

**STRENGTHENING COMMUNITIES SUB COMMITTEE  
SCRUTINY REVIEW OF POST OFFICE CLOSURES  
PUBLIC MEETING AT HARROW HIGH SCHOOL  
23 September 2004 6.30PM – 8.30PM**

**Present:** Cllr Ann Groves (Chair)  
Cllr Navin Shah – Leader of Labour Group  
Cllr Chris Mote – Leader of Conservative Group  
Cllr Paddy Lyne – Leader of Liberal Democratic Group  
Jill Rothwell – Executive Director of Organisational Development  
Drew McBride – Head of Area Post Office Limited  
Kay Dixon – Chairman Postwatch Greater London

Fifty members of the public including:  
13 residents, 4 members of Woodlands Association, 2 members of Harrow East Conservative Association, Tony McNulty MP, Individuals from Hatch End Association, Labour Party, GLA (Brent and Harrow), Brent Lifeguard Club, NKFC, HECA, Harrow in Business and Harrow Council Conservative Group and 16 Councillors

The Chair opened the meeting by welcoming all present and introducing members of the panel.

The Chair informed the meeting that the Council found out about the Post Office closure programme in September 2003. At that stage the Council was due to be consulted on the closure proposals for Harrow East and Harrow West in May/June 2004 and was told that there would be just six weeks to respond. This did not include any detailed information relating to Harrow.

To prepare for the consultation, the Strengthening Communities Scrutiny Sub-Committee decided to act proactively and to look at the issues before the closure proposals were received by the Council. The Sub Committee consulted with other boroughs, which said they would have benefited from more time to consult residents/users. Meetings were held with representatives of businesses and voluntary organisations and Postwatch, along with an examination of research put together by Council officers.

The Scrutiny Committee recommended that Council respond on behalf of the community and Cabinet confirmed this approach on 9<sup>th</sup> September 2004. All submissions must be with Post Office Ltd by 13<sup>th</sup> October 2004.

The Chair advised that all information gathered that evening would be used in our written response. She encouraged attendees to make individual responses to Post Office Ltd as it will help to form a stronger case.

**Jill Rothwell, Executive Director – Organisational Development**

The Council is part of the consultation process and is being consulted by Post Office Ltd. The Council is making a response to the closure programme and looking at the socio-economic impact of the proposed closures on the borough, the impact on local communities, the impact on service users and how the Council delivers services.

If Post Office Ltd services are centralised this impacts on people's ability to use these services. There will be the cost of transport to get to services. Closures will also impact on those in receipt of benefits. All benefits payments have to be made by direct payment by 2005. There are a number of people who use the post office as a bank and this will affect their ability to access money. Again the issue of travelling and the expense of travelling. Impact of closing in places the Council are regenerating e.g. Wealdstone.

The Council is aware of two petitions. One is organised by Canons Park Residents' Association on the 907 Honeypot Lane branch and the other from Pinner Association on the Marsh Road branch.

**Drew McBride, Head of Area, Post Office Ltd**

Too many post office branches are chasing an ever-decreasing number of customers that is why having to make changes. Sub postmasters' businesses decline as post office business declines. It has also had an impact on retail business.

The typical post office gets 30-40% of income from benefit payments. The last pension books will be printed in October 2004 and May 2005 will see the last book payments. Those on benefits will need to set up their own bank account. A Post Office account is a simple bank account that will allow benefits to be paid in and withdrawn at a post office. Those with a current account or basic account with the banks that Post Office Ltd has a commercial arrangement with can withdraw cash. Commercial arrangements have been made with the major banks and building societies.

Even after the proposed closures of 2500-3000 branches, Post Office Ltd will still have a network that gives better coverage than the banks and building societies put together.

We have now extended the consultation process from 4 to 6 weeks, following discussions with Postwatch.

Post Office Ltd want to get post offices back on a commercial footing. Many post offices are struggling to survive. The managed process of closure stops unmanaged closures through bankruptcy. People can get access elsewhere to all our 160-170 products and services except postal orders.

Post Office Ltd has been introducing new products e.g. travel insurance. Post Office Ltd has become the number one provider with a 27% market share.

Financial services are vital to Post Office Ltd's survival. A joint venture has been launched with the Bank Of Ireland. In February Post Office Ltd introduced personal loans and in July we introduced car insurance. We will continue to launch a new financial service product every 3 months. In October we are launching guaranteed equity bonds and growth bonds. We are intending to introduce home phone service and home insurance.

The harsh reality is that too many post offices are chasing too few customers. We do a lot of work in order to understand our customers. Area managers assess the effects of branch closure –including whether alternative branches will be able to cope, and transport links. Post Office Ltd has not made a final decision on any of the proposals. We will take on board the comments made tonight and at the end of process.

