

**Report of Assistant Chief Executive (Citizens and Communities)**

**Report to Executive Board**

**Date: 22 January 2014**

**Subject: Response to Deputation – the role of Post Offices within communities**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**Summary of the main issues**

1. On 13 November there was a deputation to full council on the role of post offices within communities. The verbatim extract of this deputation is attached at appendix I.
2. Council resolved that this matter should be considered by Executive Board, and this paper sets out the council's position with regards to post offices and the work which is taking place to both support them, and to ensure that we reach our citizens and provide the right mix of services each community needs in the most efficient manner

**Recommendations**

Members of Executive Board are recommended to:

- i. note the work which is taking place in localities to support individual post offices, and
- ii. the level and nature of work which the post office currently conducts on behalf of the council.

## **1. Purpose of this report**

- 1.1. This report seeks to respond to the deputation to full council in relation to the role of post offices in communities. It outlines the strategic relationship that has developed between the council and the Post Office and how this is being translated at a local level.
- 1.2. It goes on to outline the nature of council work which is currently conducted through post offices and indicates other areas which have also been explored, and may result in further joint working.

## **2. Background information**

- 2.1. The deputation principally relates to the sale of the Royal Mail and the potential impact this will have on post offices which it states are reliant on the Royal Mail for much of their income.
- 2.2. The Government set out its commitment to secure the future of the post office network, in 'Securing the Post Office Network in the Digital Age' policy statement published in November 2010. As part of this work 25 councils were identified by the Department for Business Innovation and Skills to participate in developing a more strategic relationship with the Post Office. Leeds was one of these and has engaged positively to develop a more strategic relationship, and to influence the work taking place in localities. To this end there have been a series of discussions with Rob McCloy, Account Manager, Post Office Counters Limited to consider opportunities to work together e.g. post office services being run from council service buildings, council staff being based in post office buildings, post office staff supporting some council services etc.

## **3. Main Issues**

- 3.1. As part of these discussions it became clear that there were a number of areas where joint working was already taking place:
  - Payments service – this service began to be used in 2002 as a precursor to the closure of the council's front line payment counter service (which took place in early 2005), and was the council's alternative in-let for cash payments. In 2010/11 over 650,000 payments for Council Tax, Housing rents and Sundry Debts totalling £46m were made through Post Office Counters Limited. Whilst this reduced to around 544,000 payments totalling £43m in 2012/13, the impact of the welfare changes (with more charge payers having to pay council tax and the impact of Under Occupation) we will see the number of payments for Council Tax, Housing rents and Sundry Debts for 2013/14 be in the region of 648,000 transactions totalling £48m.
  - Payout Service - The Council used the Post Office Payout service to pay School Clothing Allowance. Around 15,000 payments totalling £600k were made through Post Offices at a cost of £1.15 per payment until the scheme ceased this academic year.
  - Banking services – For over 20 years the Post Office has provided cash banking facilities for Council facilities such as sports centres in areas of the city where there are no Nat West branches. Around £6m will be banked this year at a cost to the Council of around £12k.

- 3.2. It was also clear that there were a number of areas, particularly around financial inclusion where the council would welcome better and closer working with the Post Office. At a meeting of the 25 councils in March 2012 the Minister for Postal Affairs, Norman Lamb MP, and Paula Vennells, Managing Director, Post Office Ltd stated that
- £1.34bn had been produced to modernise the network and safeguard its future.
  - There was a desire to see the Post Office become a genuine front office for Government at both national and local level.
  - The Government will support the expansion of available and affordable personal financial services through the Post Office.
- 3.3. Due to financial regulations the Post Office has not been able to progress personal banking. This barrier has been addressed and the Post Office is now able to take on this role. The Post Office announced its intention in May 2013 to offer its own bank accounts which will initially be launched in a small number of branches this year in East Anglia, before a wider roll-out in 2014. The intention is to provide affordable and ethical personal banking. One of these accounts is aimed at people who have previously been caught by high overdraft charges and others, such as those on low incomes and those new to banking.
- 3.4. It has been difficult to establish areas where the council and the post office can work more closely together at a strategic level and so there has been a lull in taking forward the strategic relationship, but the work at a local level has continued. This has been particularly effective where the Post Office has let the council know about potential changes and modernisation to post offices so that local people can be involved, for example:
- The Holbeck post office shut down about three years ago, and following concern expressed by local residents, and supported by local councillors, the post office was reopened in a better position in Domestic Street. This is the former library building which the Council closed and subsequently sold to the person who has the licence to run the post office.
  - Area support teams regularly work in collaboration with the post office North East Network Transformation manager, eg getting the sorting office at Belle Isle spruced up, Whinrose Crescent post office revamped and investigating an extra cash machine at Middleton Circus, and involvement in options for the future of Cross Gates post office.
  - North Seacroft One Stop Centre and the local post office have been co-located since 2008
- 3.5. The council is working hard to ensure a focus on inclusive, locally provided citizen-based services. As part of this the Citizens@Leeds approach includes the concept of Community Hubs that reach our citizens and provide the right mix of services each community needs in the most efficient manner. This will involve a more integrated approach to service delivery and maximise the use of the assets and service points that exist across the city e.g. joint service centres, one stop centres, housing management offices, libraries, children's centres etc. The community hubs will support the delivery of pop-up (e.g. in supermarkets and GP surgeries) and mobile provision to ensure that we can reach all priority communities across the city. We will also develop more on-line provision to enable those that wish to self-serve are able to do so. There are clearly areas that the Post Office could be involved with in terms of, for example; co-location,

pop up services, financial inclusion and digital access. This is being considered in more detail as part of the development of the Citizens@Leeds approach.

## **4. Corporate Considerations**

### **4.1 Consultation and engagement**

4.1.1 The report provides a response to the deputation and outlines work currently taking place. It does not require public consultation. The further development of specific initiatives set out in this report will be subject to engagement with communities and service users as required.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 There is no requirement to undertake a screening or EIA on this report as it is a response to a deputation. Underpinning the approach outlined in the Citizens@Leeds approach is the recognition of different outcomes for different people. The focus of Citizens@Leeds is on eradicating poverty and there is well documented evidence that people with the protected characteristics are over represented in this group. Whilst recognising that the overall approach is inherently about addressing equality, individual equality impact assessments will take place on each of the propositions when appropriate.

### **4.3 Council Policies and City Priorities**

4.3.1 The role of post offices in the community is well recognised and adds to the rich potential for delivery of accessible services at a local level.

### **4.4 Resources and Value for Money**

4.4.1 Where working with the post office is taking place this is providing considerable benefits to the council. In addition as further joint work and/or potential relocation is considered there could be significant benefits and added value.

### **4.5 Legal Implications, Access to Information and Call In**

4.5.1 There are no legal implications arising directly from this report.

### **4.6 Risk Management**

4.6.1 As part of consideration of working with the post office risk is evaluated alongside the added value which can be delivered. The post office network is recognised as a trusted part of the community and delivers an invaluable service particularly in more rural areas. Work by area support teams will continue to take place to help protect this service where possible.

## **5. Conclusions**

5.1. There is significant advantage for the council to continue to contribute to and work closely with post offices. This is already undertaken in a number of ways and this support will continue to be given. As Citizens@Leeds is further developed there is likely to be a role for post offices in supporting the council to deliver its vision to provide inclusive, locally provided citizen-based services.

## **6. Recommendations**

Members of Executive Board are recommended to:

- i. note the work which is taking place in localities to support individual Post Offices, and
- ii. the level and nature of work which the Post Office currently conducts on behalf of the council.

## **7. Background Documents<sup>1</sup>**

7.1 None

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<sup>1 1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.