Final report on the

West Sussex Post Office Closure Impact Study

October 2009

University of Chichester 5/11/2009

This report is based on research carried out by the University of Chichester to investigate the impact of Post Office closures in West Sussex following implementation of the nationwide Network Change Programme. The research was commissioned and funded by West Sussex County Council and ran from 1st August 2008 to 16th October 2009.

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EXECUTIVE SUMMARY

This report presents the results of an impact study undertaken by the University of Chichester and commissioned by West Sussex County Council (WSCC) considering the social, economic and environmental impact of the post office closure programme (Network Change) across the county.

This final report is significant in that the evidence presented relates only to what *has* happened as a consequence of Post Office closure rather than what people fear *might* happen. The focus is, of course, on how the loss of a local branch is experienced but these findings also emphasise the importance of understanding the role of receiving branches.

In addition to exploring the consequences of closure, the report also makes recommendations on what actions local authorities within West Sussex might take to mitigate the impact on the businesses and residents within the communities affected.

Method

The overall research framework adopted used a case study approach, employing a range of research methods to provide both quantitative and qualitative evidence.

Six case study locations were identified to ensure a range of neighbourhood types, each focussing on one Post Office branch that had been closed down.

- Station Road, Bognor Regis (urban)

- Heene Road, Worthing (urban)

- Queen Street, Horsham (urban)

- New England Road, Haywards Heath (urban)

- Graffham (rural, Outreach)

- Washington (rural, closure)

Orientation visits were made to many locations across the county where branches had closed in order to make the final selection of six and to identify, through individual and group interviews, the principal issues arising from closure which could then be incorporated into two major questionnaire surveys. This was achieved by carrying out fieldwork (Phase 1) in many settings, for example:

- Age Concern day centres across the county
- Chichester Chamber of Commerce
- Arun Business First
- businesses in close proximity to closed branches
- local residents in neighbourhoods in which a post office branch had closed

- Downlands Housing residents association meeting (Worthing)

In Phase 2, an online questionnaire survey of West Sussex businesses was launched initially through the Federation of Small Businesses (FSB). A postal questionnaire was distributed to local residents in the 6 case study locations; 500 in the 4 urban areas, 368 in Washington and 182 in Graffham. In all 221 questionnaires were returned from businesses and 434 from residents.

In the final Phase 3, a workshop was organised with 20 key stakeholders from across the county. The objective of the workshop was to investigate how local authorities might support those communities impacted by the closures and those potentially at risk of their branch being closed.

Findings

Despite the Network Change Programme (NCP), post offices continue to provide a valued and trusted service. Over one third of the small businesses surveyed visit their post office every day and the majority of businesses value the convenience, customer service and range of services provided. This is equally true of residential customers in West Sussex; only 21 out of 434 respondents claimed never to use their local office and 15 of these lived in one location. As with surveys elsewhere, customers in the county make use of the full range of services available with postal services being the most frequently used. There is though some evidence of confusion over the extent and range of services available. For many, the post office does, indeed, promote social cohesion within the community. Post offices also provide footfall for shops and businesses in the vicinity with 44% of customers using them every or most times they visited the local branch with a further 45% who used them sometimes.

Everyone has experienced some impact from post office closure but the effect on some is disproportionate

It is clear from our work that the closure of post offices has had a very real impact on the businesses and residents within the communities affected and that this impact has extended to adjacent communities. Although Post Office Ltd. (POL) stated as part of the NCP that they would increase capacity in other offices, it would seem that this has either not happened or is insufficient. In the post-closure period, it is clear that whilst the majority of post office staff are continuing to provide friendly and effective support; there are significant issues associated with time to access the services, essentially travelling to post offices, parking and queuing. Most people have found ways to manage but are resentful of the inconvenience but what is inconvenient for some, translates into impacts of much greater magnitude for others. Inevitably certain groups are disproportionately disadvantaged. For the few, coping with closures has meant significant changes which impact on their independence and their social and financial wellbeing.
The costs – financial, loss of independence and social – are felt most keenly by the very old and by those whose mobility is poor. Younger people with mental health or mobility problems have been impacted in similar ways. Many are without access to a car, especially those living in the four urban areas, so are dependent upon public transport. Whilst older people qualify for free bus travel, this is sometimes unusable when the bus stops are not close by or the weather is inclement. Individuals in these disadvantaged groups are the only ones who have been forced to use taxis to access a post office.
All people on low income bear a relatively greater share of the cost of closure. They are very likely to be Post Office Card Account (POCA) holders with no choice but to use a post

office, wherever that is, to access their money. For this group, the cost of accessing a post office when it involves public or private transport is disproportionate.

The survey highlights the issues of urban community deprivation

In the period before the NCP was implemented, an overwhelming focus was directed towards the hardships faced by rural communities. They undoubtedly deserve special consideration but this should not overshadow the needs of communities within urban spaces. Evidence suggests that in many respects the urban communities selected for case study are suffering greater impacts than the rural communities. We have found that people living in urban areas generally have fewer choices than their rural counterparts.

Urban	Rural
• 15% people draw pension every week • 7% draw benefits, tax credits every week • Relying on another person to do post office business is a **major impact** for 13% of people	• 5% people draw pension every week • 2.6 % draw benefits, tax credits every week • Relying on another person to do post office business is a **major impact** for 3% of people

The social impact

The social impacts for local residents are felt at three levels: inconvenience, increased dependency and the loss of an important community focal point.

Inconvenience

Typically, time now spent queuing is mentioned by almost all survey respondents as well as those interviewed earlier on. Long queues at alternative branches (usually Crown offices) are at best inconvenient and time wasting but for older people, people who are disabled and mothers with young children they can be uncomfortable, exhausting and stressful. They prevent some people from being able to use the Post Office and so effectively act as an instrument of social exclusion.

Loss of independence

One quarter of those surveyed report a loss of independence. The removal of a post office within a manageable distance means that around 23% of people now need help from another person to access Post Office services; the majority see this as having had a major impact on their lives.
This has had a knock-on effect for Social Services and the agencies they commission to support people in their own homes. According to one individual, daily professional carers who have always collected his pension and done his shopping have to travel further since

the Queen Street, Horsham branch closed. They now have to go further to use the Crown Office in the town centre (Carfax) and, once there, have encountered long queues. Carers' time is allocated in blocks of 15 minutes; if the client is paying for their care, additional time can be agreed to manage what was once a quick and straightforward task. If, however, care is funded by Social Services, extra time cannot be negotiated for this task and carers must either refuse the request (causing the client anxiety) or risk taking longer than the time allocated to one client and then running behind schedule for the rest of the day.

Loss of social hub

All the things people valued about their old post office are those they miss now. We received 316 responses to the question asking if there was anything they particularly missed about their old post office. Some people miss "<u>*EVERYTHING*</u>" but roughly half of all comments are about missing the convenience of having a Post Office close to home and roughly half mention missing the "*friendly and personal service*". In Graffham, apart from missing "*the six day service"* the village post office was missed because "*it made Graffham a real place*".

What is striking is the number of older people for whom the physical effort of getting out of the house to go to the post office when this could be combined with a small amount of shopping was enormous. It was, however, do-able and evidently worth the struggle. Now, this outing is rarely, if ever, undertaken.   Older people who have their own transport do not have the same logistical problems but they still describe missing the routine and familiarity of visiting their 'own' post office.   Quite often it is the person behind the counter that matters most – the named individuals who have always gone the extra mile to be helpful and friendly. These are the people who get to know the customers, greet them by name and are trusted by customers with their pin numbers.

The economic impact on businesses

For smaller businesses, the impact of increased time and cost to carry out Post Office business is significant. Larger businesses, it could be argued, are more able to absorb the increased costs and more able to switch to other service providers. Many smaller businesses are not eligible for the free Royal Mail's collection service because their annual postage costs are well below the current threshold which means they do not have the choice of larger businesses.   Most businesses have been only marginally affected and will survive the impact of Post Office closure but some of them who rely on the Post Office for increased footfall may not. Most are of the opinion that costs of running post office services have been transferred to them.

The impact on businesses in the vicinity of closed post offices is more significant as changed shopping habits translate into lower local spending (see chart below). Our research suggests that as individuals have to visit post offices elsewhere, they do not use the shops in the area of the old office. The only exception is in Graffham where the only local store has been rejuvenated as a community shop.

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Post Office branch

| Queen Street | America Lane | Heene Road | Station Road | Graffham |

£

- Queen Street: Pre 68877, Post 47206
- America Lane: Pre 56710, Post 29205
- Heene Road: Pre 26569, Post 16028
- Station Road: Pre 63036, Post 48576
- Graffham: Pre 35263, Post 38415

The businesses most intimately tied up with branch closure are, of course, those in whose premises the post office was located. Visits to a number of former sub-post offices in the period shortly after closure provided accounts which varied from the most positive and optimistic to the most negative and pessimistic. The removal of the fortress post office counter from the McColls convenience store in Heene Road, Worthing and the ensuing re-fit provided the space to expand into a greater range of products and a more pleasant shopping environment. Business has improved dramatically. Three independent shopkeeper-postmasters had seen the number of customers plummet and did not believe they would still be in business in 12 months based on the level of trade at that time. In each case they believed that their post office business was profitable and failed to understand why they had been singled out for closure.

The environmental impact

Although not significant, there has inevitably been an environmental impact as individuals and businesses have to travel further to the next nearest post office or beyond.
- 82% of those who continue to use a post office travel to their next nearest branch (usually a Crown office)

- But 17% go elsewhere, further afield

    – To branch convenient for work, school run, etc.
    – To avoid queues in next nearest (mostly Crown) post offices
    – To avoid finding parking space and paying to park

- Half are no longer able to walk to a post office, of which:

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- 32% now use private transport
- 15% now rely on public transport or taxi

The Post Office has lost revenue and will continue to lose customers if it does not address the issues of service quality

Although the majority of customers have transferred their business to other post offices, 11% of local residents have not and many have reduced the number of times they go to post offices. This has reduced the amount they spend.

The Post Office has lost revenue from me as a result
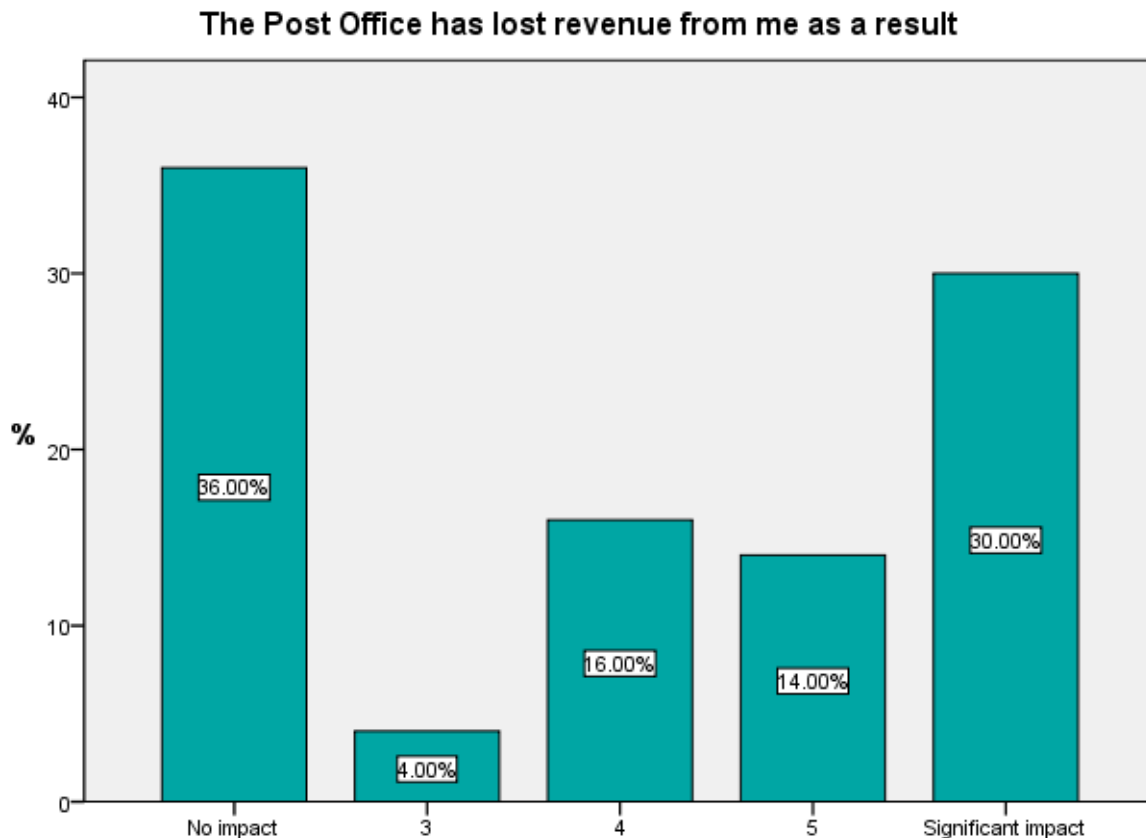
Further to this many businesses are considering using alternatives services. This would only be exacerbated by periods of industrial unrest in the postal services in general. 64 % of businesses rely on the post office for their business

Those who do not rely on the Post Office because they use online services are also in a slight minority: 43% as opposed to 57% who do not.   The key point here is that businesses (when they have the option) choose what is, for them, the most convenient way of accessing the service they need. It appears that convenience and ease of use is more of an imperative up to a certain point when cost becomes the deciding factor. Many businesses were already regularly using alternatives, some changed as a direct result of network Change, and others have indicated they will do so if the Post Office becomes the inconvenient option.

Recommendations

Our research indicates that there is considerable activity amongst local authorities that are trying to address the issues associated with communities in decline through a range of tailored initiatives. The majority of this activity is based around rural communities although there is some evidence of urban initiatives. Some of these initiatives involve the replacement of post office services through a variety of means both working with POL and, in some cases, not. The Parliamentary Report produced by the Business and Enterprise Committee on the subject of Post Offices and Securing Their Future (2009) has evaluated some of these initiatives and has suggested that local authorities should take a more significant and coordinated role in protecting the future of post offices. It is proposed that post offices become a 'One Stop Shop' for local authority services. Perhaps unsurprisingly, this view is supported by both the National Association of Sub-postmasters (NFSP) and POL . However, neither body seems to recognize that they have a role to play in terms of improving both the quality of current services and engaging in open partnership discussions.

It is our view that, whilst the Post Office is still a trusted brand, further service degradation is likely to provide an irrevocable tipping point beyond gradual decline. Correcting this will require concerted and urgent action from POL to address customer service issues at all levels within the organisation. It will also require effort to clearly distinguish the services and brand of the Post Office from that of Royal Mail.

In a number of meetings with POL and local authorities within West Sussex, service issues have been denied and attempted discussions on service renewal initiatives have been rejected. Essentially POL has proved difficult to deal with, lacks transparency and does not have a clear and unambiguous framework for engagement. They do not appear to have the partnership infrastructure to proactively take specific services to local authorities. Further to this, providing additional services through already over-loaded offices is perceived generally to further undermine current poor levels of service.

For these reasons, local authorities in West Sussex although they trust the Post Office brand are, at this time, reluctant to engage in discussion with POL re supporting existing and new services. They would prefer to focus on supporting the communities directly. The following are recommended actions arising from the research programme for local authorities within the West Sussex Region:

1. The authors do not believe that the option of re-opening a post office as per the Essex model is sustainable or cost effective within West Sussex.   However action should be taken to investigate community focused initiatives.

2.   The remit of the existing West Sussex Rural Action for Sussex Programme should be extended to include an assessment of whether integrated service delivery centres, for example, community hubs could take responsibility for providing postal services in those areas hardest hit by the loss of their post office services. In order to do this the following actions will be required:

    a. Investigation and definition of a set of 3rd party and post office mail services together with the infrastructure/resources necessary to deliver them
    b. Identification of one or more pilot hubs with the necessary community drive and support

     c. Evaluation of the feasibility of providing and consequent potential demand for such services within the pilot hub community and development of a subsequent business model

3. Extending the concept of integrated service delivery centres to those urban deprived communities most significantly impacted should be investigated as a matter of urgency.

4. Although POL has demonstrated a reluctance to engage on the subject of post office service provision, the region should pursue this discussion once more in relation to the **Post Office® essentials**^{TM} service. It may, for example, be possible to replace outreach services. The community shop at Graffham would be a good pilot location for such a service.

5. Where urban post offices have been closed, for example in Horsham and Haywards Heath, the potential of supporting the provision of 3rd party 'look-a-like' post office services should be considered.

6. On the assumption that POL demonstrates clear action to improve service quality issues across the network, local authorities within the region should work with POL to promote existing and new ways in which post offices can support local authority business.

7. Although there are no indications, currently, that the Government or POL will seek to close further post offices within the region. Should this situation change, then any such plans should be rigorously opposed.

The authors believe that, in the long term, the interests of residents and businesses are best served by a sustainable post office network and that this will require concerted effort by POL, local authorities and the business and residential communities they serve working together. The alternative total breakdown in the network would be far more costly in social, economic and environmental terms.

CHAPTER 1

INTRODUCTION TO THE FINAL REPORT

This report sets out the findings of the West Sussex Post Office Closure Impact Study undertaken by the University of Chichester and commissioned and funded by West Sussex County Council (WSCC). The substantive aim of the project was to examine in close detail the economic, environmental and social impact of Post Office closure on both rural and urban communities in West Sussex in the wake of the implementation of Post Office Ltd's (POL) Network Change Programme. Its purpose was two-fold: first, to obtain views drawn from a broad range of individuals and businesses concerning the impact itself and, second, the development and evaluation of potential support strategies for local authorities in West Sussex to consider for communities hardest hit.

Background to the study

To set the frame of reference for the research and to outline the policy context, the following information is drawn from a number of public documents.

It is generally recognised that fewer people are using Post Office branches, partly because traditional services, including benefit payments and other services are now available in other ways, such as online or directly through banks (Post Office Ltd. no date). This is increasing the level of subsidy that has to be paid to keep Post Offices open. According to Postwatch (2008), the former 'watchdog' for postal services, the Post Office network lost more than £200 million in 2006/7, and there are 4 million fewer customer visits every week compared with 2 years ago. Revenue from Government transactions fell by £168 million in 2005/6. Post Offices in rural and urban deprived areas have been hit hard by the decline in Government business.

As a result Government announced that Post Office Ltd (POL) was to close 2500 Post Offices across the country in 2008 and to set up 500 Outreach services to mitigate closures in certain rural areas (DTI 2007). This has left a Post Office network of approximately 11,700 branches.

Outreach services are where a sub-postmaster, as well as running their own Post Office, provides a part-time service to nearby communities. This can be achieved in a variety of ways, for example a van visiting communities at set times on a regular basis, or a service located within a local venue, such as the village hall, pub or shop. The services available vary depending on the particular type of outreach. For example, a mobile van can offer a full range of Post Office services, whilst 'home service', where sub-postmasters visit customers' homes, offers a limited range.

To deliver the changes set out by Government, POL divided the UK into 47 "Areas" and developed a local "Area Plan Proposal" for each, setting out its proposed changes within each area . The proposals for West Sussex were detailed in two Area Proposal Plans covering Sussex (POL no date) and also Surrey, Berkshire and West Sussex (POL no

date. Following a consultation process it was announced on 8th April 2008 that 36 branches were to be closed across the County and that 6 of these would be replaced by Outreach services. Outreach services were only provided for rural communities at this time. The closure programme was completed in West Sussex by the end of 2008 and the opportunity for further appeals is now long past. However, it is still possible that Outreach services could be reviewed and withdrawn at some time in the future.

Each of the local area plans were subject to a 6 week period of public consultation as prescribed by the Government (DTI 2007) during which time individuals and interest groups articulated their concerns over a number of anticipated negative externality effects. These have been well documented and most, if not all, plans have been fiercely and vocally resisted; the general public protest has been conducted through local and national news media as the consultation process unfolded.

Any of the "Save our Post Office" campaigns give powerful insights into the extent of public opinion and the fears surrounding the consequences of closure, especially towards those groups thought to be the most vulnerable. These are typically older people, people who are disabled and those on low incomes. The anticipated impact on businesses was voiced through organisations such as the Federation of Small Businesses, Chambers of Commerce and many other organisations representing businesses at local and national scales. Research undertaken by the Federation of Small Businesses (FSB) has shown that 82% of small businesses surveyed anticipated a significant and negative impact on their business as a consequence of the closure of their local post office. Some of those believed their business may close. Almost all (97%) agreed that the post office has a role to play in the local community and, in their recent press release, the FSB emphasised the link between post office closure and the 'death of small local shops' in a broader context of 'poor planning decisions and anti-competitive practices of supermarkets' (FSB 2008).