The Closure Programme has received Government support. We have received £180m to compensate those postmasters to recognize the effort they have put in. It can be used for a Pension/reinvestment in a business. Government has also given £30m investment in post office branches that remain. Significant improvements to the remaining branches are planned.

### **Kay Dixon, Chairman, Postwatch Greater London**

Kay Dixon advised that Postwatch is organised on a regional basis and that she represents Greater London. Postwatch are as objective as possible, bearing in mind that this is a government approved programme. As soon as Postwatch hear about the closure proposals, we carry out analysis on transport, urban deprivation and how many people have transport. We visit post offices proposed for closure and alternatives. We look at accessibility – busy roads, parking, disabled parking, disabled access, and capacity to take on extra business. Postwatch examine all these issues and listen to local community so that we can put views in a format to Post Office Ltd that state our concerns, what we are opposing and that we want further meetings to discuss them. There is a need for a good strong coherent plan against closure. The more specific you are the more specific Postwatch can be; we need specific local issues e.g. the lack of buses in Stanmore.

Refurbishment programme – Postwatch will be doing follow up visits after 3-4 months to make sure the programme has been carried out. We will be monitoring the queuing system very carefully. We conduct mystery shopping. If this is

unsatisfactory Post Office Ltd come back to us with an action plan of what they are going to do about it.

Postwatch can only argue on your behalf and cannot veto any closures.

### **Councillor Navin Shah**

Councillor Shah indicated to the meeting that having listened to Drew McBride, he was of the view that the proposals were based on commercial considerations rather than the effects on users. His questions were:

What is going to be the criteria for closure assessment? Is Post Office Ltd going to have similar public consultations so that people can have their say?

He added that it was not clear that Post Office Ltd is taking consultation seriously. The Council and community would be fighting to save post offices from closure.

### **Councillor Chris Mote**

Councillor Mote was concerned that the consultation by Post Office Ltd was a paper exercise. He was concerned that the closures would lead to the breaking up of communities.

### **Councillor Paddy Lyne**

Councillor Lyne suggested that having heard Drew McBride's business plan, she was of the view that Post Office Ltd should be opening more post offices and not closing them. Post Office Ltd had not considered the extra expense that people would incur to reach other branches, for not everyone receives a bus pass. She added that the community needs post offices and the shopping centres need post offices.

### **Questions and Discussion**

The Chair opened the discussion to the floor.

1. *"I am very much against closure of Harrow Weald Post Office on Brockhurst Corner, because it is the only one within walking distance from where I live. There are no buses for an hour."*

Drew McBride: With regard to reaching the alternatives, Post Office Ltd know that the changes would be inconvenient to some people; Post Office Ltd is trying to have a planned and managed programme to give people plenty of notice to make alternative arrangements. This approach is far better than ad hoc closures.

2. *"For Kay Dixon – Do you have links with Mayor of London? Can he step in?"*

Kay Dixon: Postwatch has no links to the Mayor of London, and he does not have powers relating to the Post Offices.

Drew McBride: The Mayor does not have power. It is actually for post Office Ltd to manage the business. These are decisions we have to take to maintain a national network.

3. *“Do you think our 2 Labour MPs should raise questions in Parliament over these 9 proposed post office closures in Harrow?”*

Councillor Navin Shah: Yes. One of Harrow’s local MPs is already running petition against closures.

4. *NKFC “There is not shortage of people going to post office judging by queues. There are too many overpaid administrators that are not providing services for us. You should be opening new branches not closing them down. Some post offices are outdated.”*

Drew McBride: Responded that 3000 people have recently left Post Office Ltd to try to make it more efficient and more profitable.

5. *“I think consultation period is short. How have Post Office Ltd assessed the capacity of main post office in Pinner to cope with extra work? There is already an overflow. You can monitor queuing but that is too late.”*

Drew McBride: The picture painted is that post offices are always busy every single day; if this were true Post Office Ltd would be opening branches not closing them. Some branches are very busy (e.g. Monday mornings) but not throughout the rest of the week. We hope that when we finish making these changes and bring in new products Post Office Ltd will be so successful that there is a need to open new branches. We do respond to Postwatch comments on queues. If there is a problem with queuing, Drew McBride requested that the public raise the matter with the postmaster/branch manager.

Kay Dixon: Capacity is one of the criteria that Postwatch take into consideration when looking at the alternative branches proposed by Post office Ltd.

6. *“If the post office on Pinner Road closes I will have a severe problem. I do a large post every 2-3 days and once a month a large shopping load that cannot fit into a post box, too big. How will I post items? Will you make post boxes larger?”*

Drew McBride: If Post Office Ltd goes ahead with the closure of Pinner Road, there are three others within less than a mile. Post Office Ltd needs customers to use the alternatives to help them survive.

