will advise the Post Office on meeting the area criteria while making sure that changes are sensitive to customer needs. It will make sure that the consultation process is being properly observed. After the consultation Postwatch will consider the responses and discuss specific issues with the Post Office.
- The Government will also assess how **local authorities** can contribute to sustainability through conducting more business via the post office, and the scope for co-hosting postal services in local authority services. The Government is working on proposals to devolve greater responsibility after 2011 for decisions on post office services provision to local level and for providing greater flexibility for local funding decisions.