Interest groups concerned with rural issues were particularly concerned that Post Office closures simply added to an already burdensome weight of disadvantage experienced by rural communities.

In searching the literature for this project, a small number of so-called post office closure impact studies were identified but, on closer inspection, all were small scale projects which set out what communities were worried would happen; they did not study the actual impact felt. These were largely conducted with the aim of providing 'evidence' with which to prevent local closures. Thus, more is known about what people fear might happen and very little about what actually does happen. There is though one notable exception in the work of the New Economics Foundation (Rubin, Raymond & Taylor 2006).

nef examined a series of voluntary closures of urban Post Offices in the period 2004 to 2006 in Manchester.   The key findings from their report entitled *The Last Post: the social and economic impact of changes to postal services in Manchester* are outlined below:

- 60% of local businesses witnessed significant impacts, either to their business, to their clients and/or customers, or to the area in general following the closure of the local Post Office

- local businesses also reported difficulties in making cash deposits and other banking issues; extra costs in staff time to visit Post Offices further away; and longer queues at alternative Post Offices resulting from customer displacement

- local trade associations noted the knock-on impact of reduced footfall on shops located in the vicinity of the closed Post Office, with the businesses themselves reporting significant loss of custom

- 76% of people surveyed by nef and Manchester City Council said that they would be affected by the closure of their local Post Office

- and it is not just individuals; local groups affected by Post Office closures included schools, the University, and local community groups

The real impact of Post Office closure was revealed in the survey of those living near Post Offices that had closed:

- 53% said that it was difficult logistically and financially to travel to Post Offices further away

- 50% of local people surveyed in the vicinity of just one of the closed Post Offices in Manchester, in Gladeside, now buy groceries elsewhere – with significant implications for local traders

- people were also concerned about the loss of a community meeting place – 33% of Post Office customers in urban deprived areas are retired, 14% are unemployed, 10% are carers, and 7% are long-term sick or disabled people. 20% of customers obtain services for other family members, friends, and neighbours

The 2006 nef report has been cited on numerous occasions as evidence on which resistance to closures has been based; indeed, the concerns of West Sussex County Council have been validated by the strength of this evidence.

In the post closure period, a number of initiatives have emerged which seek to mitigate the impact on local communities. Perhaps the most well known of these is what has come to be known as the Essex Model. It should be noted that, prior to and outside of the NCP, there were a number of initiatives set up to get services back into communities. These are concentrated almost wholly in rural communities. The most well known of these, like Essex because of the amount of publicity it received, is possible the community shop at Brockweir.   These examples may be considered to be almost at opposite ends of the spectrum with reference to the necessary level of financial support from county and district councils. In Essex, the County Council has committed to a three year grant funding package of £1.5 million as part of its short term strategy to support communities where the post office was closed as a result of the NCP. Further, it proposed a radical long term strategy which would see a split between POL's commercial assets (its products and national contracts) and its community assets, namely the branch network. This is the way they believe all future post office services should be provided by allowing POL to concentrate on its commercial activities and local authorities to act as stewards of the post office branches.

Brockweir, on the other hand, is a particularly good exemplar of the community enterprise approach in which the initiative originates at the grassroots level and the local community, with support, seeks funding to realise their aims. A constellation of funding sources was secured by the Brockweir community, the Forest of Dean District Council included, to reach the £400,000 total cost.   £70,000 was raised by the local community in donations, a

community bond and 'contributions in kind'. It has now completely or very nearly paid off all its loans. The Brockweir shop provides some post office services although it does not have post office status or a sub-postmaster overseeing its activities. Instead it offers a complete postal facility including parcel collection made possible because the shop pays business postal rates. It is then a registered collection point with a set of scales that indicate the correct postal charges and a secure post box is located on the premises.

There are many other examples – too many to list – but most have websites outlining the structure of the initiative and the process by which it was achieved with links to the various agencies involved in their development and funding. None though resemble the scale of the Essex model.

Both the members and the executive of WSCC had serious concerns that post office closures would have a significant impact on the rural and urban communities affected in West Sussex. They were also concerned that this may only be the beginning and that more closures will follow over the next few years. It is believed that decisions were taken on a narrow, financial base that ignored the broader social, economic and environmental impact on communities whose identity and access to services is being damaged by a range of other factors such as school closures, cost of housing, growth of 'out-of-town' shopping etc.

The period of consultation over the Area Plans gave WSCC little time in which to construct a considered response backed by substantive evidence. At that time, it was thought likely that further closure programmes would be announced and they were anxious that, in such an event, they would be able to respond with supported evidence of the impact on communities. Further, and importantly, they were committed to identifying how best they could support those communities impacted by the closures. As a result, WSCC commissioned the University of Chichester to undertake this impact study of the Post Office closure programme across the county with a focus on three main areas of impact: social, economic and environmental.

This research is significant in that the evidence presented in this report relates only to what *has* happened as a consequence of Post Office closure rather than what people *fear* might happen. The focus is, of course, on how the loss of a local branch is experienced but the findings also emphasise the importance of understanding the role of receiving branches. By the time the project was underway, all branches named in the Area Plans had closed and all replacement outreach services were up and running.

The report is set out in 7 chapters. This, the first, has introduced the project and provides a background to the study. The second brief chapter gives an overview of the research methods employed and a rationale for the selection of six case study locations where a post office branch had closed. A more detailed rationale can be found in the appendix. It also describes the two questionnaire surveys that were distributed across the County and the response to this and resultant samples.

Chapter 3 presented the results of our inquiry concerning the pre-closure period; how people accessed their post offices, which services and products they used as well as the value that the Post Office provides to both business and non-business customers. We pay particular attention to the social role of post offices and explore the meaning that local branches have for the people who use them. Chapter 4 turns to the post-closure period and reports the findings which relate to the changes that had to be accommodated and the impact that the closure programme has had on individuals and communities. We focus mainly on the economic and social impacts but the environmental impact is noted; it is

though very much more difficult to measure and we can only give a broad impression of this aspect of closure.

In Chapter 5 we take what has been learnt of the past and present to consider ways in which impacts can be mitigated. Information was gathered from all users of post offices to contribute to this debate and a workshop was convened in October 2009 to discuss this information together with examples of interventions elsewhere with WSCC and other key stakeholders across the County. Chapter 6 identifies the main themes of this research from which conclusions are drawn. Chapter 7, the final chapter sets out the recommendations made to WSCC.

CHAPTER 2

RESEARCH METHODS: OVERVIEW

The aim of the research was to investigate the social, economic and environmental impacts of Post Office closure on communities across West Sussex. To achieve this end, the overall research framework adopted a case study approach which employs a range of research methods to provide both quantitative and qualitative evidence. The strength of this reflexive design meant that the project could be adjusted to respond to new information as it emerged.

Using mixed methods (triangulation) of data collection and analysis ensured multiple sources of evidence to take into account the real life - social and spatial/geographic – contexts that interact with the effects of closures. In doing so, the validity of the individual methods as well as the overall approach is reinforced. The case study approach meant that a range of research methods could be employed to provide an in-depth picture of each case and to identify similarities and differences between places and groups.

Data collection was made up of 3 phases as follows.

Phase 1: orientation and identification of key issues

Orientation involved visits to many locations across the county where branches had closed in order to, first, select six as case studies and, second, to identify through individual and group interviews the principal issues arising from closure which could then be incorporated into two major questionnaire surveys. This was achieved by carrying out fieldwork in a variety of settings, for example:

- Age Concern day centres across the county
- Chichester Chamber of Commerce
- Arun Business First
- businesses in close proximity to closed branches
- businesses in which a sub-post office was located before closure
- local residents in neighbourhoods in which a Post Office branch had closed
- Downlands Housing residents association meeting (Worthing)

Phase 2: impact assessment

Phase 2 of the study was concerned with the piloting, construction and distribution of two questionnaire surveys.

An online questionnaire survey of West Sussex businesses was launched initially through the Federation of Small Businesses (FSB). A mass email was sent to the entire West Sussex membership with an invitation to take part in the project. A further invitation was sent to businesses via District Business Development Managers in West Sussex.

A postal questionnaire was distributed to local residents in the 6 case study locations. Over 2000 were hand delivered to addresses at these six locations. At each location questionnaires with pre-paid return enveloped were posted through the nearest households to the now closed post offices. There were three different versions of this questionnaire to capture the differences between locations. One version covered the four urban areas, each customised to name the location and the post office that had closed. Another, based on a generic model was constructed for Washington to reflect the rural location and other location specific features. The third was constructed to include an evaluation of the Outreach service at Graffham.

It is worth pointing out here that there is an important difference between the two surveys in that the local residents' survey is concerned only with those people whose local post office branch had closed whereas the business survey extends to all business users of Post Office services irrespective of whether their local branch had closedor not. This decision was based on information supplied by the business community in the first phase of the study when it was emphasized that certain impacts of branch closure were experienced across all groups and with similar outcomes. A set of questions was included to provide information specifically on businesses that had been affected by their usual branch closing.

Both questionnaires contained a number of 'open' questions – perhaps more than is usual - to elicit more detailed information and to explore individuals' reasons for holding certain views. The qualitative data elicited from these was intended to augment that collected in the first phase of the study in individual and group interviews and hence validate the interpretation of that data.

Phase 3: development and evaluation of support strategies

The work of Phase 3 was informed by the knowledge gained from the qualitative and quantitative information gathered in Phases 1 and 2. The main aim at this point was the development and evaluation of support strategies that could be taken forwards to mitigate the impact of post office closure for communities hardest hit. This aspect of the project considered two areas:

- mitigation of the impact of closure through additional support services
- future closure risk reduction strategies

This was accomplished by bringing together key stakeholders for a facilitated workshop using evidence gained from the earlier process and by drawing on case studies of support initiatives elsewhere.

Case studies sampling strategy

Based on the literature surrounding post office closure, it was considered likely that the most significant impact would be on urban and rural areas with materially disadvantaged communities: elderly, disabled people, unemployed, mothers with young children. The selection or sampling of cases was made in such a way to maximise what could be learned (Tellis 1997) rather than seeking out 'typical' cases (Mitchell 1983). Starting with the need to gain as broad an understanding as possible of the impact of Post Office closure over West Sussex as a whole, the process of selecting cases for inclusion was based on several clear rationales or range of criteria.

- That at least one case is selected to ensure coverage of the three principal West Sussex Economic Partnership regions: Gatwick Diamond, Coastal West Sussex and Rural West Sussex thus enabling the work of this project to link in to these partnerships

- That the project includes both urban and rural communities

- That communities at risk, specifically those including significant deprivation profiles (deprivation index), or higher proportion of older people were included

- Proximity to local businesses

- Different outcomes of closure – closure with or without replacement by an outreach service

Based on these criteria, the study focused on communities previously served by the following post office branches:

- Station Road, Bognor Regis (urban)

- Heene Road, Worthing (urban)

- Queen Street, Horsham (urban)

- New England Road, Haywards Heath (urban)

- Graffham (rural, Outreach)

- Washington (rural, closure)

The detailed rationale for these decisions is contained in Appendix A of this report.

The results reported in subsequent sections are based largely on the response to the two surveys and augmented by qualitative material generated through group and individual interviews.

Response to the community survey

The postal questionnaire was to have been distributed to the 500 nearest households in the 4 urban areas and Washington and 250 in Graffham. The numbers for the two rural locations were based on parish information but this proved extremely difficult in practice. As the distance from the former post office site increased, the number of households decreased and it was necessary to drive from one household to the next. The following table (Figure 1) describes how many were finally delivered and the response rate at each location. This is seen to be a reasonable return for this type of survey.

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Location	Delivered	Returned	% at location	% of total sample
Bognor Regis	500	60	12	2.4
Worthing	500	49	10	1.9
Haywards Heath	500	90	18	3.5
Horsham	500	111	22	4.6
Graffham (68 of 250undelivered)	182	50	27	2.0
Washington (132 of 500 undelivered)	368	74	20	2.9
Total	2550	434		17

Figure 1: Response to the community survey

Response to the business survey

The online business survey was initially promoted through the West Sussex Federation of Small Businesses to ensure a broad distribution across the whole county. 141 questionnaires were returned from this endeavour. Further promotion by District Business Development Managers boosted the final sample to 221.

By definition, as FSB members, the large majority of participants represent small and medium sized businesses throughout West Sussex; only 6 businesses employ more than 20 people and just under half of all respondents employ only 1 or 2 people (43%). They represent a wide variety of business types with annual turnovers in the following proportions (Figure 2):

Annual turnover	%
Less than £50,000	23.3
£50,000 to £250,000	41.2
£251,000 to £1.5 million	31.7
Over £1.5 million	4.1

Figure 2: Annual turnover (respondents to business survey)

A significant proportion (47%) of businesses operate from home with just over half operating from separate business premises. Only one or two respondents to the online survey were users of any of the 6 branches selected for case study but just under a third (29%) responded as businesses whose Post Office had closed. It was to be expected that responses from businesses whose usual Post Office branch has remained open would outnumber those affected directly by closure. The table below (Figure 3) shows how close

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post office branches were in relation to the businesses who took part in the survey. A large proportion were in very close – walkable – proximity.

Post Office location in relation to business	%
Within 100 yards	14.9
Within 1/4 mile	24.9
Within 1/2 mile	15.8
Within 1 mile	17.6
Within 2 miles	14.9
More than 2 miles	11.8

Figure 3: Proximity of businesses to Post Office branches

Statistical note

Unless otherwise stated, statistics are based on the number of responses to each question rather than the sample as a whole. In other words, non-responses are ignored. In addition, because some analyses are based on small numbers, we cannot claim that results are statistically significant.

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CHAPTER 3

PRE-CLOSURE: THE 'BEFORE' PICTURE

This chapter concentrates on the 'before' of the Network Change Programme: how Post Office services have been accessed through a local branch, how well the needs and expectations of local communities and businesses (its customers) have been met and the value Post Office users place on their local branch. It begins by examining the levels to which the various Post Office services were used and how well local branches measured up in terms of accessibility and quality of service. We then report on the value of the post office to businesses in West Sussex and its importance in generating value. In this chapter we set out the social role of the post office – its 'added value' – as described by all research participants. This highlights the perceived importance of the post office to communities and its centrality to the everyday life of a neighbourhood including the knock-on benefits it brings to nearby shops and businesses as well as shops in which post offices are co-located.

The Post Office and the business community

All businesses have some need of Post Office services and at least one third visits their Post Office every day; at the very least 44% visit weekly. In the vast majority of cases this is a sub Post Office (85%), the other 15% using one of the 9 Crown offices in West Sussex.

The table below (Figure 4) summarises the main services available at Post Offices and the extent they are used by (mostly) small and medium sized businesses in West Sussex. This clearly shows that Post Offices are predominantly used for mail related activity and this mostly for inland rather than overseas mail. There is still a demand, albeit small, for the purchase of postal orders and the facility to obtain change is useful to a quarter of those surveyed. Insurance services are the least used – 88% of businesses never use them - but all services available to businesses are used to some extent. These findings are broadly consistent with previous studies of business usage of the Post Office (e.g. Federation of Small Businesses 2006).

Despite the availability of telephone and online facilities, it is interesting that over half (56%) choose to purchase Vehicle Road Fund Licenses (road tax) from their Post Offices. 20% never use their Post Office to access this facility but the other 24% say it is unavailable at their branch. It is not possible to estimate from this information how many would have used this service if it had been available although references have been made throughout the study to the availability or, rather, unavailability of some services in smaller branches.

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Service	Every day	Every week	Every fortnight	Every month	Occasionally	Never	Unavailable at my PO	Total
Buy stamps	3	27	18	31	20	1	0	100%
Post letters	31	44	3	2	19	<1	0	100%
Send parcels/packets	12	32	14	11	28	3	0	100%
Send items special/recorded delivery	4	24	14	12	43	4	0	100%
For international post	2	8	7	11	56	16	0	100%
Collect post (not delivered)	0	1	0	6	21	55	17	100%
Paying in cash	2	10	4	5	12	67	<1	100%
Get change	<1	7	0	2	16	74	1	100%
Purchase of office supplies (eg envelopes)	0	4	2	5	39	48	<1	100%
Cash management for business	<1	6	<1	<1	8	82	3	100%
Paying bills	0	5	1	9	34	50	1	100%
Bureau de change	0	1	1	1	47	44	6	100%
Postal orders	<1	1	0	0	17	81	<1	100%
Insurance services	0	<1	0	0	8.3	88	3	100%
Vehicle road fund licensing (road tax)	0	2	0	2	52	20	24	100%

Figure 4: Business use of Post Office branches

We asked respondents if there were any other services not listed in the questionnaire that they used regularly. Responses included accessing accounts with banks that have an arrangement with the Post Office such as Lloyds TSB and the Co-op and passport services. However, the additional service most accessed is the facility for shopping in post offices which share premises with a general store. These, again, are the first of many suggestions that the co-location of a post office in a retail business has added value.

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What works for businesses: perceptions of quality of service (business survey)

Respondents to the business survey were asked to rate their experience of using their Post Office and the quality of service they received on 9 separate factors. These included time spent queuing, opening hours, proximity, ease of parking as well as the professional qualities of Post Office staff and the range of products available. The results, shown in the table below (Figure 5), indicate generally high levels of satisfaction; particularly so when this relates to the face to face service provided by counter staff. First, the table shows the distribution of scores for each factor. For example, 18% of respondents consider time spent queuing to be excellent whereas 9% report their experience of queuing to be very poor. Second, the table gives the average (mean) score for each of the 9 factors. The overall highest mean scores were given to the professional and personal attributes of staff themselves as well as the ease of accessing their branch in terms of distance. The notable exceptions to the generally high scores were parking and, with the lowest mean score, queuing.

Nevertheless, at 4.5 and 4.1 respectively, these scores could still be considered good. It would also seem that opening hours did not suit all business users. On the whole, the location of Post Offices is – or was - convenient and parking a problem for a small but significant minority. The issue of parking is, of course, irrelevant to those who were or are still able to access a post office on foot (50% of those surveyed).

1 = very poor				6 = excellent			
	1	2	3	4	5	6	Average (mean) score
Time spent queuing	9	10	15	16	32	18	4.1
Range of Post Office products/services	1	4	10	19	39	25	4.8
Opening hours	3	3	8	15	43	28	4.8
Within easy distance	6	3	5	10	24	52	5.0
Easy to park **	10	7	10	13	21	28	4.5
Staff knowledge	1	3	6	9	29	49	5.2
Staff courtesy	1	4	8	8	27	51	5.2
Staff efficiency, responsiveness	2	4	6	9	30	48	5.1
Staff helpfulness	1	4	6	9	27	52	5.2

** 10% of respondents declared this question to be non applicable to them

Figure 5: Quality of service scores

As well as those factors included in the questionnaire, respondents volunteered additional factors which they rated accordingly. Here, again, those factors identified as most praiseworthy and given the highest scores were those relating to aspects of the face to

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face service and the qualities of staff rather than on the more practical or business aspects. Clearly, if the task of carrying out Post Office business can be a pleasant rather than an onerous one then it is worth pointing out. This is exemplified by comments such as:

> *The "calm and friendly atmosphere"*
>
> *"It has a very pleasant community atmosphere"*
> *"The post lady knows my business and how it works and advises me over certain aspects"*
>
> *"Calm and friendly atmosphere, personal service"*
>
> *"As a local Post Office we met other local people and the owners were very friendly and helpful"*

It is worth stopping to consider why this might be. An increasing number of businesses now operate from home; the home is now the most popular start-up location in the UK (Jones 2008). It has already been established that very nearly half of all respondents to this survey work from home and a greater proportion responded to this open question (20.4% compared to 13.6% of businesses based in separate premises). In addition, home based businesses were more likely to point out aspects they rated positively rather than negatively.

It could therefore be argued that having a reason to leave the home during the day which provides some level of social interaction would be highly valued by people who might spend many hours a day in relative isolation. However, there is a marked difference in the way that sub-post offices are rated and valued compared to Crown offices (the evidence to substantiate this finding is presented a little further on) so, it could be the branch that makes the difference.

Conversely, a similar number drew attention to those additional factors they rated poorly and the opportunity was taken to accentuate the frustration caused by long queues in certain branches. They are the first of many references to this problem made throughout the survey:

> *'They do not seem to care how long the queue is'*

Some, citing queues as examples of poor service, point out that, in their opinion, the problem lies not with the quality of staff, simply the quantity:

> *"'Queuing caused by unmanned cashier points"*
>
> *"The queuing is only because they keep on closing Post Offices; it is not the fault of the Post Office I use!"*

It should be remembered that the majority (74%) of respondents were evaluating Post Office branches they had used both **before and after** the Network Change programme closures. It is evident from responses to subsequent questions, that time spent queuing is a real problem with material consequences for businesses but equally clear is that the problem is not a new one. Queues were problematic for a large number of businesses before the closure programme irrespective of whether their local branch was closed or they were forced to transfer to another. Thus, while lengthy queues are emblematic of the

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post-Network Change period, they have been both generic and historic characteristics of post office branches. There does, however, seem little doubt, based on the evidence gathered from all sources, that the problem has been exacerbated by the number of branches closed in the programme.