7. *“Post Office Ltd has received £140m from government? This is not from government it is from the taxpayer. Sorting equipment is inefficient. Post Office Ltd is providing everything but the post. I need to produce documents for car tax but I cannot trust the post. The core business is the post office so get this working properly then it can be truly competitive.”*

Drew McBride: Yes it is taxpayer's money. Post Office Ltd has no responsibility for sorting offices and Royal Mail. I cannot answer for Royal Mail. Car tax services are performed on behalf of DVLA.

8. *“Do you know from experience so far what percentage of closures have actually taken place, and what percentage have not taken place?”*

Kay Dixon: So far in Greater London 250 branches have closed and 20 have been withdrawn from the closure programme. These 20 wouldn't have been there if it had not been for support.

Councillor Navin Shah: Post Office Ltd intends to close 2500-3000; only 5% been withdrawn. As elected members we have to fight these closures.

9. *Harrow in Business – “We provide business support to sub post offices. These independent retailers will close as a result of sub post office closing.”*

Drew McBride: Many postmasters may decide to stay open to support retail businesses.

10. *“Honeypot Lane branch – Are you aware that the old government building site will be developing new houses. At Queensbury sites have been allocated for flats. So where there are proposed closures the population will increase dramatically. In Stanmore Broadway, the Council proposes to extend parking restrictions. There is confusion – we are told to use car less but we will need to use it more.”*

Drew McBride: New homes and new houses do not necessarily translate into new business. A lot of new homes/houses are being built all over the country but the post office does not see the business.

11. *Pinner Association - "We have heard that £180m is available to pay off postmasters and £30m for refurbishment. Is it not better to spend £210m on current post offices? Old people buy property to have everything in close vicinity. Bus stops are nowhere near post offices. Very long walk for the elderly."*

Drew McBride: We could use the £210m to give a subsidy but this is a very short-term thing to do. The reality is fewer people are choosing to use the post office. Hopefully the new products will start to bring people in again.

12. *"Shaftesbury Circle. There are many elderly people in the area and this post office is closely associated with Whitmore High School. The school does not have staff to get to other post offices. Capacity is very inadequate. Are there other ways of making financial savings? I am appalled at amount of money spent on publications for services you are trying to sell. It is a waste of money. Post office being told have to run on a commercial basis but what about the effect on local communities?"*

Drew McBride: I'm sorry people think advertising products are a waste of money but it offers financial returns.

13. *"It has been said that the decision has been made already the consultation is only a cover-up. There is no consideration of elderly. Queues are so long, I once waited 22 minutes in Wealdstone post office and got a parking ticket because I paid for 20 minutes. How far will pensioners have to go for their pensions?"*

Drew McBride: We are trying to choose branches that will cause least inconvenience. We work in consultation to give people the opportunity to let us know what they think and where we are wrong. We need to close some branches to ensure others can survive.

We have overturned a number of decisions through consultation. If we had already made a decision I would not be here. We only make decisions after taking on views of MPs, councillors and public.

14. *"Shock on pensioners on not having pension books, now worse on proposed closures. One woman went to post office and told there was no money there. What is going on?"*

Drew McBride: It is very rare to run out of money. We are responsible for 25%. Sometimes we get it wrong.

Drew McBride

We are not forcing any post office branches to close. It is a voluntary programme where we asked postmasters who are interested in closing. We received far in excess of 3000 expressions of interest and had to tell a number of branches that we want to keep them open. We are not forcing any post offices with a permanent contract to close.

Councillor Paddy Lyne

No one is forced to close? Of the 9 how many are being forced to close? If someone volunteered to serve in that proposed closure will you accept that?

Drew McBride

We are not looking to run these, we are looking to close them because the postmaster has said no longer viable. We would not take in another person if we know it is a failing business.

15. *Woodlands Community Association – “I don’t use the post office but as Secretary of Woodlands Community Association I know it is important to residents. An example is someone who had to change to direct payment and opened a post office bank account. That effort is now totally wasted if Brockhurst Corner closes. There is no cashpoint in the area so we would need to take a bus to get to a bank. Simply volunteering to close is not good enough criteria to close. People are not interested in post office’s new products; we have always been able to get these products from elsewhere before. Why would I be interested in travelling further to get new products?”*

Drew McBride: One problem is that whilst quite a lot of people would like to have a post office around for convenience, they do not use it. Direct payment is not responsible for this. We have not lost business because of direct payments. Companies that did business with us have taken their business elsewhere. Our future survival depends on getting these businesses to use us.

It is not as simple as taking those branches that volunteer to close, we do a lot of work to ensure the right branches close.

Post Office Ltd is the largest provider of foreign currency and 4<sup>th</sup> largest of traveller's cheques. I hope people stop thinking of post office as a place to get benefits but as a provider of many other services.