Notwithstanding the problem of queuing, the level of overall satisfaction (see Figure 6 below) based on the aggregate scores for the 9 listed factors demonstrates that the Post Office is getting it right for much of the time. However, closer examination demonstrates quite clearly that it is only sub-post offices that are rated excellent; 36% of the scores for sub-post offices were awarded 6, the highest score, but no Crown offices.
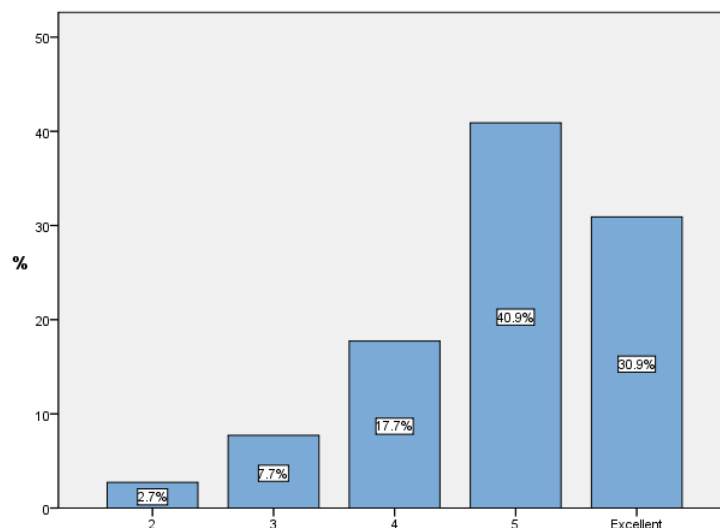
Figure 6: Overall satisfaction scores

So what, if anything, is it that businesses value most about their Post Office? Why do businesses, when they have the choice, use Post Office services in preference to those available from other providers? These two questions are addressed in turn.

The Post Office: valued and preferred

The first question prompted a response from (138) two-thirds of businesses surveyed. From this, it is evident that convenience is of paramount importance and highly valued; almost half (45%) of those who submitted a response emphasise time, distance and ease of access as having particular value to their business. Most often this is simply stated as *"proximity"* or *"location"* thus highlighting what has been identified as POL's most valuable asset: that is, the network itself and its unparalleled geographical reach (National Federation of Sub-Postmasters 2009, p.4, p.15). More explicitly:

> *"This Post Office locality to our office has been very important for the efficiency (sic) of getting post/parcels out to our clients"*

Convenience factors are followed closely by the high level of customer service available within branches:

> *"The help and very good service not found anywhere else"*

and the close working relationship with post offices such as the now closed Warnham branch where staff go the extra mile to help local businesses:

> *"If very busy with long queue I used to leave parcels at the shop counter with some cash, and when quieter, they weighed them and gave me receipt and change next time I was in. Brilliant!"*

A number of businesses also point out their preference for the face to face service of the Post Office:

> *"Local and easier to ask postmaster about services rather than find out on the internet"*

> *"Could purchase stamps on-line through our stationery supplier - but prefer the post office service"*

Three users of the Crown office in Littlehampton said they valued *"face to face dealing"* and the fact that it was:

> *"Local and friendly, they are able to help and advise on awkward parcels/packets so we can give the best service and value to our customers"*

But mostly comments from users of Crown offices focussed on factors such as the range of services, the ability to *"send my special delivery packets"* or *"depositing cash mainly"*. On the other hand, users of sub-post offices were far more likely to wax lyrical, write in CAPITAL LETTERS and heap praise on their local branch for its *"friendly service"*, *"personal attention"* and *"minimal queuing time"* whilst enjoying *"the convenience of a small post office"*.

The second question probed for an explanation of why, if applicable, some (56%) businesses prefer the Post Office but others (44%) choose alternative suppliers offering similar services.   It is useful to think of these as falling into three groups: those who do favour the Post Office, those who do not, and those who cannot.

At this point it is worth noting that many respondents do not appear to differentiate between Post Office Ltd. and Royal Mail, seeing them instead as a contiguous service and sometimes using the terms interchangeably.   Post Office Ltd. is, of course, a separate company within the Royal Mail Group.

Those who do

Many remain loyal to the Post Office because it has been found to be dependable and simply for the fact that "*it works*". For others, their continued use was because it has not, so far, let them down and there was no perceived need to seek out alternatives. It could also be because the Post Office is familiar and they have simply not thought about changing:

> *"Have so far provided for my needs"*

> *"I just haven't got around to changing"*

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"Better the devil you know"

"Don't know how to use any others! Don't need to know – Post Office usually reliable"

"No reason to change from proven service"

Once again, responses to this question reiterate the value of convenience, accessibility, ease of use and, to a lesser extent, cost. Interestingly, Post Office prices are often referred to in terms of being reasonable rather than competitive, although one respondent felt using the Post Office "*is probably cheaper*".

There are expressions of principled support for the Post Office:

"Always have done - British institution'

And that *"loyalty"* to the Post Office brand comes from a recognition of a common good:

"I support the national Post Office network, it is vital to many people, especially in rural areas"

'I think the Post Offices are an essential part of our community'

These are just two of many examples throughout the study which communicate the conviction that the Post Office is an important resource with a role to play in the social life of a community. Here, they are given as reason to choose the Post office in preference to other service providers.

Those who do not

Convenience, including *"convenience – no queuing"*, comes high on the list of business priorities and was also found to be the most common reason for **not** choosing the Post Office, even when alternative service providers are more costly:

'Pay more but easier to do business with'

Parcels which are over a certain size or weight are difficult to get to a Post Office – impossible if there is inadequate parking nearby – and couriers pick up from business premises. Businesses using companies such as DHL, City Link, Express 2000 do so because, in their experience, they are competitively priced or cheaper than the Post Office especially for next day delivery when delivery timing is critical. For some businesses, the loss of their local Post Office was the sole reason to switch to other providers:

"Since the closure, we have sought & found better alternatives"

And those who cannot

Although, for the occasional need to send a parcel, *"it is easier just to take it to the Post Office"* or "*haven't investigated other options"*, a number of respondents remind us that not all businesses have a choice in postal service provider.

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This reflects a reality for smaller businesses who believe they do not have sufficient volume to set up an account with an alternative supplier for sending parcels. There are also indications that businesses who have continued to deal with alternative providers over time are unaware of the services available from the Post Office (and Royal Mail) and vice versa.

A cross-tabulation explores the relationship with size of business in terms of annual turnover and to what extent Post Office or alternative providers are used. The results, shown in the table below (Figure 7), are instructive and relevant to discussions later on in this report.

		Use other service providers	Use Post Office
Annual turnover	Less than £50,000	26.1%	73.9%
	£50,000 to £250,000	35.9%	64.1%
	£251,000 to £1.5 million	62.1%	37.9%
	Over £1.5 million	71.4%	28.6%
	Total	43.7%	56.3%

Figure 7: Preference for using PO services or alternative service provider

There is a very clear gradient for both Post Office and alternative services: the larger the business, the more likely they are to use private service providers and the smaller the business, the more likely they are to use Post Office services. 74% of the smallest businesses use the Post Office and 71% of the largest businesses use private services.

There is a difference between choosing the Post Office and relying on it and businesses were asked to what extent they **relied** on the Post Office. Respondents were asked to indicate to what extent they agreed with the statement: ""I **do not** rely on the Post Office because I use private courier services" and the pattern of response is broadly similar to the question of preference. The results are shown in Figure 8 below:

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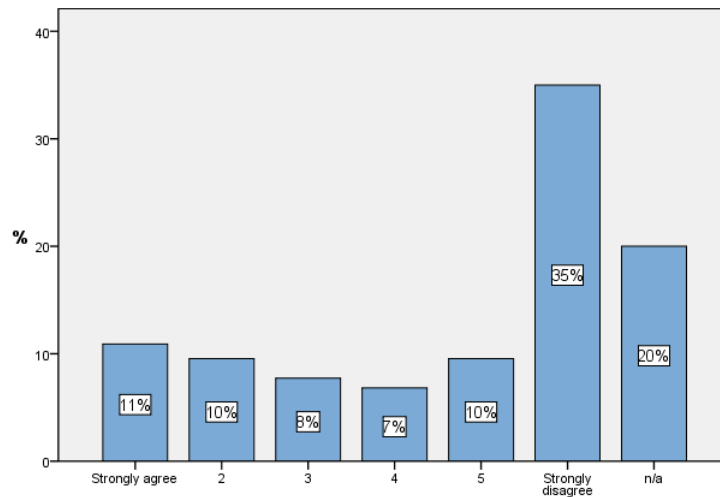
Figure 8: "I do not rely on the Post Office because I use private courier services"

It appears then that the large majority of businesses that use this type of service do, indeed rely (quite heavily) on the post office and are much less reliant upon private couriers. We posed a similar question with regards online services: those who do not rely on the Post Office because they use online services are in a slight minority: 43% as opposed to 57% who do not.

The key point here is that businesses (when they have the option) choose what is, for them, the most convenient way of accessing the service. It appears that convenience and ease of use is more of an imperative up to a certain point when cost becomes the deciding factor. Many businesses were already regularly using alternatives, some changed as a direct result of network Change, and others have indicated they will do so if the Post Office becomes the inconvenient option.

Role of Post Office and its economic importance in generating value for business (direct and indirect benefits)

To gauge how important the Post Office is in generating value for businesses, a series of statements was put to respondents and they indicated their level of agreement on a scale of 1 to 6 (1 = strongly agree and 6 = strongly disagree):

- Well over half of all businesses agree to some extent that the Post Office is essential for the distribution of their products (43% agreed or strongly agreed)
- Over 30% are reliant to some extent on the Post Office for security of turnover

A set of questions focussed attention on the location of the Post Office and possible benefits of proximity. These questions were considered inapplicable to between a quarter and a third of businesses surveyed. 8% strongly agreed that their business has benefitted by the proximity of the Post Office in terms of increased footfall and a further 12% to a lesser degree. Increased footfall appears to translate directly into increased custom as a similar proportion agreed and strongly agreed that the Post Office has brought more custom and 21% agreed that the Post Office had given their business a relative advantage over similar businesses. Few, however, advertise their business in the Post Office (in the region of 10%) but over half agree (12% strongly) that the Post Office provides access to

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official forms.   Some businesses expressed the importance of the Post Office to their businesses emphatically:

"The Post Office is at the hub of my business. I also obtain work on their recommendation to customers"

"The locals helped to rescue this post office from closure some years ago - it IS THAT IMPORTANT to us"

In summary, those factors which businesses value highly are convenience, accessibility and ease of use: these are the reasons the post office is preferred but it is important to note that they are the same reasons for going elsewhere. Nevertheless, the simplicity of one response sums up the value of the post office for businesses:

'The fact that it is there'

Local residents and Post Offices: the 'before' picture

Only 21 of the 434 local residents responding claim to never having used their local Post Office: 15 of these live in the parish of Washington.   Most though are regular and frequent users.

Service	Every day	Every week	Every fortnight	Every month	Occasionally	Never	Unavailable at my PO	Total
Buy stamps	1	25	17	22	25	10	0	100%
Post letters	9	52	6	9	15	9	<1	100%
Send parcels/packets	2	12	11	17	47	11	<1	100%
Send items special/recorded delivery	1	8	4	11	59	16	<1	100%
For international post	<1	5	6	13	49	26	0	100%
Draw pension	<1	13	1	1	1	83	<1	100%
Draw benefits, tax credits	1	6	1.5	1.5	3	87	<1	100%
Personal banking	1	9	2	5	10	73	1	100%
Paying bills	<1	10	1	17	27	43	1	100%
Bureau de change	0	1	1	2	24	63	9	100%
Postal orders	0	2	<1	3	29	66	<1	100%
Insurance services	0	<1	0	<1	7	87	6	100%
Vehicle road fund licensing (road tax)	0	<1	0	3	17	40	40	100%
Post Office savings stamps	0	4	2	2	3	88	2	100%
Christmas Club	<1	<1	0	4	1	96	2	100%
Pay in/withdraw savings/investements	<1	1	1	3	11	83	1	100%
Mobile phone top up	<1	5	1	7	19	65	3	100%
Licence, e.g. fishing rod	0	<1	<4	<1	10	86	3	100%

Figure 9: Local residents' usage of Post Office services

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As with businesses, local residents use their Post Offices mostly for mail related activity (see Figure 9). Few people claim to never use their branch for buying stamps, posting letters and parcels and interviews with people attending Age Concern day centres suggest that letter writing is particularly important to older people. So too is sending parcels to family members by post. Only 11% say they never use the Post Office to send parcels and packets which means that 89% do and 42% do so regularly.

17% use the Post Office for personal banking on a regular basis and a further 10% do so occasionally. Over half paid bills in their local branch with varying regularity and a surprising number of people buy postal orders – almost one third – on an occasional basis.

Post offices were used for significant numbers of people drawing pensions, benefits and tax credits and there are marked differences between urban and rural locations in these respects. These are set out below:

15.5% regularly use the Post Office to draw their pension, mostly every week
     83% live in the four urban areas
     17% live in the two rural areas
13% of all respondents draw benefits or tax credits from the PO, again mostly every week
     88% live in urban areas
     12% in rural areas
11% of all respondents have a Post Office Card Account (POCA)

And lastly, a significant proportion of respondents (40%) claim their branch did not have the facility to renew road tax and yet other users of the same branch claimed they used the facility occasionally.

What works for local residents

Local people were extremely happy with their 'old' Post Office and gave high scores to all 10 aspects of the customer experience listed. These included convenience factors, ease of access, time spent queuing, the professional and personal qualities of counter staff and the range of Post Office services and products available. The actual scores are provided in Figure 10 and apply to all six locations with the exception of the two items regarding locations (within easy distance and easy to park). These were not included in the Graffham questionnaire as the outreach service is located next door to the original post office. For the other five locations, however, proximity was given the highest score but parking one of the lowest. Poor availability of nearby parking at Station Road, Bognor Regis and Queen Street, Horsham would undoubtedly account for this low score. However, we do know that, before they were closed, 91% of local residents were able to visit their local branch on foot.

Once again, the personal and professional qualities of counter staff were rated very highly. The lowest scores were given to the range of products and services available within branch. The table also shows the average calculated for each factor and these are

reproduced later when they are compared to the average scores given to their 'new' Post Office and the differences calculated between the two.

	1 = very poor				6 = excellent		
	1	2	3	4	5	6	Average (mean) score
Time spent queuing	2	1	10	10	30	47	5.1
Range of Post Office products/services	1	3	13	30	32	21	4.5
Opening hours	3	4	8	18	30	37	4.8
Within easy distance	4	<1	0	<1	8	87	5.7
Easy to park	12	6	8	8	13	53	4.6
Staff knowledge	3	2	6	12	29	49	5.1
Staff friendliness	3	2	5	5	26	58	5.3
Staff ability to advise	2	2	6	11	30	48	5.1
Staff efficiency	3	2	4	8	29	54	5.2
Staff help with transactions	2	1	5	7	26	58	5.3

Figure 10: what works for local residents

Why choose the Post Office? Community Survey

Many of the services available at Post Offices are available at banks, building societies and online. Respondents were asked, if they had these options, did they choose to use their Post Office in preference to any of them? 37% said they had the choice of alternatives but favoured the Post Office, in the main, because it was so local and therefore easy and quick to access: it *"saves time"*, it *"saves travelling elsewhere"* it *"saves petrol"* and the *"hassle of parking"*. It was ideal for people who *"have trouble walking anywhere"*. These are people who options open to them but it is worth remembering that POCO holders can only access their benefits and pensions from a post office so do not have the choice of withdrawing cash from a bank, buildings society or ATM.

A few mentioned not having a computer to access online services but, at the same time, having the technology does not mean that people necessarily want to use it:

"I like using local services - online is just SO soulless"

"I prefer person to person contact over staring at a screen"

Responses indicated a strong preference for the *"face to face service"* of the Post Office, because there are *"no call centres"* and because *"it meant contact with others"*. People used the local branch because it is:

"convenient and easy to pay bills. Dislike paying bills online. Dislike banks even more!"

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The reach of the network was also noted in comments such as:

"It's closer to home and work than any of the banks I could use"

Great emphasis is put on the fact that the local service was *"friendly"* and that within the branch there was a *"heart-warming social atmosphere"* which provided the opportunity to socialise:

"Near my home.   A weekly meeting place with all the other wrinklies"

Some people, particularly in the rural locations, used their local Post Office in an effort *"to keep it going"*

"I always choose to support the village Post Office"

"Supporting the village shop (an essential part of our community)"

"Support for community – using Post Offices protects it for all and the shop from threat of closure"

These comments and others reflect a powerful recognition and appreciation of the social role of the Post Office; a theme which runs through responses to all questions where respondents were asked to write an answer. One question, however, was designed precisely to tap into this line of thought and this is examined next.

The social role of the local Post Office

Open questions are often ignored in questionnaires because they take longer to complete but two thirds of those surveyed used the opportunity to explain (sometimes at length) what, to them personally, was the added value of a Post Office to community life. These include a very small number of responses from people who:

"Can't imagine how the PO could possibly be an important part of social life"

but there are over 260 testimonies which give an insight into the vital role the Post Office played in the everyday life of these 6 locations. Many of these emphasise the proximity and therefore convenience of using their local branch.   In elaborating their reasons, it becomes clear that the Post Office is valued by individuals for very particular reasons:

"My adult mentally handicapped daughter collected benefit weekly and she was hugely supported by PO staff to do this independently. The PO was close enough to our home for her to walk to (again independently)"

"We have a six year old disabled son in a wheelchair, so it is much more convenient"

"the staff were brilliant and became friends – as I am disabled the loss of this office has had a huge influence on my life"

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"Important for meeting people when you are stuck indoors by yourself all the time with a disabled dependent"

"made me feel better"

It seems that older people, more than any other social group, valued the opportunity to meet people and have a chat but it is true to say that younger people too valued the familiarity and friendliness of the local branch:

"It is the only place in the local community where you regularly meet your neighbours and know how they are"

"The lady always remembered me & (Mandy) spoke to my children. That made us feel part of the community"

"I met a lot of friends and people that I got to know very well. Not only did this mean a lot to myself, but for many elderly people was the only time they would come out and talk and see their fellow towns folk"

"I live singly so it is contact with others"

The Post Office was also a place where people could catch up on what was happening locally. There is no shortage of evidence to support the notion that the Post Office is perceived as central to community life; this theme was clearly signalled in the early stages of the project. As one woman spending the morning at the Horsham Age Concern Centre explained:

"'It's like a focal point – a bit like the fireplace in a home"

Survey data confirms the importance of the presence of a Post Office as a social hub and, now, the sense of personal loss experienced on closure. This is true of all six locations. In Washington:

"Our Post Office certainly had a "social" role when it was situated in the village in the outbuildings of the Franklands Arms. Personally it meant that I encountered there people who I would rarely or never meet otherwise"

In Bognor Regis:

"I met a lot of friends and people that I got to know very well. Not only did this mean a lot to myself , but for many elderly people was the only time they would come out and talk and see their fellow towns folk"

In Horsham:

"The people running the P.O. became friends to everyone and people would always stop and chat including older people and those with mental health issues"

In Worthing:

"It's a way of meeting and greeting people. You'd get to see the same faces which builds a community – and passes on local issues. A general meeting place"

In Graffham:

"Since I live alone, visiting the Village Shop and Post Office and meeting other villagers there was frequently the only contact I had with them and an opportunity for a chat"

In Haywards Heath:

"The staff got to know regular customers and you felt like you were getting a personal service. If you missed your regular time when you next appeared they would make sure everything was OK. They got to know you by name which was added security on your accounts. Met other regular customers which I now rarely see"

The routines that surround individuals' use of the Post Office had direct implications for the neighbourhood and the contribution the Post Office makes to the local economy is examined next.

Benefit to local economy – knock on effect

All six Post Offices were located within other shops and people using the Post Office would generally spend money in the shop at the same time. The amounts and frequency vary enormously but it is clear that the shops benefitted on a regular basis from custom generated by the Post Office. The chart below on the left (Figure 11) shows how regularly Post Office customers used the co-located shop: almost half of all respondents (47%) always or most times used the shop and a further 43% would sometimes. In the four urban locations, the Post Offices were in close proximity to a number of other shops and businesses and it is evident that they too enjoyed the knock-on benefit of proximity.
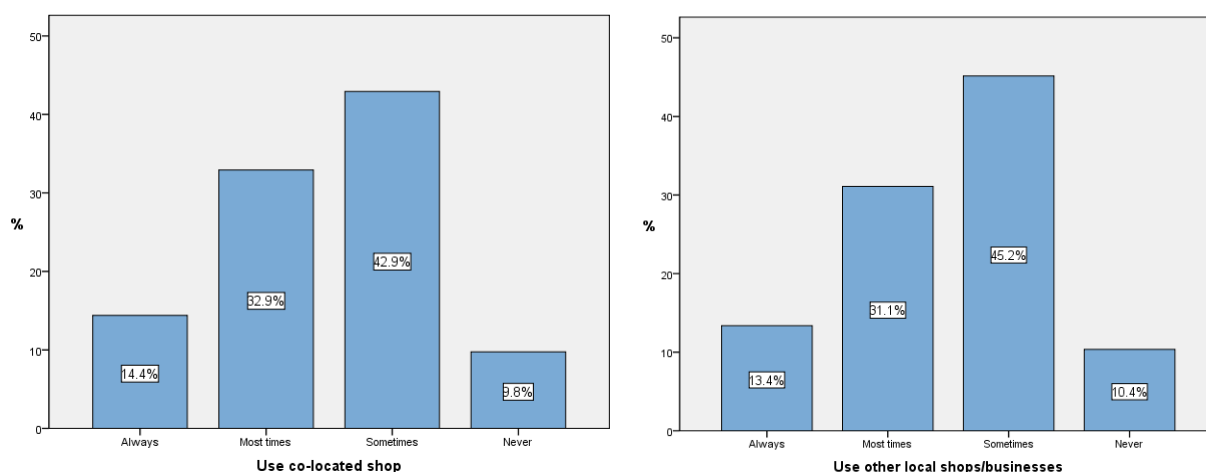
Figure 11: use of co-located shop and other local shops/businesses (pre-closure)

The chart on the right shows that nearby shops and businesses benefitted too with 44% of Post Office customers using them every, or most times they visited the local branch. A further 45% used them sometimes. Thus, only 10% never used the co-located shop and,

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in the urban locations, 10% said they did not use other shops and businesses nearby. This picture changed significantly following closure of the local Post Office and in the next chapter we report on annual local spend at each location in both the pre- and post-closure periods.

Before turning attention to the post-closure phase, it is worth making a summary statement to conclude this section: very simply, Post Offices in all the local communities were valued because they were convenient and the branches themselves provided a friendly, helpful environment which people enjoyed using. Each one contributed to the social life of the neighbourhood - urban and rural – and functioned to benefit other businesses nearby by keeping trade local.

CHAPTER 4

POST-CLOSURE : THE 'AFTER PICTURE'

At the very least the result of closures is to re-draw the geographical pattern of access and, in this chapter, we examine how changes to the network have been experienced by post office users and their response made to them. Change means that new routines have had to be accommodated and we learn how businesses and local residents have made these adjustments. The essential task, however, is to establish to what extent these changes translate into impacts: economic, social and environmental. Within each category of impact we examine what this means to both business and local resident communities. We start by outlining where customers of closed branches now go, first business and then residential users.

Network Change: where now?

Businesses who responded to our survey fall into two groups: the large majority (75%) of West Sussex businesses continue to use their usual Post Office but the focus here is mainly on the smaller group whose usual branch was closed in 2008. 94% of these continued to use Post Office services by transferring their custom to another branch but only 68% of cases have migrated to their next nearest. A small number did not know whether their new Post Office was, indeed, the nearest.

We were prompted to pose the question whether customers (both business and domestic) automatically migrated to their next nearest branch in the early part of the project when we learnt that this was not necessarily the case: in many cases it proved more convenient to travel further afield. Confirming these earlier findings, results of the business survey tell us that by far the most common reason to avoid the next nearest branch is to avoid the unacceptably long queues there. This comment, typical of so many, relates to the Crown Post Office in the centre of Worthing:

> *"Very long waiting times at Chapel Road WORTHING. Poor impersonal service. I avoid it if I can"*

To a lesser extent, businesses avoid the next nearest branch because parking was found to be difficult or parking involved a cost, it was too far in the wrong direction to, say, going home, the closest branch was *"not as friendly",* or the respondent had a *"dislike of staff".*

Local residents at the six locations surveyed form a single group in that they had all seen their local Post Office branch close. Discounting the 21 respondents who report never having used their local branch, 89% continue to use Post Office services either by going to another branch or by using the Graffham outreach service. This does, of course, mean that 11% of all residents no longer use a Post Office following the closure programme.

At the 5 locations where no outreach service has been provided, Post Office services must be accessed by visiting an alternative branch. 85% now go the next nearest and this is more than likely to be a town centre Crown Post Office for those living in Horsham,

Haywards Heath and Bognor Regis (between 80% and 85%). However, those who used the Heene Road, Worthing branch are far more likely to use one of several sub Post Offices rather than the Crown Office in Chapel Road. Washington residents are also more likely to use a sub post office in one of the neighbouring towns or villages (94%).

One third say this has made no difference to how often they visit a PO but almost two-thirds say they now go less frequently. A small number claim to have increased the number of times they use the Post Office (see Figure 12).
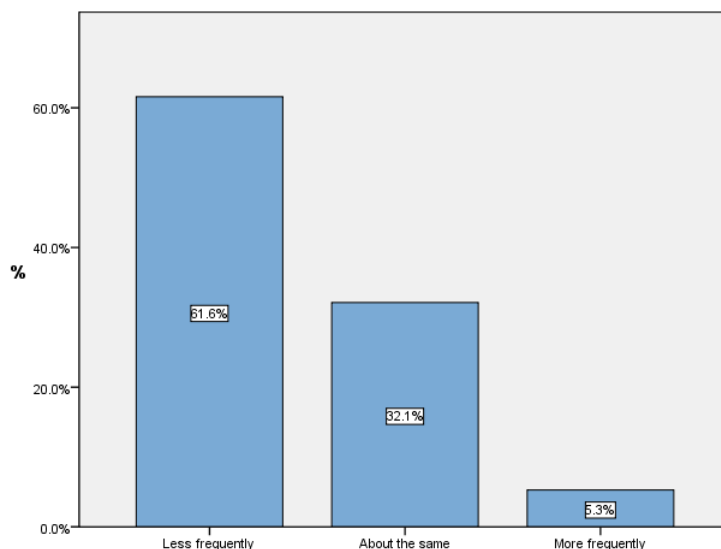
Figure 12: Use of the new PO vs the old

Changing to another branch: the 'new' Post Office vs. the 'old'

Businesses and local residents affected directly by closures and forced to switch to another branch have had to manage a variety of changes: those which relate to getting to the new Post Office and those which relate to the experience of using the branch itself. Respondents to both surveys were asked to evaluate their 'new' post office in much the same way as the 'old' in the previous section. We begin with how businesses evaluated their 'old' and 'new' Post Offices

The table below (Figure 13) shows how the new Post Office compared to the old across the set of indicators described earlier. On the whole, the change has not been seen in a positive light but there are clear differences in perceptions which relate to the location of the new branch (largely negative) and those which relate to the service offered at the branch (largely the same or even better). There is one very obvious exception to the latter, namely time spent queuing. This was significantly worse than previously for 73% of businesses.

The single factor which seems to offer an improvement has been the availability of a wider range of products and services. Just over half reported no difference but almost one quarter thought the range was better or a lot better in the new Post Office. On the whole, respondents had noticed no change in the opening hours of the new branch compared to the old.

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	1 = a lot worse 3 = about the same 5 = a lot better						
	1	2	3	4	5	n/a	
Time spent queuing	60	13	19	4	0	4	100%
Range of Post Office products/services available	3	6	54	13	13	11	100%
Opening hours	4	7	71	7	6	4	100%
Within easy distance	34	37	16	4	4	4	100%
Easy to park	36	21	19	6	9	10	100%
Staff knowledge	6	11	63	9	6	6	100%
Staff courtesy	9	17	54	10	6	4	100%
Staff efficiency, responsiveness	10	17	51	12	6	4	100%
Staff helpfulness	7	17	54	11	6	4	100%

Figure 13: Comparing the 'new' Post Office with the 'old' (businesses)

The various professional and personal qualities of counter staff, rated highly in the previous section of the questionnaire, are perceived, in the main, to be no different in the new branch. On the staff knowledge factor the proportion of businesses perceiving an improvement in the new branch is roughly the same as those who perceive a decline. On the other counts, there is a slight tendency towards negative perceptions and, in particular, helpfulness seems to be slightly lacking in the new Post Office.

As already stated, the most noticeable change in experience is the time now spent queuing. This affects three quarters of those who have been forced to change to another branch and most of those severely. 19% reported no change and only 4% of respondents' experience of queuing had improved.   Clearly this involves a comparison of one branch to another but respondents whose Post Office remains open also report a significant change in their (same) branch; a comparison over time. This larger group were asked if they had noticed any change in how they experienced using the Post Office or whether the quality of service had noticeably changed over the last 12 months. From the response to this question, it is evident that the closure programme has put pressure on the remaining branches with just under half (46%) reporting noticeable changes over this period.

20% had noticed their branch had become noticeably busier;

"Number of people using this facility has increased"

A further 46% made direct reference to the increased time they now spend queuing, complaining that:

"The queuing time has doubled ... and the staff stressed at the unacceptable level of clients, forced by closure of four post offices just outside town"

"Longer queues as more people are forced to use the remaining PO"

In these and other statements like them, there seems little doubt in the minds of most businesses that the negative changes witnessed can be attributed directly to the closure of other branches. At the same time, emphasis is placed on the **imposition** of the closures.

A very small number attribute the increase in customer numbers in their branch to other factors, such as:

"More support from the village community in order to keep it open" (Lintot Square, Southwater)

"Has been modernised at the same time as other branches in the town were closed" (Worlds end Burgess Hill)

"Recently updated/refitted, seems to have attracted more customers" (Roffey, Horsham)

A similar picture emerges for non-business Post Office users. For local residents 'new' Post Offices do not, on the whole, compare well with the 'old'. Figure 14 below compares the average (mean) score for each item and calculates the difference between the old and the new post office. It does not include users of the Graffham outreach service as we evaluate this as a separate issue later on.

	Average (mean) score 1 = very poor 6 = excellent		
	'Old' Post Office	'New' Post Office	Difference
Time spent queuing	5.1	2.7	↓ 2.4
Range of Post Office services, products available	4.5	5.0	↑ 0.5
Opening hours	4.8	4.4	↓ 0.4
Within easy distance	5.7	2.9	↓ 2.8
Easy to park	4.6	2.7	↓ 1.9
Staff knowledge	5.1	4.8	↓ 0.3
Staff friendliness	5.3	4.2	↓ 1.1
Staff ability to advise	5.1	4.7	↓ 0.4
Staff efficiency	5.2	4.6	↓ 0.6
Staff help with transactions	5.3	4.8	↓ 0.5

Figure 14: Comparing the 'new' Post Office with the 'old' (local residents)

On all aspects, 'new' Post Offices were evaluated less favourably with the one exception of range of services and products which appeared to be marginally better in the new branch. This and the similar evaluation by business users is most likely explained by the transfer to a Crown office. Distance and queuing times are evaluated particularly poorly at the new Post Office followed by parking.

The increased distance also means that the number of people who are able to walk to their Post Office has almost halved. 79% of people say that it now takes longer to carry out their Post Office business and almost two-thirds of these say this has been a major impact. As everyone, except Graffham residents, must use a branch which is further away than

before, it follows that extra time is needed to get there. This is compounded by the length of time spent in the branch queuing.

Again there is consistency with the business survey in the way that local residents score both the old and the new Post Offices in that factors directly linked to the person behind the counter are generally given higher scores than any other aspect. Although staff in receiving branches are scored fairly highly on their professional and personal qualities, staff in the local branch were perceived as slightly more knowledgeable and efficient, slightly more able to advise and to be helpful with transactions. The gap between the two widens in respect of the perceived difference in their friendliness, a factor cited in very many written comments from this survey in particular but also from the business survey.

That people – businesses and local residents – would have to accommodate change was a given and, for some of those affected directly by post office closure, this has meant little more than an inconvenience, albeit an irksome one. However, it was widely anticipated that accommodating change would translate into significant impacts for certain groups and these have been outlined in the first part of this report. This section now moves on to evaluate those categories of impact set out in the research brief as we address first the economic impact of post closure, followed by the social impact and then the environmental impact.

ECONOMIC IMPACT

The major focus in this section is the economic impacts – direct and indirect – on businesses. These are all perceived as costs but they are costs which local residents must put up with too as longer and more difficult journeys are negotiated.

West Sussex businesses

In the early, exploratory, part of the research it became clear that the changes to the Post Office network had had negative consequences for West Sussex businesses. It was clear too that impacts of branch closure were many and varied and that provision should be made in the online survey to capture this complexity. Based on these earlier findings and substantiated by the more wide-reaching scope of the survey, it is helpful to differentiate between those perceived as direct impacts and those which operate indirectly.

Direct and indirect impacts

Direct impacts are both operational and economic. Operational impacts are those which involve the loss of Post Office services accessed for business and having to move to another branch or set up alternative services. Economic impacts have been identified as those which relate directly to the process of generating value.

Impacts are termed indirect and economic when linked to the capacity of the Post Office to draw customers to a locality where other shops and businesses benefit. Work encroaching on leisure time is a psychosocial stressor which can be considered another indirect impact. The diagram below (Figure 15) illustrates how they have been schematically organised for the following analysis which is based largely, but not

exclusively, on information obtained from businesses whose usual Post Office had closed in 2008.
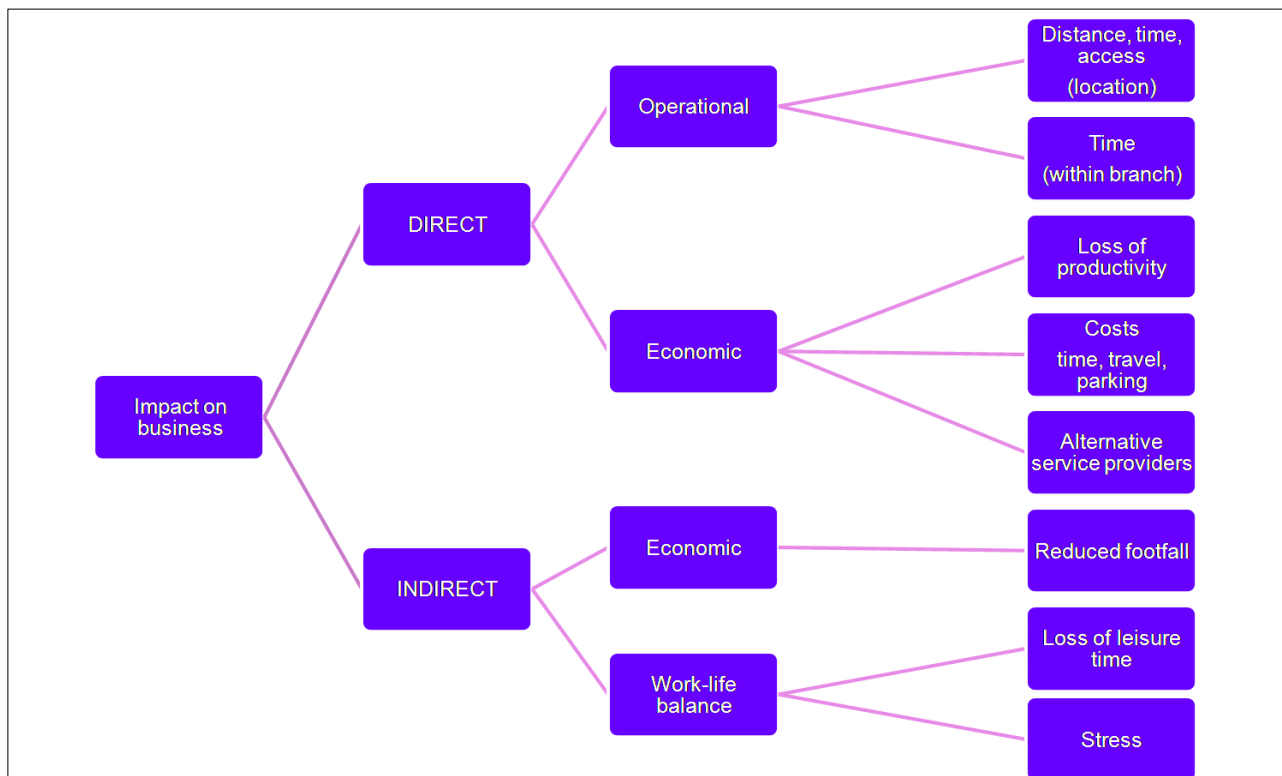
Figure 15: Direct and indirect impacts on West Sussex businesses

Operational (direct) impacts

Almost all businesses whose local Post Office has closed report having suffered at least some level of inconvenience. This is generally a matter of the increased distance and therefore time now required to undertake routine tasks but, for many, this is construed as a significant new or additional cost and the cause of considerable concern when long queues are factored in. In addition, businesses, in particular those who rely heavily on Post Office services for sending parcels and special delivery mail, now face a set of practical problems which have, to a lesser or greater degree, financial and work-life balance consequences.

As someone pointed out, it is not possible to *'tend to business and travel to [a] further Post Office'* at the same time and, in this section, the focus is on examining how businesses have changed their processes/work practices to accommodate Post Office closure.

The two charts in Figure 16 below convey the strong message that being forced to use a new Post Office has had severe consequences in terms of the time it now takes to carry out routine postal tasks. This has impacted on respondents' own time and that of their staff.
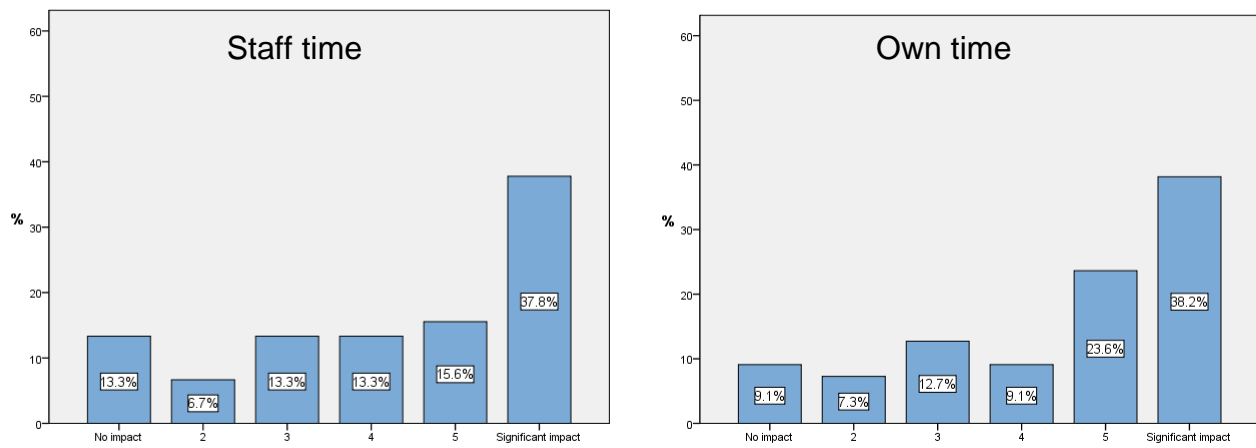
Figure 16: Post closure additional staff and own time

This comment sums up the situation for many very well:

"It is now a major effort taking a lot longer for what used to be a simple quick task"

Others tell us that 'what would have taken five minutes now means at least 40 minutes out of the office' and that 'collecting parcels means a specific planned trip, rather than just as passing"

"Staff have to leave work every day to get into town"

The scale of these impacts is clearly demonstrated in the two charts. Almost 40% of businesses employing one or more members of staff say that the additional staff time now required has made a significant impact on their business; the same goes for respondents' own time. The fraction who claim to have suffered no impact at all in terms of additional time is very small on both counts.

Changing to another Post Office is not just a question of distance: businesses who distribute their goods by post (58% of the survey sample) have to be able to physically handle the items so they need easy access. The exceptions are the minority of businesses who either pay to have mail collected on an ad hoc basis or, because they spend over £15,000 per year with Royal Mail at the point of collection, qualify for free daily or regular pick-ups. Several traders with online or eBay businesses commented that sending parcels from the Post Office has become increasingly difficult and one claims that their branch is reluctant to accept bulky parcels because of the space required to store them while awaiting collection. On occasions they have been turned away. Another who felt badly treated by the Post Office pointed out that they regularly spent large amounts in their branch but the business they brought was not appreciated.