16. *“Thank you Heather Smith for the report on post office closures. Copies will be made available in Pinner library. The Scrutiny report*



*explains why we are here this evening. It explains that this is the government and not Post Office Ltd. If people read it they will understand the closures. Will these minutes be on the website? I have had problems with the website over the last 10 days. It is just the time we needed to contact you. You must be disappointed to see so many empty seats? This meeting has not been well advertised."*

Councillor Ann Groves: We confirm minutes will be available on website. We are aware that we have not been able to advertise as well as we would have liked. We are aware of short timescale. A letter was sent to 1500 Harrow voluntary organizations, flyers to HSP, schools, libraries. In the time available we thought it better to call a public meeting rather than not. We managed to get this venue at short notice. We would have loved more time and it was a case of this or nothing, and this is better than nothing. The Council only received the detailed information on closures on 3<sup>rd</sup> September. Officers will ensure that the website problem is addressed.

17. *"The sub post office in March Road has been there for 70 years. Decisions that we are making now are ones that our children and grandchildren will need to live with. We have an ageing population. There are many mothers with prams."*

18. *"Marks and Spencer failing at the moment, why? Why are Tesco market leaders? They listen to customers and listen to their needs. The priority here is for communication."*

19. *"I speak as someone who avoids post offices as much as possible. They are so unpleasant – queues, dingy décor and old fashioned. Many products are good and I would buy them, thus increasing business but I am disturbed by this poor marketing and image. More needs spending urgently on improvements."*

Drew McBride: For many years Post Office Ltd and sub postmasters have not had funds to refurbish. £30m is available to transform post offices into a modern retail environment, to help us to get new business and to help us survive.

20. *"Considering MPs voted for closures isn't it hypocritical now for them to say they are fighting these closures?"*

21. *"I am concerned with two branches, Brockhurst Corner and Harrow Weald. People who live near Brockhurst would have received a piece of paper, but this does not mention Harrow Weald closing and probably people who live in Harrow Weald would have received a piece of paper that does not mention Brockhurst closing. I am shocked to find both*

*are closing. There are very many people living in elderly residencies around there. It is very nice for Harrow Weald branch to close for the submistress but it is close to 2 free car parks, bus stops, elderly home, colleges and schools. It is a very strange occurrence all around."*

Drew McBride: People are getting to main branches. The aim after closures is 95% of customers live within 1 mile of post office. Gives a network of unrivalled post office branches.

22. *"Harrow has highest percentage of elderly in all London boroughs."*

23. *Woodlands Association - "I am concerned about the Brockhurst corner branch. To close it is to close a focal point of the area. It is a part of the village. This branch shares premises with Chemist. If the post office closes people won't go to chemist for prescriptions. It would be like a cancer spreading through area. It would lead to other businesses closing. I'm cynical. Why wasn't advertising done about this? There is no way my chair of association could go around and distribute 500 leaflets. If it is so important why not advertise in a better way? Maybe a letter into every postman's bag? I am not blaming the council but definitely Post Office Ltd, if it's their business to close post offices then it is their business to let us know. Just to get a 28p stamp people could need to pay £2.00 for bus."*

Drew McBride: Post Office opening hours of 9.00am-5.30pm Monday to Friday and 9.00am-12.00pm on Saturday. Combittills at the post office branches mean that the postmaster can operate his post office and retail service from the same position. We have put the equipment in 5000 branches to enable transactions to be done on retail side. This is a commercial decision. We know it will have an impact on parades of shops but we need to make a decision to save our business.

24. *Councillor Keith Burchell – "In terms of the sustainability agenda there is an issue in terms of access to services. Pensioners will need to travel further to Wealdstone. We are trying to regenerate commercial areas and removing the post office will impact on shopping areas."*

25. *Councillor David Ashton – "In terms of overall process there is indication of an attitude of despair. You say you've done a lot of work. Honeypot Lane post office people are totally dismissive of work. No logic whatsoever to close Brockhurst and Honeypot Lane."*

25. *Councillor Marilyn Ashton – "Very concerned with Brockhurst branch in Stanmore. Very busy. Tremendous problems for those in Stanmore Park."*

Councillor Ann Groves: There have been implications in comments made about wasting time. There is a saying - silence implies consent. If we had done nothing as an authority it would have given the view that we consent, but Post Office Ltd are in no doubt about what we feel on the proposed closures. You have expressed views. As well as tonight please send your individual responses. We would like you to send copies to ward councillors. All responses are valued. I suggest you send your comments in a week before 13<sup>th</sup> September to ensure they arrive on time.

The Chair thanked all members of panel. She added that it has been a challenging evening. Members of the public were requested to leave behind the orange cards for incorporation of the comments into the Council's response. If you wish to email Drew McBride his email address is [drew.mcbride@postoffice.co.uk](mailto:drew.mcbride@postoffice.co.uk).