Some businesses who distribute their goods by post have tried and failed to use town centre Crown offices. These testimonies are typical of so many:

"I [now] have to drive to drive to Central Horley, pay for parking and queue up for between 15 and 45 mins, thus I'm paying extra parking charges, as obviously one has to overpay or be subject to a default fine, waste a load of time, increase congestion, and thus pollution, and use up parking which I would have thought better used for people needing to access Horley per se"

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"I can no longer pop out for 5 minutes to deal with the post. I now have to drive and often the queue can be 15 minutes or more in my new local PO and worse still in Shoreham main Post Office"

There seems little doubt that the impact of local closure is compounded significantly when the alternative is a Crown Post Office in a busy town centre. Queues spilling out into the street seem to be commonplace in Chichester, Bognor Regis, Worthing, Horsham and Haywards Heath. Business users of these Post Offices accept that probably there are times when there are no queues to speak of but that this is unpredictable:

"40 min is not unusual and it is difficult to judge what is the best time to attend to PO counters"
"Can no longer "just pop out" I need to make time, the length of which I cannot gauge"

On this point there is some dissonance between the problem of queuing as it is seen by businesses and the problem as seen by representatives of Post Office Ltd. (POL). Our research findings relating to queues were shared with POL at a meeting between themselves, WSCC and the University. If understood correctly, their view is that every branch would have busy and relatively slack periods in any one day and that the problem of queuing can be avoided by taking advantage of quiet times. This essentially places the responsibility for addressing this issue with the customer, not POL or the individual branch. They did not agree that this is impossible to predict with any certainty. There are, though, a small number of references to branches which have undergone refurbishment in recent months which does seem to have made an improvement.

It is, however, this uncertainty that has prompted several businesses to avoid Crown offices altogether and seek out-of-town alternatives. The main problem with these smaller branches is the fact that many close for lunch, have half day closing or operate slightly reduced hours. They may involve a longer drive too but there are a number of advantages which have proved a worthwhile trade off to people in business: ease of access means less non-productive time, parking is usually free, being able to park near to the Post Office means that carrying heavy or large numbers of parcels is more manageable and service is usually quick:

"The most local office has become so busy at times that I travel further to a less used one"

" post office is 4 miles drive ... branch 2 miles away is ... without parking and [has] poor customer service"

"We used to use the post office in town [Chichester] but it is just too busy now and takes too long - one just down the road a lot easier for posting as not so busy"

We were also told by several businesses that they carry parcels around, sometimes for days, until they happen to find a Post Office where they will not be kept waiting for service. The consequence of this strategy is to delay the despatch of business mail.

Economic (direct) impacts: time and cost

Economic impacts are described as consequences of operational impacts. Increased time spent away from the business means loss of productivity and in the case of, for example, shopkeepers working alone, it means having to close for business. The increased time involved varies, of course, but people are now reporting anything up to an hour and a half round trip as a matter of routine to deal with their Post Office business. A Chichester accountant has estimated that every trip to the Post Office, if he makes it himself, represents a cost of £50 to his business for each visit.

A large number have changed their business processes to accommodate issues created by Post Office closure and 23% describe the changes they have made as significant impact:

> *"delays in delivery times because of time it takes to be able to post. Sometimes several days before I can get an item posted"*
> *"Yes as the increased time to post items has to be fitted in to a busy day"*

and businesses cope in a variety of ways including:

> *"one person leaves early at least once a week to go to post office"*
> *"use couriers"*

In an early focus group meeting, one internet-based business that mails parcels three times a week to ensure a 3 day delivery was considering reducing the service she offers and extending her guaranteed deliver to 6 days. Other businesses reported switching to an alternative service provider for distributing goods and survey results subsequently suggest that businesses are more likely to take this route than reduce their service. 18% of survey respondents said they had changed to private couriers following closure of their local branch because it was the *"only option"* and to varying extents:

> *"Very significant change for national parcel delivery"*
> *"Always used these anyway but occasionally send more small items which don't fit in mouth of mail box"*

However, this can mean a more expensive and sometimes less reliable option. The notable corollary of switching to private service providers is that Post Office Ltd. has lost business as a direct result of branch closures and there are strong indications from the evidence gathered for this study that it could continue to lose business:

> *"use Paypal a lot more, and online ordering, try to create as little secure surface mail as possible"*

Not everyone has the choice, however. The barber who has to shut his shop for an hour to attend to his Post Office business is an example of a small business having to offer a reduced service because other options are not open to him. In his case there is no alternative if he urgently needs more change or if he needs to post off his equipment for servicing or repair.

> *"if it's a Wednesday or Thursday morning when I'm on my own I have to put a note on the door saying back in half an hour you know, because I have to go up to town, park, pay to park, then go to the Post Office or the bank, queue in both of them or*

whatever and then get my money to come back down, you know, and it's just been an absolute nightmare"

As many as 19% *"have had to change opening hours in order to get to the post office"* or have to close their shop or business to visit the Post Office.

"Yes - instead of closing the office for five minutes to pop down the road, the office can be closed for up to an hour depending on queues in the Post Office"

The extra time involved in carrying out their Post Office business means that respondents or their employees are absent from the business for very much longer, often by leaving work early. Not everyone says how long the task now takes but, when an estimate is offered, 40 or 45 minutes (compared to 5 or 10 previously) seems to be the time most commonly reported. Put into context, based on a 7 hour day, this represents around 10% of one person's working day. The length of absence depends largely upon the length of the queues in the Post Office and, because they are unpredictable, enough time must be allowed in case the queues are long. In 18% of cases, this has this meant additional staff wages/salary: 9% say this has made a significant impact. The majority, however, have resisted paying for extra hours to cover the time now needed for Post Office visits:

"I do not use staff to access post office services any more, it's too expensive"

The impact of time spent getting to the Post Office and then waiting in long queues takes its toll in a number of ways:

"calls are not answered whilst I'm out"

Having to now close their shop or business to visit the Post Office has had a significant impact on 20% and all the hassle that this entails:

"Have to drive further, almost into town with the parking hassles that entails"

"I can still walk there, but it takes longer, there's no point in using a car, nowhere easy to park"

Most importantly, though, the time spent travelling further and then queuing for anything up to 45 minutes has directly resulted in significantly reduced income in just over 3% of cases. Businesses explain how this is:

"miss calls from potential customers as travelling to Post Office takes a lot longer"

"'yes due to time queuing"

"production stops if the production manager leaves early to take post on his way home"

"have had to change opening hours in order to get to the Post Office"

"'yes, as the increased time to post items has to be fitted into a busy day"

"Yes, one person leaves early at least once a week to go to the Post Office"

A further 6% say they have been impacted to a lesser extent:

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"'from loss of production which can be made up, so slight effect"

One Bognor Regis business customer of the now closed Station Road branch had cut down the number of post office visits and says:

"As visits are less frequent, more care has to be taken to check cash flow"

Three-quarters of businesses whose Post Office had closed said that the question of having to pay for parking at their new branch was of no consequence to them. The remainder, however, said that this factor had made a significant impact.

At least 35% now require the use of a vehicle to do their Post Office business which incurs additional cost:

"Instead of walking, I have to use my car at extra fuel expense and wear and tear to vehicle"

and two-thirds of these say that this is a significant impact for them:

"obviously uses fuel - and often have to make repeated trips because don't have time for the queues"

Parking is problematic, firstly, because it is difficult to find and, secondly, because it represents another added cost. There are several instances where businesses have paid for time they have not needed because time spent queuing is unpredictable.

"Queues are longer, service is slower, quite often it takes over 20 minutes for a simple service and as you have to pay parking, you stand the chance of being clamped unless you pay for 40minutes"

"CAR PARK CLAMPING IS OVER DONE AT £120 a time and if you queue over your 20 mins it's too expensive so we sometimes drive 3 miles to Wisborough Green to avoid clampers"

Or,

"I use 5 or 6 different post offices ... I go to the one that has less queues, easiest parking, most polite and efficient staff. If I have to queue I am wasting my time which ultimately costs me money"

There is little doubt that the fundamental issue for all businesses is that time spent queuing is time wasted with hard economic consequences. Economic impacts are also experienced indirectly by businesses for whom the relational proximity of the Post Office had previously had a beneficial knock-on effect.

Economic (indirect) impacts

In the first phase of the study, it was found that businesses located very near to recently closed Post Offices had noticed significantly reduced footfall: shops, take away restaurants, hairdressers and so on. In the four urban case study locations, each Post Office was located in a parade of various shops and businesses which benefitted from the

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footfall generated by the Post Office. In Haywards Heath, the America Lane branch was closed where:

"a lot of customers would come in on their pension day after going to the Post Office or they'd go and get their benefits or whatever they were getting from the Post Office - they would use the Post Office, they would use the chemist, they would use … Because people come to the Post Office and do it all in one hit. You know, they'd do the whole lot in this little row, you know, of shops and now they can't. So if they've got to go up town for the Post Office they go uptown for everything. They're not going to go there, there and there - you know - north, south east and west - they're gonna just go to that middle area. So, it has had an effect, it has had an effect"

Across the locations, two fish and chips shop proprietors had noticed that their lunch time takings were down significantly, one estimating this to be in the region of £200 a day. Two chemist shops, two butchers, a hairdresser, barber, and several others have lost custom which they attribute to the closure of the Post Office. There are others who are more cautious and point out that in the present economic climate it might be difficult to apportion 'blame' accurately.

This consideration would only apply, of course, to businesses in close enough proximity to have benefitted in this way and the online survey captured only a very small number of businesses in this situation.   Nevertheless, evidence for reduced footfall and consequent loss of custom comes more convincingly from the survey of local residents as well as evidence from earlier testimonies. In both, people describe having adopted new routines and different shopping habits which have reduced their local spend as they have literally changed where they go. However, the statistical evidence is even more compelling.

In the 4 urban locations there has been a marked reduction in the amount people use the local shops and businesses as they have literally changed where they go. Post-closure, a quarter of all people surveyed say they never go to that part of the neighbourhood where the Post Office was located anymore. A further half say they go slightly less often; the rest, the other quarter, say they go there about the same.

A subset of survey questions asked respondents to tell us how much they normally spent altogether in the local shops and businesses before the Post Office closed and since. The chart (Figure 17) below illustrates very clearly the evidence to back up reports from local businesses that trade has been adversely affected.

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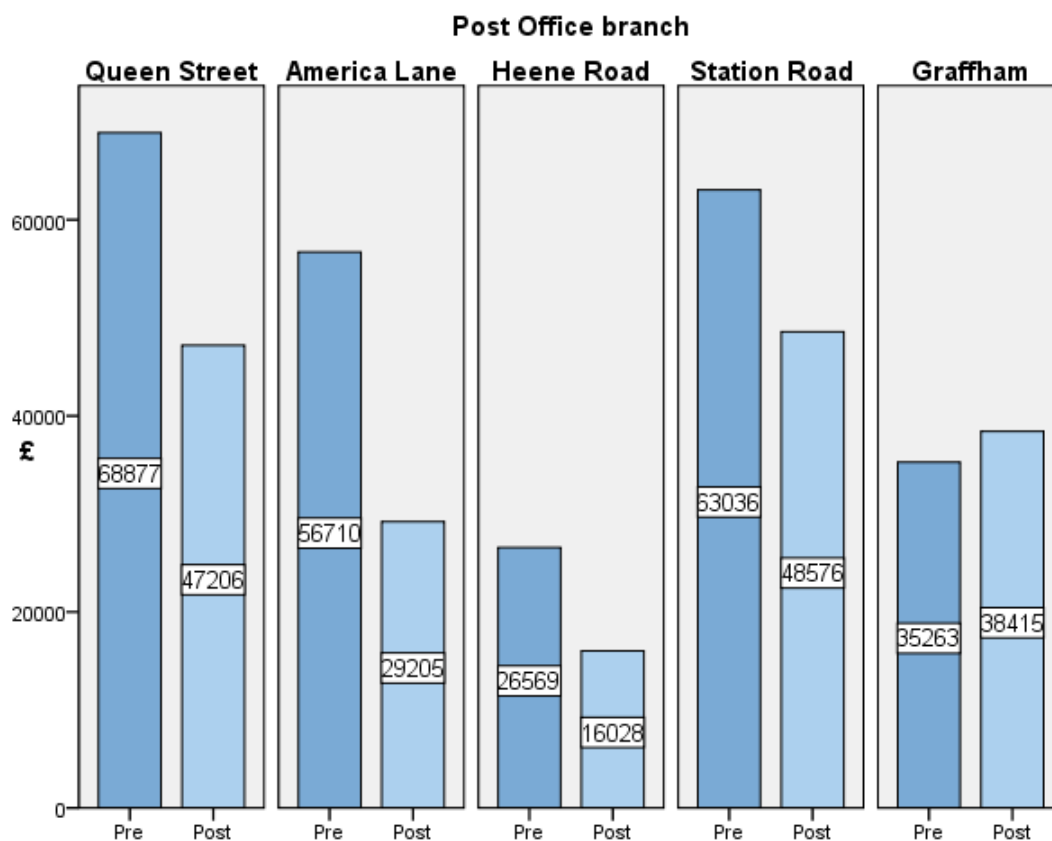
Figure 17: Estimated annual local spend by location (pre- and post-closure)

The urban locations each show a significant reduction in local spend following closure of those four Post Office branches. Graffham, on the other hand, is the exception and spending has increased since closure. The explanation for this is supplied by local residents who commented on the vast improvement in the Village Shop since it has re-opened as a community enterprise.

The difference between the estimated total spend and the average (mean) spend per year has been calculated for each location in Figure 18 below.

Over all, local spending has fallen by 28% but this figure includes the 9% increase in Graffham. It is clear that the negative impact is not evenly distributed across the urban locations. America Lane, Haywards Heath shows the greatest fall at 48% but even the lowest (Station Road, Bognor Regis) shows an estimated fall of 23%.

These statistics can only be considered approximate but we are confident that the information on which they were based is reliable. It is reasonable to assume that the number of respondents who over-estimated would roughly equal those who under-estimated in which case we are confident that the broad picture we present here is not misleading.

The businesses most intimately tied up with branch closure are, of course, those in whose premises the Post Office was located. Visits to a number of former sub-post offices in the period shortly after closure provided accounts which varied from the most positive and optimistic to the most negative and pessimistic. The removal of the fortress Post Office

Location	Annual local spend	Annual spend pre-closure	Annual spend post-closure	Change
All locations	Total Mean	250455 956	179430 685	↓ 28%
America Lane	Total Mean	56710 886	29205 456	↓48%
Heene Road	Total Mean	26569 718	16028 433	↓40 %
Queen Street	Total Mean	68877 998	47206 684	↓31%
Station Road	Total Mean	63036 1261	48576 972	↓23 %
Graffham	Total Mean	35263 840	38415 915	↑9 %
Washington	Total Mean	15501 574	n/a n/a	n/a

Figure 18: % change in annual spend by location

counter from the McColls convenience store in Heene Road, Worthing and the ensuing re-fit provided the space to expand into a greater range of products and a more pleasant shopping environment. Business has improved dramatically. Three independent shopkeeper-postmasters had seen the number of customers plummet and did not believe they would still be in business in 12 months based on the level of trade at that time. In each case they believed that their post office business was profitable and failed to understand why they had been singled out for closure.

Psychosocial (indirect) impact: work-life balance

It might have been easy to overlook the psychosocial impact of Post Office closures on people with businesses had our attention not been draw to this outcome in the early part of the research. At that time, this impact was highlighted by two or three people who described accessing post office services to be stressful. One, who now has to take a significant time away from work to carry out Post Office business made this comment:

"I feel the closure's effects psychologically as much as financially"

Apart from the very obvious negative psychological effects of worrying about the future viability of retail businesses that had previously been supported by co-located sub-post offices, post office closure has made a significant impact in 25% of cases in terms of work-life balance and to a further 42% to a lesser extent (Figure 19) as respondents undertake routine post office jobs in their leisure time:

"I now have to give up personal time"

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This is often to avoid lengthy absences or paying staff extra:

"That's why I use it at the weekends in my own time"

Another said he now has to do his Post Office business on his one day off a week as there are no branches open before or after his working day.
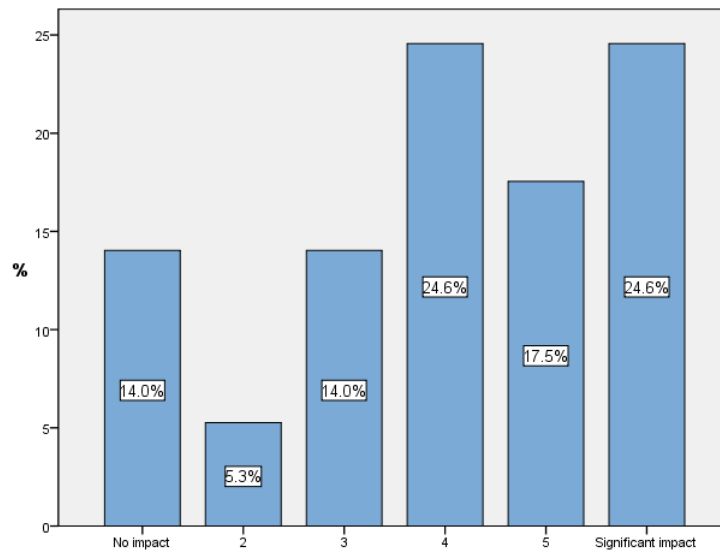
Figure 19: Impact on work-life balance

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Alternatively, when time is taken away from work at the Post Office it must be made up and this:

"Adds considerably to the working day. At least an hour"

Routines, once easy and spontaneous, must now be planned. One respondent described having to plan very carefully when these trips can be taken because they now require a car journey and all that that entails with parking and so on. One way of overcoming the stress of parking when queues are unpredictable is, as already mentioned, to over-pay.

In summary, a significant number of businesses in West Sussex have been materially disadvantaged as a consequence of the Network Change Programme. In addition, the evidence presented here supports that of the BERR Report (2009) which suggests the Network Change Programme, designed to cut POL's costs, is commonly perceived as achieving its objectives by displacing those costs onto its customers:

"The hidden costs of closing Post Offices are borne by individuals who are inconvenienced by having to travel further. This is particularly applicable to the elderly and isolated who do not have their own transport and especially in rural areas. The environment also bears the impact because people cannot get services locally and have to travel, usually in their cars"

The economic cost to local residents

Additional costs to access Post Office services have, indeed, been incurred by local residents who now have to travel further. The increased distance also means that the number of people who are able to walk to their Post Office has almost halved; almost everyone (93%) could walk to their Post Office but post-closure this had dropped by half to 47%.

No one required public transport or taxi to reach their Post Office before closure and only 3% used private transport. However, after closure and transfer to another branch, 36% now use private transport to reach the Post Office, 8% use public transport and about 4% now require the use of a taxi. Those requiring taxis live in urban areas and are aged between 70 and 89 and are either sick or disabled or on low income. All were able to walk to their Post Office previously:

> *"Taxi expense is another few pounds I could have saved"*

Across all locations except Graffham, problems with finding parking are now a concern for 44% and considered a major impact for 26%. However, parking frequently now incurs an additional cost and having to pay to park is a concern for roughly 40% with half saying this has had a major impact. Residents of the village of Washington can no longer walk to a Post Office and all but 3 residents now use private transport to do their Post Office business elsewhere. Urban dwellers, on the other hand, are much more likely to use public transport. One young man who used the Post Office to draw his benefit was used to drawing small sums of money from his Post Office Card Account but found paying for public transport a drain on his resources:

> *"Even if you take £10 out you still have to pay £1.30 cos that's a return ticket on the bus"*

For local residents, the financial cost is one undoubtedly an important factor:

> *"it's costing me money that, quite frankly, I can't afford just to do something as basic as post something"*

But costs to the individual are manifest in other ways which are best explained in terms of their social impact. Before, moving on to discuss the social impact, it is worth drawing attention to the issue of financial inclusion.

The work of this project has taken us into three urban areas of relatively high deprivation with above average numbers of pensioner household and numbers of claimants. There are several instances in which individuals living on a low income say they now struggle to manage their budget because they can no longer withdraw frequent but small amounts of cash. Whilst a community or Post Bank would give more people access to a bank account and affordable borrowing, it may be of limited benefit to people who do not have an accessible Post Office. Post offices are often the only financial institution serving that community.

SOCIAL IMPACT

"If you take away a lifeline like that, it's bound to affect people"

The social role of the Post Office cannot be over-stated: individual stories are testament to this, some of them anecdotal but nonetheless true:

- the postmistress who keeps a small supply of medication behind the counter for the woman with early dementia who forgets to take her morning dose (young woman talking about her grandmother who lives out of the area)

- the postmaster who notices one of the 'regulars' has not been to collect their pension and either goes to check himself or sends someone round (Worthing)

- a woman whose handbag was snatched in the street said that she went straight to the Post Office for help (Bognor Regis)

The social impacts for local residents are felt at three levels: inconvenience, increased dependency and the loss of an important community focal point. Everyone who used the Post Office in the six locations has been forced to make changes. Many are regarded as inconvenient but particularly for those with fewer choices, the changes represent hardships.

Inconvenience

Typically, time now spent queuing is mentioned by almost all survey respondents as well as those interviewed earlier on. Long queues at alternative branches (usually Crown offices) are at best inconvenient and time wasting but for older people, people who are disabled and mothers with young children they can be uncomfortable, exhausting and stressful. They prevent some people from being able to use the Post Office so effectively act as an instrument of social exclusion.

A visit to the alternative post office can be arduous as well as inconvenient:

"Have to wait for fine weather and allow longer. One mornings work to get there and back"

Managing the change (reluctantly in many cases) by switching to a bank or building society has caused inconvenience to 17% of respondents with 11% saying this has been a major impact for them. 23% have switched to online services but fewer say this has been a major impact (6.3%).

These are issues for those having to make the adjustments but it is an issue too for POL as theirs is a transaction based business and income is generated by the number of transactions completed. The above proportion of people has, as a result of their Post Office closing, transferred some or all of their custom elsewhere; POL has lost those transactions and therefore lost income. However, we are reminded that not everyone has the choice of banks and building societies:

"I've got one of those Post Office Card Accounts. So – it's not like a debit care or anything like that – I have to go to a Post Office to get my money out"

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20% of all respondents said that they had been forced to make a change to the way they managed their budget with explanations which include the late or less regular payment of bills. One person from Haywards Heath told us:

> *"My papers are delivered from America Lane Post Office so as I do not go there anymore my bill mounts up instead of paying weekly because I do not use the shops there anymore"*

One survey respondent, a pensioner who drew their pension every week in the local Post Office but now has had to have this paid into a bank or building society account, wrote:

> *"'I knew how much was there and it would help me to save"*

This supports findings from the early, exploratory work which suggested people on low income may have problems managing their budget from day to day by not being able to draw frequent but small amounts of cash. Another person said they now had to *'borrow money'* by not being able to access cash as readily. Others *"have to be careful not to overspend"* and *"can only go once a week now so have to make money last".* These stories link in to the broader issue of access to financial services and to the pressing policy concern of financial exclusion mentioned in the previous section.

The change means that life is just that little bit harder:

> *"As I am unable to get about I have [to] make sure that when my son goes to the bank that I have enough cash to see me through"*

Loss of independence

One quarter of those surveyed report a loss of independence. The removal of a Post Office within a manageable distance means that around 23% of people now need help from another person to access Post office services; the majority see this as having had a major impact on their lives:

> *"I am totally dependent on a friend - I couldn't go otherwise"*

> *"I have to rely on a lift or public transport"*

In addition, 12% have handed over their Post Office business to another person which they describe as having made a major impact. A further 13% have been affected to a lesser degree. On these points there seems to be a stark difference depending on where a person lives: 17% of urban residents need help from another person – a major impact - compared to only half that (9%) for rural dwellers. A major impact for 13% of urban residents following the loss of their Post Office has been to hand over the responsibility for their Post office business to another person. A further 11% have been impacted to a lesser degree. Rural residents, on the other hand, have been impacted in a major was in just 3% of cases with another 9% affected to a lesser degree

People who find themselves newly dependent describe how this places a burden of expectation on friends and family:

> *"My daughter has my post office account card ...she feels like a servant sometimes"*

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In our experience, this has overwhelmingly been an issue for older people and this is discussed further a little later on in this section. However, it does highlight the implications for carers, both informal and formal, who must factor in the time now needed to carry out Post Office business for those no longer able to do it themselves.

The testimony of one respondent suggests that a new problem has been created for Social Services and the agencies they commission to support people in their own homes. According to him, his daily professional carers who have always collected his pension and done his shopping have to travel further since the Queen Street, Horsham branch closed. They now have to go further to use the Crown Office in the town centre (Carfax) and, once there, have encountered long queues. A short telephone interview with the agency providing his home care confirmed this story and it was learnt that that this is now a real problem which is difficult to deal with in certain situations.

Carers' time is allocated in blocks of 15 minutes; if the client is paying for their care, additional time can be agreed to manage what was once a quick and straightforward task. If, however, care is funded by Social Services, extra time cannot be negotiated for this task and carers must either refuse the request (causing the client anxiety) or risk taking longer than the time allocated to one client and then running behind schedule for the rest of the day:

> *"So, yes, it does affect us ...it has an ongoing effect ... they're running late for the whole day. ...we put it on the system so the carer gets paid and everything but Social Services turn around and go 'actually, no, I'm not paying this'"*

According to the agency, reports from their branches across West Sussex suggest this is a growing problem which, to our knowledge, has not come to light in any of the major reports published around the Network Change programme.

Loss of social hub

All the things people valued about their old Post Office are those they miss now. We received 316 responses to the question asking if there was anything they particularly missed about their old Post Office. Some people miss *"EVERYTHING"* but roughly half of all comments are about missing the convenience of having a Post Office close to home:

> *"[the] ability to get there without planning a trip in advance"*

> *"nearness to home and less queuing"*

And roughly half mention missing the "*friendly and personal service*". They miss *"the fact that it was on the doorstep" and "being known"*. The loss of the Post Office also means the loss of the person who fronted the service, literally:

> *"the friendly face of Betty, the very professional, knowledgeable post mistress"*

This came out very strongly in face to face interviews as named individuals were missed not just for being friendly, but as friends. Others said they missed how the Post Office contributed to a sense of place:

"It seemed to be a centre for the local shops"

In Graffham, apart from missing "the six day service" the village Post Office was missed because "it made Graffham a real place".

In other words, it is probably true to say that most of the anticipated and feared consequences of Post Office closure were, indeed, prophetic. There seems little doubt too that older people are the social group most affected by Post Office closure.   The impact, however, has been felt widely, and it is through the stories of those people who have felt it most that the true importance of the Post Office to community life emerges.

The hardest hit

In this section we consider the research findings and what they mean for the groups thought (and found) to be most vulnerable to the impact of closure. They are:

- older people
- disabled people
- people on low income and
- young and/or single parents

Older people

Many of the older people interviewed (most of them in Age Concern Centres across the county) convey a great sense of loss when talking about their local Post Office closing. Almost without exception these are people who chose to collect their pension in cash. There are those too who have simply switched to having their pensions paid directly into their bank accounts – something they thought they might have to at some time in the future but would have preferred not have had to do it now – and describe this as more of an irritation than anything more profound. Several, however, made the comment that their preference for the Post Office was based, in some part at least, on a lack of trust of banks. One or two were worried that their money would not always be paid in and they would be unable to pay their bills.

What is striking is the number of older people for whom the physical effort of getting out of the house to go to the Post Office when this could be combined with a small amount of shopping was enormous. It was, however, do-able and evidently worth the struggle. Now, this outing is rarely, if ever, undertaken because the main reason – the Post Office - has been removed.   Some older people, unable to reach another Post Office independently, have relinquished their financial matters to family or friends but this is not out of choice. Issues raised here include a loss of control and a sense of vulnerability. One woman, because her daughter-in-law now collects her pension and handles all her money, described feeling disempowered. Another, who now relies on friends and neighbours, is anxious about the responsibility this places on them and feels this is unfair. This sudden and significant loss of independence is echoed by many of the people who have taken part so far:

"I've always done it myself. I'd rather do it myself. I don't like relying on other people"

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Survey results are consistent with this and the transition of handing over responsibility or just needing help to carry out their Post Office business is seen as a major loss.

Older people who have their own transport do not have the same logistical problems but they still describe missing the routine and familiarity of visiting their 'own' Post Office. Quite often it is the person behind the counter that matters most – the named individuals who have always gone the extra mile to be helpful and friendly. These are the people who get to know the customers, greet them by name and are trusted by customers with their pin numbers.

When the next nearest Post Office is out of walking range – which is very often the case for older people – then individuals who do not have or want another person to carry out their Post Office transactions for them, have to get there on public transport or by taxi. For pensioners in West Sussex, there is no cost to take a bus but we have learned of individuals whose only option is to take a taxi costing at the very least £3 each way.

Disabled people

For many disabled people, the issues are similar to those affecting older people and not necessarily simply a question of greater distance to reach a Post Office. Irrespective of age, people with reduced mobility, visual impairment and mental health problems have all reported problems with the receiving Post Office branch when this is the Crown office in town centres. People with reduced mobility find standing in a long queue at least as arduous as actually getting to the Post Office. This means that Crown offices are off limits to people who cannot walk, wait and walk again. There are instances where staff have offered to bring a chair for some individuals but sometimes being singled out from the queue is described as "*embarrassing*" - and even "*demeaning*".

One woman who suffers with anxiety cannot cope with the Crown office as she finds queuing too stressful:

> *"See, I wee a lot. I have this thing about anxiety. So I can't wait in a queue for long. I get flustered … to get my money out"*

There are people who, for a variety of reasons, cannot enter their pin numbers when making a transaction and who emphasise the help given in their local Post Office branches. There is nothing to suggest that this help is not available at any Post Office but these stories are usually told in the context of the value placed on the familiarity of the person behind the counter and their going beyond what is required for their job:

> *"His care to disabled customers was outstanding"*

An employee of a convenience store in which the closed post office was located described her observations of how familiarity among customers as well as staff would count for a great deal:

> *"It's also other things - you'd have a queue and, say, somebody came in that's disabled and two or three people in front of them would know that they couldn't stand up so they'd say 'Oh right - you go first' . You know, knowing they're only going to be about 2 or 3 minutes getting their money out"*

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People on low income

We have gained a number of insights from people on low income and several points have come to light which should be considered.   It is likely that a large proportion of people on low income are Post Office Card Account (POCA) holders so access to a Post Office is their only option for obtaining cash.   In this respect, there is an overlap with the two previous social groups. One young man, not working because of a chronic back problem, reiterated the point made earlier about it costing money to get money. The next nearest Post Office for him was the Crown office in Haywards Heath which is too far for him to walk so he has to take a bus and sometimes a taxi.

He gave an insightful account of what it is to manage on a low income and that, for him, managing a budget is not easy. However, he found that this could be accomplished by withdrawing a small amount of money six days a week from his POCA at the local, now closed branch. Now that his visits to the Post Office entail more effort and an added cost, he goes once a week and draws out the whole week's cash. He admits that he is unable to manage this and finds that there are several days in some weeks when he has no money at all. This, he explained, was now a common problem in his group of friends and neighbours in a similar situation.

Young and/or single parents

Based on a small number of young mothers, it seems that the impact on this group are similar to those of those already discussed in that they are often managing on a low income. The experience of long queues at Crown offices are compounded by having to take prams and pushchairs into the crowded buildings, not to mention coping with small children who become tired and bored with the wait.

An interesting perspective was provided by one parent who explained why she missed the Heene Road. Because it was so accessible, she would make a point of taking her children with her in order to teach them about money and savings and it gave them an opportunity to speak to older people in the (short) queues.   An outing with children to the crowded alternative post office was not considered in the same light and she considered part of her children's *"education"* has been taken away.

Changes individuals have made to their everyday routines are felt deeply at a personal level but they are not simply a collection of individual stories. Some of them have consequences for the community they live in; as we discussed earlier, new routines impact on the neighbourhood in terms of the local economy. Although each narrative is essentially about that person's loss, they themselves formed an important part in a local social network which has broken down.

It should also be remembered that people who responded as businesses placed great value on their post office for its social value. Comments made by many whose post office had closed reflect their sense of loss of a social focal point especially those whose business operates from home.

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ENVIRONMENTAL IMPACT

The environmental impact of post office closure is difficult to quantify. The indicators included in our questionnaires were necessarily simple: we asked respondents how they reached their post office before and after closure. An estimate of extra miles requiring a vehicle could be calculated with the appropriate geographic information system to utilise the postcode data gathered but this is beyond the scope of this study.

Increased car journeys

The evidence for a widespread increase in car journeys necessitated by branch closure has already been documented in an earlier section where we reported the extra cost that this represented to both businesses and local residents. It would be fair to say that it is in these terms – the added costs of private and public transport - that respondents generally interpret the impact of the extra distance. However, the environmental impact of these extra car journeys has been raised on numerous occasions by people who sometimes point out the paradox of policies which, on the one hand, encourage the public to reduce their CO_2 emissions but, on the other, force people to make extra car journeys when prior to post office closure there was no need.   There is an awareness – indeed, a concern - among respondents of the detrimental environmental impact of increased vehicle use and they are keen that this should not be overlooked:

> *"Now have to pay fuel costs etc. Added pollution and damage to environment"*

Towns – parking space

The impact of multiple closures in Bognor Regis, Haywards Heath and Horsham where the majority of people have migrated to the town centre Crown offices and require the use of a car means that the demand for parking spaces has increased. Our information suggests that this is seen as a real problem particularly for people with poor mobility who need to park as close to post offices as possible. It has been suggested that this might well translate into pressure to create more parking spaces.

Neighbourhood decline

Although the possibility of neighbourhood decline was not a common concern in the two surveys, this was something which regularly emerged in interviews. This was particular so when people referred to the closure of rural post offices, putting village shops at risk and the knock-on effect of this.

In the Bentswood area of Haywards Heath, the closure of the Post Office signalled the withdrawal of the only financial institution serving that community. The landlord of the local pub referred to the social problems and difficulties faced by the Bentswood community over a number of years and the combined effort and determination of local residents to improve things. He summed up the closure of the Post Office thus:

> *"They take away the Post Office and it just seems to be another nail in the coffin for the area. It's almost like people … have given up and are just reducing and removing things rather than keeping faith. And it's that more than anything …"*

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This sentiment, shared by others in Bentswood, demonstrates clearly the social and spatial nature of financial exclusion; its effect on people and place.

OUTREACH: the Graffham experience

In Graffham the Post Office had once been part of the village shop which had also closed. The shop has since been re-opened as a community enterprise but does not host the outreach service. Instead, this twice weekly service operates out of a small side room in the picture framing workshop next door to the village shop. The results which follow are based largely upon the response to a modified version of the community survey with additional research material from the participant observation of an outreach session.

Based on the 50 returned questionnaires from Graffham there appears to be a mixed response to the new service which had, by then, been in operation for some months.

| | Average (mean) score 1 = very poor   6 = excellent | | |
	'Old' Post Office	Outreach	Difference
Time spent queuing	4.7 (5.1)	4.7 (2.7)	None
Range of Post Office services, products available	4.3 (4.5)	3.6 (5.0)	↓ 0.7
Opening hours	5.0 (4.8)	1.9 (4.4)	↓ 3.1
Staff knowledge	4.5 (5.1)	4.4 (4.8)	↓ 0.1
Staff friendliness	4.7 (5.3)	4.8 (4.2)	↑ 0.1
Staff ability to advise	4.2 (5.1)	4.8 (4.7)	↑ 0.6
Staff efficiency	4.5 (5.2)	4.8 (4.6)	↑ 0.3
Staff help with transactions	4.6 (5.3)	4.8 (4.8)	↑ 0.2

Aggregate scores from other locations are in brackets for comparison

Figure 20: Quality of Graffham Outreach Service

The differences in scores are almost negligible (Figure 20) apart, very obviously, from opening hours. The personal and professional qualities of counter staff is, on whole, rated slightly higher for the outreach service, the most marked improvement being the ability to advise. It is interesting to note that the range of post office services and products was perceived as less than previously available:

> *"I didn't think many of the above services were even offered"*

This does not tally with information received from the core sub-post office who informed us that all the services and products available at their Midhurst branch was available at the Graffham outreach.

The main difference between respondents' evaluation of the outreach service and that of 'new' post offices in other locations is that queuing is no more of a problem than it was before.

The outreach service, operating for just two sessions per week, could never be expected to suit all residents of Graffham. Nevertheless, two-thirds of those surveyed used it.

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Asked how far it met their needs, just three Graffham survey respondents said that Outreach met all their requirements; thirteen said it did not meet their needs at all. It should be noted that the response to the Graffham survey was poor and any consideration of results must take this into account. For this reason, counts are given as well as percentages so as not to mislead (see Figure 21 below). However, for the majority of Graffham residents who did respond, the new service meets at least some of their service needs.
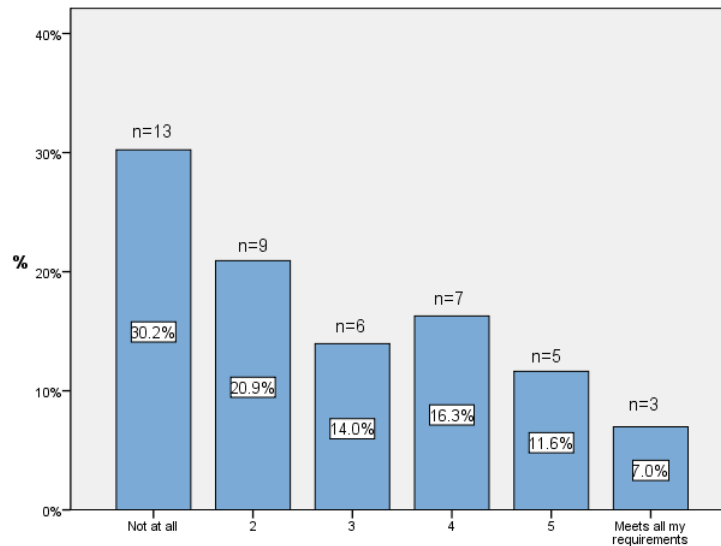
Figure 21: How well does Outreach meet requirements?

Not unsurprisingly, outreach is criticised mostly for the limited hours (two half days a week) it is open and the inconvenience of not having it available 6 days a week. It is possible to adapt to the new service:

"Planning needed to visit. No real problem"

"The services I use at the Post Office I can also use at outreach - I just have to remember the opening hours!"

However, the main reason given for not using the outreach service (88% of non-users) is that that the hours of opening are so limited that they have been unable to use it and now have to travel to Post Offices in Petworth, Midhurst or Cocking.

"I work Tuesdays and Thursdays so unfortunately I have to use another PO"

"The outreach service is not in the village when I am"

"Either have to wait until outreach post office is open or go elsewhere"

Several respondents dislike having to delay their Post office business but when this is not possible, the only option is to travel elsewhere. Graffham residents who work full time were able to use the village post office on a Saturday and could only make use of a replacement service if it included a Saturday session. The same goes for survey respondents whose second home is in Graffham who would only use the post office when

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they visited at weekends. They describe the current situation as only a slight inconvenience.

Closing the Graffham Post office has had little or no impact in terms of local residents switching to a bank or building society or to online services.   They have, however, had to made changes to their personal budget in 21% of cases and, for some of them, this means:

"I have to remember that I have only one opportunity to withdraw cash from TSB and when I needed some last week I could only have £10!"
"I have to make sure that I do not run out of money - stamps, etc."

People who find themselves *"short of cash"* have to either wait until the next Outreach session or drive to a post office in one of the neighbouring towns or villages. However, in the period when Graffham had neither Post office nor Outreach, some had:

"become accustomed to now either using the internet or saving everything up for a weekly trip to Petworth"

The decision by POL to proceed with closure of the Post Office but to replace it with an outreach service was based largely on 'the possibility of increased carbon emissions from more car journeys, unreliable and limited bus services and limited parking at Post Office® Cocking, Petworth, and Midhurst branches' (Post Office Ltd no date). If Outreach was intended to prevent extra car journeys, this has had only limited success as numerous people:

"have many more car journeys as the outreach service is only in the village 2 x 1/2 days"

"I m using my car a lot more and therefore more fuel"

People estimate these journeys to be 4 or 5 miles and frequently point out the additional costs in terms of their own time and money, - *" not to mention CO2 footprint due to car journeys"*.

After the outreach service at Graffham had been up and running for a few weeks, an observation of one of the afternoon sessions was undertaken which provided the opportunity to ask customers and the staff member in attendance from the Midhurst Post Office how the service had been received and how well it met the needs of villagers.

There were some 'teething troubles' in earlier weeks of the new service and the failure of the mobile electronic equipment on one or two occasions meant that none of the services which relied on this could be delivered. This was frustrating for everyone and, at the time of the observation (a week or two after the failure) customers implied that they felt this could happen at any time and they did not feel able to rely on the service. Nevertheless, throughout the spasmodically busy session, they seemed to enjoy the camaraderie of the short queues with other villagers and the friendly exchange with the young woman behind the 'counter'. She described how relationships had been building up with the 'regulars' over the weeks and that gradually, she and they were getting to know one another. In her view, it was important that she was also a fairly local person so was acquainted with the village and surrounding area and that she had connections with some of the people, however tentative. There were times when other members of staff would take the session but, in her opinion, continuity was an important part of the service.

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The accommodation (a small anteroom in the corner of a picture framing workshop) is seen as inadequate - the space available is, indeed, very restricted – and several respondents expressed a preference for the Post Office to return to the shop premises:

> *"It is a far better service when it is just part of the shop"*

According to the POL/Decision booklet, the hosted outreach service was to have operated from the old Post Office premises in the village shop but this, evidently failed to materialise due to the taking over of the shop as a community enterprise. There is, however, a widely held view that this is the 'natural home' of post office services:

> *"Social value, information, combined with shop"*

not least because:

> *"Being co-located with the village shop meant one used both more often"*

> *"They need each other to pay their way"*

However, the new village shop is seen as an asset to the village which *"has supported our rural community in so many ways"* and even without the Post Office has "*insert quote here re more of a meeting place than before*". When asked for ideas for how the community might be supported, most suggestions coalesced around re-locating post office services back to the shop (including reinstating a full sub post-office) or allowing the shop to offer some services. Failing that, extending the outreach service to more days would improve the current situation.

At first, the information gathered from observation of the Graffham outreach in operation seemed at odds with the somewhat negative evaluation of the service which is clearly articulated in the survey. However, it is a much reduced service and local residents are comparing outreach to the six day service they had previously enjoyed. It may be that in other rural locations, Compton for example, where the local population had been without *any* Post Office services for a considerably long time, outreach would be evaluated more positively.

This chapter has documented the (largely anticipated) impacts of post office closure and what they mean for businesses and residents in West Sussex. The next chapter turns to the consideration of how those impacts might be mitigated.

CHAPTER 5

LOOKING TO THE FUTURE: IMPACT MITIGATION

The objectives of this section are twofold: to explore the ways in which local authorities within West Sussex can provide support to the residents and businesses impacted by the closure of post offices in their communities; to consider how local authorities might mitigate further potential closure.

The section begins with a review of comments made by respondents to the surveys before undertaking a wider analysis of the support options open to local authorities illustrated by case studies from other regions.

The output from a workshop held with stakeholders in West Sussex to identify those options most appropriate for local authorities in the region is presented and developed into a set of objectives to be pursued.

Feedback from businesses and residents suggests that the solution is to re-open post offices

All contributors to the research were asked if they, as Post Office users, could think of anything that might help. The most common suggestion to alleviate the negative impacts of closure is, perhaps unsurprisingly, to re-open branches and there are many who were aware that this has happened in Essex. In Haywards Heath the possibility of an urban outreach service has been discussed among local people and the possibility of a mobile Post Office or outreach which visits Age Concern Centres was proposed by a client of the Horsham branch.

The main thrust of suggestions from both the business community and local residents is towards finding a way of taking services (back) to the people who use them:

> *"Post office services available in places that are closer /more accessible"*

> *"post box/post and parcel collection at the business park"*

> *"Some small businesses could take in post from other businesses for collection by Royal Mail"*

> *"Business pickups for a reasonable cost. The cutoff for free collection is £15000 turnover on post which is adversely affecting any small medium business"*

> *"If the Post Office will not enable their services to happen then local communities will need to support a local shop and post office and contribute to its upkeep under license or as a co-operative"*

> *"Open it as a coffee shop or in conjunction with Help the Aged or other charities"*

Other ideas are less helpful (or achievable) and include *"sacking the government"* and the suggestion that Post Offices could innovate by offering *"a manicure service"*. Another

collection of (more sensible) ideas converge on improving existing services and encouraging greater use of Post Offices:

"Increase the services provided by POs car tax etc"
"Increase no. of counters. Ensure that all counters are manned at all times. Guarantee max 5 min waiting time - not 3/4 hour"

"Paypoint service/machine for things like paying rent"
"Offer a quick service cashier for a small one-off fee per visit, would avoid queuing - I would use it!"

"I'm sure a larger range of products would encourage more use"

It is apparent that the wider range of products and services in 'new' Post Offices was noted and appreciated. This begs the question if they were available at other (now closed) branches, how many more transactions could have been secured? An example highlighted by both the business and the community surveys was that vehicle road fund licensing is only available at certain branches and yet there is evidently still a high demand for this method of licence renewal.

It was further suggested that services would benefit in the future if greater autonomy was given at the very local level so as to respond to local need:

"Allow the post offices to offer services which they think will help them. Don't restrict them so much. Often they are the only business in an area which is open full time. The government seems determined to take business away from them but not allow them to be innovative"

In summary there are three categories of support that can be provided to assist communities whose post offices have been closed and to try and prevent future closure
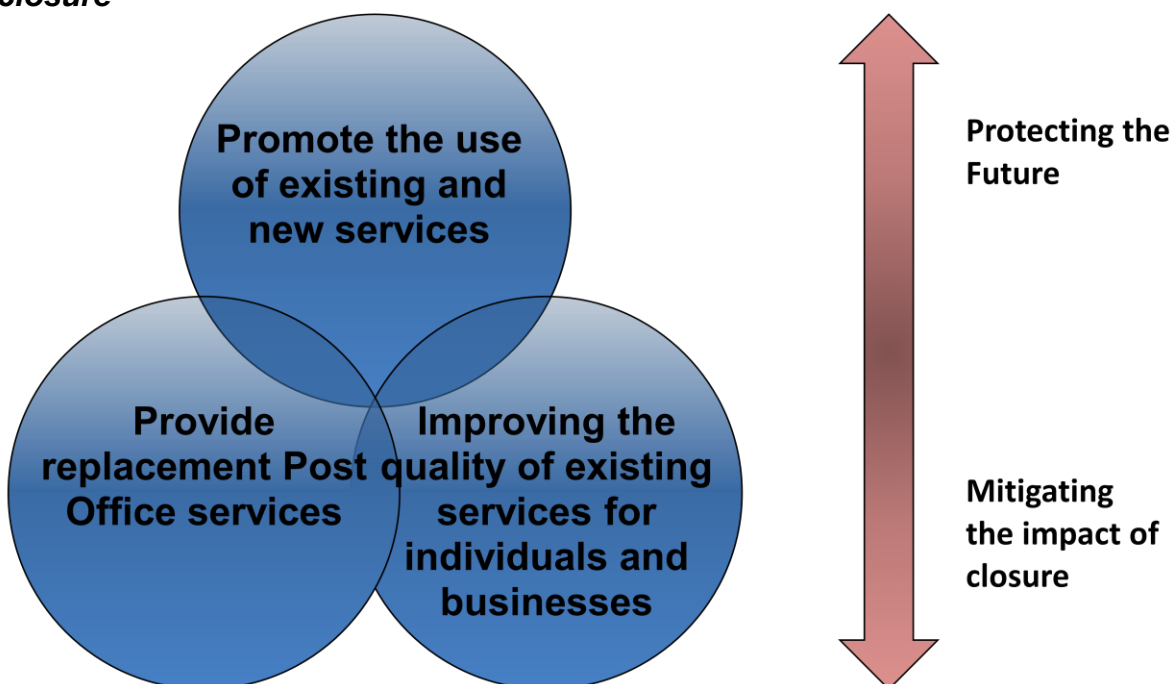

Figure 22: Categories of support

In terms of overcoming the issues associated with closure, then the most direct response is to replace the prior service either through 'Outreach' services or by reopening the closed post office. These options require involvement and active agreement of POL. It is also possible to deliver a range of services that replicate the principle functionality of a post office but are not POL dependent. These options together with those that follow are discussed individually and in more depth in the following section.

It is clear from the research that the concentration of services in fewer post offices is causing service quality issues. In addition, customers are inconvenienced in terms of travelling further to their nearest or quietest post office. These issues have already resulted in lost business for the post office and impacted on the economic performance of businesses. Should they persist then it is likely to lead to a further decline in post office utilisation. A range of measures can be taken to improve both service quality and access to post office services. These activities do not however, address the social impact of post office closure and activities are needed here.

The final support category is less about mitigating the impact of closure and more about preventing the risk of further closures by increasing the profitability of remaining post offices. This might be achieved by promoting the use of existing and new services. Each of these categories could be targeted independently but equally overlap. For example, it is unlikely that any renewal of post office services will be sustainable if it is not profitable.

The Parliamentary report into the future of post offices suggests that Local Authorities have a significant role to play in protecting the future and documents a number of associated case studies

The issues arising from the closure of post offices that are part of a broader issue concerning the overall decline in services available to rural communities and the consequent pressure on these communities, are well documented (The Future of the Rural Post Office Network, Final Report for the Commission for Rural Communities, May 2007). The issues of urban decline and the role played by post offices within these communities are also documented (new economics foundation 2006), *The Last Post; The social and economic impact of changes to postal services in Manchester,* report produced for Manchester City Council). It is not therefore surprising that local authorities are taking an active interest in developing ideas and taking action to prevent further erosion. Many of these ideas have been explored in relation to rural post offices threatened with closure but not associated with the network change programme. (Alternative ways to provide Post Office services - case studies, January 2007, Commission for Rural Communities). Taking this perspective, the Parliamentary Report produced by the Business and Enterprise Committee on the subject of Post Offices and Securing Their Future proposed that post offices become a 'One Stop Shop' for local authority services (Fig 23). As part of their investigation, the Committee received evidence on a number of initiatives and visited some of them. Some are presented as case studies supporting this section.

Case study: Essex
The Essex model

Two tier strategy:
Short term
Essex CC set £1.5 million aside in February 2008 to re-open some of the closed PO branches following the Network Change Programme. This money was to be distributed as grants over a 3 year period for retail outlets who a) agreed to provide a web based information point for members of the public to access local services information and b) agreed a contract with POL to reopen their PO and provide postal services. The grant covers the cost of the retailer's service provision and payment for providing the information hub.
Essex CC do not see this as a long term solution and, as such, collaborates with each retailer to develop a business plan which ensures progressive financial independence over time.
The first Essex post office to be re-opened in this way was in Station Way, Buckhurst Hill in September 2008 since when 4 more branches have reopened, 3 more are due to re-open in November 2009 and a further 2 are proposed for re-opening in early 2010 bringing the total to 10.
Long term
Essex CC set out their long term strategy in Counter measures: A new vision for local postal services which details the way in which they consider future post office services should be provided. This, radically, suggests that POL's **commercial** assets (its products and national contracts including the POCA) should be split from its **community** assets, namely the branch network. Essex proposes the network be brought under the stewardship of the local authority to allow POL the freedom to concentrate solely on its commercial activities with the expectation that until 2011 the £750 million central government subsidy is transferred to councils.
Considerations: State Aid rules, contractual formats, financial issues

Positives	Negatives
• 'Rescues' closed branches	• Reliance on local funding
• £1.5 million provides massive boost to convenience store sector (RSA)	• Poorer local authorities relatively disadvantaged
• Essex CC has vision and pursuing it with determination (RSA)	• Undermines uniformity of network
• "Example of local authority using Post Offices as a resource" (BERR report)	• Spending huge amounts of money on very few outlets (RSA)
	• and, because of this, questionable whether this is the right answer in the long term
	• Threatens viability of remaining 12500 branches because rival/alternative services reduce transfer of business to remaining branches (NFSP 2008)

CASE STUDY: Devon

Devon CC 3 year strategy/grant programme

Grants of up to £5000 per year (to replace salaries) and business advice is made available to retail outlets which represent the sole remaining village shop to **partner outreach** branches. Some enterprises are also sustained by community involvement. The Council's financial support is for the short term to enable shops to develop into viable, sustainable businesses in the long term.

In addition, Devon CC is also looking towards supporting communities in other practical ways, for example making improvements to existing public and community transport to help people who need to travel to alternative PO branches. At the same time a publicity campaign aims to encourage people to use their local shops and post offices.

The possibility of linking Credit and Savings Unions with some shop/post offices is being explored.

Positives	Negatives
• Improves the underlying business association with Post Offices • Supports the network but also safeguards other facilities for community	• Under agreement with POL shop owners lose financial benefits • Remuneration for providing service is minimal • No POL salary therefore no PO income to support retail • So could put some shops at risk

In summary the recommendations relating to local authorities from the committee are:

- Local Authorities should try harder to provide their services through post offices
- Post Office Ltd should work with the Local Government Association to provide clear and comprehensive guidance on services available
- Local authority ownership of post offices (e.g. Essex) is not viable
- Local Authorities should consider providing support to the underlying businesses associated with post offices to improve their long term self sustainability

The Committee recognised that "It is not appropriate for the Government to dictate to local authorities the extent to which they provide services through the post office network. However, we believe more could be done to raise awareness of the potential of the network."

They also recognised that whilst many authorities had undertaken action to use post office services and pilot replacement post offices and were enthusiastic about them, "there is no uniformity about the extent to which local government services are available through the post office network. It depends entirely on the enthusiasm of the local authority in question."

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Although there was little discussion on why local authorities were not making widespread use of post office services, they did note that Post Office Ltd. should "take a lead in publicising the services it can offer local authorities, and standardising them as far as possible."

- Paying rent for Council properties
- Travel passes and parking permits
- Leisure pass
- Disabled badge issuing
- Parking and other fines payment
- Payment for Social Service provision
- School uniform vouchers
- School meal vouchers or payment
- School lessons/extras
- Council Tax payment
- Congestion charge
- Building regulation fees
- Garage/allotment/hall hire fees
- National Non Domestic Rates
- Local Authority payment collection point
- Local Authority information provision
- Consultation exercises on local matters
- Vehicle removal/towing fees
- Commercial waste fees
- Recycling bag collection point
- House clearance fees
- Registration of change of circumstances

Business & Enterprise Committee, Parliamentary Report, Post Offices – Securing Their Future, 2008-9

Figure 23: A 'One Stop Shop' for local authority services

This is developed further by the Sub-Post Master Union in their Six Steps report

In part as a response to the Parliamentary Report, the National Federation of Sub-postmasters issued a report, Six Steps to a Sustainable Post Office Network (March 2009). This builds on the recommendations re the support required from local authorities:

- Local authorities must ensure the provision of council services through local post offices
- Central co-ordination of this service is required
- Local authority ownership is not a viable model for post offices
- Devolved government must show leadership by providing rates relief and grant funding for post offices, and by enabling councils to play their full role

Although these are not representatives of the Crown Offices, it is notable that the Six Steps focus almost exclusively on what everyone else can do to support post offices. It is notable that there is no commentary on what responsibility post offices and POL need to take to change or improve on the service quality issues experienced.

There are a number of different ways in which post office services can be renewed or re-opened each requiring a different level of commitment from Post Office Ltd, local authorities and the communities served

The range of ways that post office services can be replaced are summarised in Figure 24. In each of these cases there is a compromise either in the range of services provided, the level of support required by local authorities and the communities in which they reside, the nature of agreement by Post Office Limited, the cost of provision and the availability of the service.

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Mobile Outreach	Hosted Outreach	Post Office Essentials/Partner Outreach	Re-open Post Office	Alternative Service supply
PO services provided from a mobile van by 'core' post office	PO services provided from a temporary location by 'core' PO	Terminal based PO services provided from retail premises by retailer during opening hours	Full range of PO services provided from funded re-opening of previous post office	Range of alternative services provided e.g. Paypoint, ATM etc. from host retail premises
Advantages				
Moderate cost PO service so minimal impact on network Very local service to a number of locations No premises required Full range of services potentially available	Lowest cost PO service so minimal impact on network Some social benefit/footfall benefit dependent on location Full range of services potentially available	Moderate cost for equipment and space Available during retail opening hours Significant social and economic benefit	Full range of services available Restored social and economic benefits Available during normal office hours	No POL involvement Moderate costs Available during retail opening hours Some social/economic benefit
Disadvantages				
Needs PO commitment Limited time available Limited social and economic benefit	Needs PO commitment Limited time available Requires host site	Could impact local post offices Reduced services supported (85%) Requires host premises	Most expensive option Needs high PO and Local Authority commitment Impacts local post offices	Limited services available No Card Account support Requires host

Figure 24: Comparison of replacement services

Outreach Services

www.postoffice.co.uk defines Outreach Services as a way to provide customers with access to Post Office® products and services in communities where a traditional Post Office® is not viable or practical. For the majority of Outreach services, an established sub-postmaster (known as the "core" sub-postmaster) will travel to, or oversee service at,

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a nearby community to provide a local Post Office® service in addition to running their own Post Office® branch. There are a number of ways in which this can be achieved:

Mobile Post Office®

A mobile Post Office® is a fully equipped van offering Post Office® services. Communities are visited at set times and days each week, and the majority of Post Office® products and services are available through the Mobile service.

Hosted service

The hosted service is operated from a local community building such as a cafe, village hall or community centre at set times and days each week, with space set aside at these premises for the portable Post Office® computer equipment. This enables customers to access the majority of Post Office® products and services at these locations.

Partner service

The partner service is combined in an existing retail premises and the local partner (such as the shop-owner), provides a slightly reduced range of Post Office® products and services from their premises. More than 80% of the full range of Post Office® products and services are available through the partner service and services are generally available during the same opening hours as the partner's retail business.

Home delivery service

This is a service for very small communities and enables customers to order a reduced range of Post Office® products and services over the telephone. The products may either be delivered to a customer's home by the core sub-postmaster or are available for collection by the customer at a local Drop-In Session.

A further service is being promoted called **Post Office® essentials**. This is a new format for providing Post Office® services in conjunction with a local retailer. It is currently on trial in around 20 locations across the UK and in many respects is similar to the Partner Service in concept. It differs in that the host pays for stock in advance and is only paid for the transactions that they undertake – they do not receive a salary. As a result POL's operational costs are minimized. The results of the pilots are due to be reported early in 2010. Although some partners have dropped out due to a lack of business, early indications suggest that others are successful. The provision of this service is still subject to POL caveats on not damaging the local post office network.

CASE STUDY: Hastings
The Post Office essentials model

The first urban outreach service trading as **Post Office essentials** was opened in a convenience store in Hastings and is one of 20 PO essentials outlets in retails shops which are being piloted by POL. They include partnerships with Lloyds Pharmacy (e.g. Cambourne), One Stop, McColls and other independent retailers.

The PO essentials model:
- PO shares shop counter, computer next to shop till
- Service open same hours as shop
- Offers range of POL services – all those available electronically without paperwork
(thus following Paypoint and PayZone lead)
- Mail transactions restricted to maximum weight of 6 Kg for parcels and packets
- Foreign currency available but only if pre-ordered
- Operator receives commission for all POL transactions
- Operator responsible for providing the day to day cash to operate the business

If successful/cost effective, POL to roll out PO essentials to hundreds nationwide (urban and rural)
Consumer Focus has advisory role in the development of urban outreach trials

Positives	Negatives
- Large proportion of core PO services available - Potential for increased footfall in retail outlets and surrounding businesses - retail cash can be recycled through the PO service – with no need to bank, thus avoiding bank charges - PO essentials available all hours shop open	- Cash requirements may restrict PO essentials to shops with high cash turnover only - Income generated from transactions only – no POL fixed payment - Possible additional staff costs and training - Loss of some retail space

Outreach services were created by POL as part of the network change programme including six in the West Sussex region. These were all in rural areas and were created to ensure that the geographical constraints applied to the programme were met but losses arising from unprofitable establishments were minimized. Post Office Ltd. commitment to providing these services is essential and preliminary discussions suggested that they would be very reluctant to provide any more Outreach services within the region.

Re-opening a Post Office

There are few examples of where a post office has been supported by local authorities to reopen following closure under the network change programme although a number exist where closure has occurred for other reasons. According to Postcomm's ninth annual

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report on the network of post offices in the UK, published in October 2009, only four offices have been funded this way, 3 in Essex and one in Stroud. Whilst re-opening a post office would completely restore the service provision, it would be expensive and does require support from POL (www.lga.gov.uk/lga/aio/772501). It is also likely to need substantial local authority and community commitment to ensure long term sustainability.

Alternative Service Provision

In this model, existing or proposed retail establishments, which are core to a community's well-being are supported to provide a range of services. The services can include post office like services for example mail services based on business mail rates, PayPoint payment facility and ATM services. They would not be able to provide card account services but could be a focus for a credit union operation.

The Brockweir case study is an example of how this might operate.

CASE STUDY: Brockweir
The community shop approach (the Brockweir model)

The Brockweir and Hewelsfield community shop was established after the local shop closed. It opened in December 2004 as a non-profit making community owned enterprise and is staffed by one paid individual and a team of volunteers. The setting up costs amounted to £400,000 and funding for the project - a new build - came from the DEFRA Rural Enterprise Scheme, the Vital Villages Programme (Countryside Agency),the Forest of Dean District Council, the Energy Savings Trust and the Green Energy Trust (Scottish Power)(contributing to the specific cost of the photo-voltaic roof . The shortfall of £70,000 was raised by the local community in donations, a community bond and 'contributions in kind'.

The building houses the community shop, a cafe, library kiosk, art gallery, an 18 station IT facility and a 'post office'. It has commercial office space to rent and conference resources and offers IT training courses. It does not, however, have post office status or a qualified postmaster. Instead it offers a complete postal facility including parcel collection made possible because the shop pays business postal rates and is therefore a registered collection point with a set of scales that indicate the correct postal charges. It has a secure post box on the premises.

Customers are also able to get cash back through the shop till on debit card transactions. There is a charge to the shop for this service, but it is seen as a cost worth paying in return for higher sales in the shop. Through internet computers customers can have access to other services including car tax, passport applications and internet banking. A trained member of staff is available to help customers with navigating around the internet.
The Gloucestershire Rural Community Council have produced a guide to setting up a successful community shop and cite Brockweir and Hewelsfield community shop as best practice.

Positives	Negatives
• Provides full postal services • Project involves whole community • Not 'at risk' from planned closure	• Unable to process POCAs or provide banking facilities • Sustainability dependent upon volunteer support • Businesses affected by Network Change may find conditions preclude provision of PO services

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The clear disadvantages of this approach are the limited services that can be provided and the need for significant community support to ensure sustainability. However, it is not reliant on POL support and the level of local authority involvement may well be less.

Examples exist for a variety of different ways in which support can be furnished; a number of these are already undertaken within West Sussex

There are examples of local authorities providing support to community shops with or without post offices in a wide range of different ways. Some of these are highlighted in the case studies amended to this report. The following is a summary:

- Grants
- Rate relief
- Grant Finding
- Coordination/Planning
- Expert Advice
- Training (e.g. business development)
- Small enterprise support
- Infrastructure/Equipment provision
- Location
- Coordinate access to alternative services

It is clear that a number of authorities within West Sussex are following this. WSCC provided grants for 17 shops in 2008-09. Since 2003 they have provided funding to enable one to one support to village shops which until 2008-09 was provided by Action in rural Sussex. The support is currently provided by Business Link. As a further local example, Chichester District Council has supported some 16 shops between 2008 and 2009 (Chichester Observer 15-10-2009). Support has been focused around part funding of a village shop advisor and the provision of a grant of up to £5,000 available for refurbishment, new equipment, new services and better security.

The decision to renew service provision or re-open post offices is complex and not necessarily based on clear and unambiguous principles

It is evident from the majority of case studies examined that renewing post office service provision by whatever means is not a straightforward process and requires a good deal of commitment and hard work from those involved. In the majority of instances, offices that have been closed have had underlying profitability issues, often extending to the associated retail business. Successful undertakings have demonstrated that real demand and interest exists within the community; in a number of instances, communities have provided volunteers to staff the shops. Prior to considering providing support, local authorities will need to undertake appropriate business analysis to identify the following:

- Level of community interest
- Potential location e.g. community shop
- Forecast level of demand compared with previous/current usage
- Nature and extent of support required
- Social and economic impact

In terms of providing post office services, POL also has a significant role (Huggins, S. Supporting Local Post Offices, presentation given to Local Government Association Conference, 14th May 2008). In evaluating proposals, POL has stated that it is happy to

engage/scope opportunities with individual authorities but will need to take account of the following:

> The provision of an alternative service will not harm the overall service network i.e. local post offices will not suffer a loss in business
> POL's costs must be covered
> Local funding must not contravene state aid regulations
> Funding and support should be stable and sustainable
> Demonstrable high levels of local commitment to the plans
> Replacing with like for like may not be possible or optimal

Post Office Ltd. Local Funding: Guidance for Local Authorities, Community Groups and Other Parties, Draft 7 Version 1, 03-07-2008, http://www.lga.gov.uk/lga/aio/772501

In a number of discussions by local authority representatives with POL across the County, it has proved difficult to engage them in any meaningful discussion on replacement services.

Improving the quality of existing service provision and its accessibility may address many of the core service issues but requires POL to recognise the issues faced

The closure of post offices has resulted in significant inconvenience for both residents and businesses across the region. In many businesses it has resulted in increased costs and reduced profitability at a time when they can ill afford it. These issues are not confined to communities in the locality of the closed office but also extend to those who use the remaining offices, often Crown offices that seem unprepared for and unable to cope with the increased demand. The National Audit Office (NAO) BERR Study on the Network Change Programme published in June 2009 identified that "Planned capacity improvements at nearly 700 existing post offices which are expected to take more business as a result of closures had been completed in only 447 post offices."

Issues can be categorised as; time taken and length of journey to get to a post office, time taken to get served, post office opening hours and loss of social interaction.

In terms of time taken to get served, POL seems reluctant to admit that it has an issue and discuss this issue. In response to a recent request for queuing data under the Freedom of Information Act (Queue lengths and strategy in London 2009) POL stated that they did collect data using mystery shoppers but would not share this for commercial reasons. They did admit to taking its responsibilities towards customer care very seriously and to recognising what an important element of overall customer satisfaction queuing times are. Along with mystery shopper reports that provide some data on queuing times, they have recently appointed a senior manager to focus on a number of Crown branches within the network in order to review customer waiting times.

"The senior manager will be responsible for reviewing current approaches to staff scheduling, staff training, branch opening hours, monitoring and supervision. A key part of this project will be co-ordination and sharing best practice between the Crown branches involved."

It is clear that POL could take action to improve service quality through for example:

- Reducing queuing time (adequate service counter staffing during busy times)
- Providing business mail collection points

- Extending business hours
- Providing dedicated counters for certain services
- It is unlikely that Local authorities can have a direct impact on this issue other than to continuously highlight it.

The issue on the time taken and difficulty of getting to a post office should not be underestimated, especially for those people that might be elderly, infirm or disabled. Co-ordinating access to community or public transport may assist those that are able to make the longer journey. However the biggest loss for many of these vulnerable people is the loss of a social meeting point and the 'care' provided by the sub-postmaster. It may be possible for local authorities to build on the network of community centres that they provide to replace the role that Torbay Council highlighted in their submission to the Parliamentary Committee, "providing a community focal point where people can meet each other and find out about issues that affect them and representing an unofficial alert system that post masters operate for customers who have not been seen when expected to be."
Many businesses do rely on post offices and Royal Mail for the distribution of their products and services but most cannot afford for Royal Mail to collect directly from them and have insufficient business for collections to be free (currently £15,000). It may be possible for businesses to cooperate for example, around Business Improvement Districts, to provide sufficient business to make Royal Mail collections affordable.

The Parliamentary committee, POL and Sub-postmasters all suggest that co-ordinated action by local authorities to use existing and new post office services would be the best way of improving service profitability and hence sustainability

As has been outlined, there are a range of ways in which local authorities can promote the use of post offices by the community. Many of these are currently operational and promoted by local authorities in West Sussex covering bill payments and to a lesser extent, out payments. A number are outlined in Fig. 22. Further to this local authorities could use local post office services for their own operational business such as vehicle licence applications. Utilising post offices for the provision of more services should theoretically increase the number of transactions handled by them and hence improve their financial viability. Although there is some suggestion that it is more economic for post offices to provide these services, there is little evidence that we have been able to identify. POL is also promoting a range of alternative services to local authorities including Validate^{TM} (change of circumstance notification) and Community Canvas^{TM} (Resident surveys and consultation). Whilst pilot schemes have been successful, it is not clear that there is widespread adoption. In a discussion between POL and WSCC, POL was not particularly proactive in trying to promote these products and expected WSCC to identify local authorities within the region that may be interested.

There is a tradition of post offices providing a source of community information promoting events, local businesses and small advertisements on an information board. There are examples, such as the Essex Case Study where this concept has been formally developed and the post office is remunerated for hosting a local government information point. The Parliamentary Committee received a range of ideas, some of which are outlined in Figure 25.

Police consultation and advice	Administration of the Social Fund
Information on help for small businesses	Travel agency services
Citizen Advice Bureau kiosk	PCT prescription collection and delivery
Information on government policy	'Hot Desking', Skype and video
Community transport information	conferencing
Community information such as opening times for other services	MP or local councillor surgeries
Tourist information accommodation booking	Deliver consultation exercises on local matters, e.g. planning
Small meeting rooms for hire	Use free space for courses, meeting and events
Job Centre Plus IT terminals and job vacancy adverts	Local coffee mornings
Social Services information	Local employment fairs
Facilities to print government forms and documents	Promoting job vacancies
Internet terminals with access to a range of approved retailer sites	

Figure 25: Suggestions for possible new community services

Again though, the Committee was notably inconclusive about how these services might be delivered in practice.

Post offices provide access to a range of banks and banking services. The potential of a Post Office Bank is also under discussion and we included a question in both surveys to ask if in the future the Post Office were to offer its own banking services, would businesses consider opening a Post Office business account and would local residents consider opening a current account.

	Open business account with Post Office Bank?			
	Yes	No	Don't know	Total
Local branch remains open	43.9%	21.0%	35.0%	100%
Local branch closed	23.8%	54.0%	22.2%	100%
Total	38.2%	30.5%	31.4%	100%

Figure 26: Potential support for Post Office Bank

The cross-tabulation table in Figure 26 above shows how businesses responded to the question. Overall, the proportions of those who think they would, those who did not think they would, and those who were uncertain are fairly evenly matched; roughly a third in each. However, cross-tabulating the data indicates a notable difference between the group who retained their post office and those who were directly affected by branch

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closure; those who retained their local branch appear far more likely to support a Post Office Bank if it were to become a reality.

Twice as many local residents (45%) said they would **not** be interested in opening a personal account with a Post Office Bank than would (23%) but 32% said they did not know. This still represents a reasonable marketing opportunity.

 Locally there are an increasing number of credit unions being established as a mechanism for community banking (Association of British Credit Unions Ltd. www.abcul.org). It may be feasible to use local post offices as a focus for local credit unions.

A workshop was held with Stakeholders within West Sussex to test these ideas

To test the ideas for support within the West Sussex region a workshop was organised with key stakeholders. The objective of the workshop was to investigate how local authorities can support those communities impacted by the closures and those potentially at risk of their branch being closed.

In all 20 representatives from stakeholders across the region attended (Figure 27).

West Sussex County Council	Coastal West Sussex
Horsham Churches Together	Arun District Council
Federation of Small Business	East Sussex Enterprise Board
Chichester District Council	Bishop of Horsham
Horsham District Council	Action in Rural Sussex
West Sussex Rural Partnership	

Figure 27: Stakeholders attending workshop

Following a presentation of the results of the impact study and the potential options for how communities and businesses might be supported by local authorities, attendees were asked to vote on which options they believed should be supported both in terms of potential impact and likelihood of succeeding. The options were split into the three categories identified at the beginning of this chapter and each attendee was allowed to place two votes for options in each category (6 votes in all), the results of which are shown in Figure 28.

The stakeholders were subsequently divided into three groups, each group engaging in a facilitated discussion covering one of the three categories:

  The provision of replacement post office services
  Improving service quality and accessibility
  Promoting increasing use of post office service by local authorities

Each group was asked to generate a set of objectives for the areas of support they believed should be developed further and identify a set of actions by which they might be achieved. Initial voting suggested antipathy towards working with POL

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Promoting the use of new and existing services	LAs use Post Office as interface with residents	0
	LAs use Post Office for own business	4
	Internet access	3
	Community information points	10
	Community banking/credit union	4
	Community Canvas	0
Providing replacement Post Office services	Mobile outreach	1
	Hosted outreach	9
	Post Office Essentials	3
	Re-open Post Office	3
	Provide 3rd party service	8
Improving service quality and accessibility	Lobby Post Office Ltd.	2
	Coordinate community buses	1
	Post Office 'runner'	0
	BID mail collection points	9
	Social meeting points	11

Figure 28: Stakeholder preferences for support options

Discussion

Replacement Post Office Services

There was a clear reticence amongst the attendees to work with POL based on experience of meeting with them to discuss replacement initiatives. Overall, it was considered that the option to provide an alternative 3rd party based service offered the most flexibility especially if mail services could be provided without the direct involvement of POL. The key to this would be to develop a comprehensive definition of the services able to be provided together with an understanding of those not able to be delivered without a POL contract.

It was believed that these could best be delivered through community hubs that would provide a range of services in addition to post office services. To progress it will be necessary to identify the potential demand and critical mass required to deliver services efficiently.

It was felt that local authorities had a key role to facilitate and help communities or groups within them to take relevant initiatives forwards.

Improving service quality and accessibility

Some clear themes emerged from this discussion with the focus on moving away from trying to prop up failing post office businesses towards providing support for local community driven solutions. Communities may be residential or business but ideally would be a combination of both. As an example, using Business Improvement Districts as

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the focus for mail collection may be difficult to create but could be achieved equally well via a community focused service.

The question was raised re the suitability of post offices to provide a 'social service' as just because they have acquired this role historically, does not mean that they are best placed to provide it in the future. It may well be that local community solutions would be better able to develop a more appropriate range of services. It was recognised that this would not be easy and may be difficult to implement with consistency and sustainability across the region. It would also need a 'champion' to progress actively.

The options should be progressed with urgency following publication of the report to ensure momentum is not lost.

Promoting increasing use of post office service by local authorities

The idea of using the post office for the provision of local authority services beyond those available today was universally rejected within this group:

- Post offices can't currently provide the quality of service which local authorities require
- Providing additional services through already over-loaded offices will further deteriorate current poor levels of service
- It is not feasible to get a service level agreement with POL as they will not share data
- It is not clear whether there is any synergy between POL and local authority objectives

The local authority representatives also rejected the idea of using post offices for more of their internal business, essentially as this was not perceived to be best value for rate payers.

Although the need for community information points and potentially internet access points was valid, it was not obvious that post offices were the best place to locate them. There is also the potential for duplication with other locations such as in libraries.

Moving forwards, this group felt that POL is not organised to support partnership working and does not have a transparent and consistent framework for such engagements. As such there was little confidence that working on a joint initiative would work at this time. Current local activity should therefore focus on the development of community hubs. This will require the development of a clear definition for the community hub bringing together the range of complimentary services.

Developing Objectives

The output from the three groups was remarkably similar in that all were distinctly reticent about working with POL due to their inflexibility and the poor quality of service provided by existing post offices. All the groups felt that more would be gained from supporting communities rather than propping up post office businesses. The model for service delivery is most closely represented by the Brockweir case study.

All mentioned focussing on community hubs. Community hubs are being investigated and piloted as part of the West Sussex Rural Access to Services Programme. The focus of the programme is to develop a number of integrated service delivery centres within the County that will improve service delivery in named communities. The aim is to work directly with those communities, using existing social and community assets (particularly community buildings), to develop a level of service provision to meet needs identified within local needs assessments. It is anticipated that these centres will serve a larger area than the immediate village, particularly in geographically isolated areas with low population densities. The programme will seek to work with a range of communities in order to fully explore the feasibility of different service delivery approaches. Given the nature of the programme communities involved are all rural at this time.

The partnership of service providers is to include Action in Rural Sussex, West Sussex County Council (Economic Development, Learning Partnership, Adult Services, Children's Services), District Councils, Sussex Learning and Skills Council, Business Link, Job Centre +, ICIS, Citizens Advice Bureau and other financial and benefits advice providers. The partnership will be expanded as required by the needs assessment and as agreed by the partners recognising that all may not be equally active or required in any specific hub.

Appropriate objectives for subsequent work would include:

- Investigation and definition of a set of 3rd party and post office mail services together with the infrastructure/resources necessary to deliver them
- Identification of one or more pilot hubs with the necessary community drive and support
- Evaluation of the feasibility of providing and consequent potential demand for such services within the pilot hub community and development of a subsequent business model
- Implementation and monitoring of the performance of the pilot

Note: The current programme only focuses on rural communities and although not a result of the workshop, it may be appropriate to have a similar set of objectives for an urban community.

Critical Success Factors necessary for the objectives to be developed are:-

- Identification of a champion(s) and dedicated resources/partners to develop the ideas
- Disseminate the information generated by this report at '1st officer' level to promote discussion, combine with other programmes and create real action
- Engage with communities to help with the design of appropriate business models
- Ensure that social and economic outcomes are identified and measured.

These activities should be pursued within the next 6 – 12 months to maintain the momentum generated by the research and meet the very real needs of the communities.

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CHAPTER 6

CONCLUSIONS

The findings of this impact study demonstrate conclusively that local communities and businesses are suffering as a result of Post Office closure across West Sussex. This is true for all six case study locations and for businesses who responded from across the County. In this section, we conclude our findings by drawing out the key messages or cross-cutting themes which are worth restating.

Businesses and residents value their post offices and use them extensively

Despite the NCP, post offices continue to provide a valued and trusted service. Over one third of the small businesses surveyed visit their post office every day and the majority of businesses value the convenience, customer service and range of services provided. This is equally true of residential customers in West Sussex, only 21 out of 434 respondents claimed never to use their local office and 15 of these lived in one rural location. As with other surveys, customers in the County make use of the full range of services available with postal services being the most frequently used. There is though, some evidence of confusion over the extent and range of services available. For many, the post office does provide the social cohesion within the community. Post offices also provide footfall for shops and businesses in the vicinity.

Everyone has experienced some impact from post office closure but the effect on some is disproportionate

It is clear from our work that the closure of post offices has had a very real impact on the businesses and residents within the communities affected and that this impact has extended to adjacent areas. Although Post Office Ltd stated as part of the NCP that they would increase capacity in other offices, it would seem that this has either not happened or is insufficient. In the post-closure period, it is clear that whilst the majority of post office staff continue to provide friendly and effective support; there are significant issues associated with time to access the services, essentially travelling to post offices, parking and queuing. Most people have found ways to manage but are resentful of the inconvenience but what is inconvenient for some translates into impacts of much greater magnitude for others. As this report has shown, these were the unintended consequences of the NCP but they were not unforeseen. Our research also finds that impacts have not been evenly distributed and certain groups are disproportionately disadvantaged. For the few, coping with closures has meant significant changes which impact on their independence and their social and financial wellbeing.

A great number of older people, particularly those in urban areas, exercise their right to draw their pension in cash at a post office. For many, they do not have a choice. For some just travelling to the local post office was a struggle, but going the extra distance has presented a barrier which can, in some cases, be described as life-changing.   The costs – financial, loss of independence and social – are felt most keenly by the very old and by those whose mobility is poor. Younger people with mental health or mobility problems have been impacted in similar ways. Many are without access to a car, especially those living in urban areas, so are dependent upon public transport. Whilst older people qualify for free bus travel, this is sometimes unusable when the bus stops are not close by or the weather is bad. Individuals in these disadvantaged groups are the only ones who have been forced to use taxis to access a post office.

All people on low income bear a relatively greater share of the cost of closure. They are very likely to be Post Office Card Account (POCA) holders with no choice but to use a post office wherever that is to access their money. For this group, the cost of accessing a Post office when it involved public or private transport is disproportionate.

For smaller businesses, the impact of increased time and cost to carry out Post Office business is significant. Larger businesses, it could be argued, are more able to absorb the increased costs and more able to switch to other service providers. Many smaller businesses are not eligible for the Royal Mail's collection service because their annual postage costs are well below the current threshold so do not have the choice of larger businesses.   Most businesses have been only marginally affected and will survive the impact of Post Office closure but some of them who rely on the Post Office for increased footfall may not.

At this time, urban communities seem to be more affected than their rural counterparts

In the period before the NCP was implemented the overwhelming focus of attention was directed towards the potential hardships faced by rural communities. They undoubtedly deserve special consideration but this should not overshadow the needs of communities within urban spaces. Our evidence suggests that in many respects the urban communities selected for case study are suffering greater impacts than the rural communities. We have found that people living in urban areas generally have fewer choices than their rural counterparts. For example, twice as many POCA holders live in the four urban areas which may account, in part at least, for the much higher rates of pensions and benefits being drawn from urban Post Offices.

People in Washington and Graffham seem more able to manage the change to an alternative branch as they are far more likely to have their own transport, thereby avoiding the cost of public transport. The location of bus stops in towns means that those with severe mobility problems must take a taxi and it is very likely that they are the people who can least afford it. They are also more likely to remain independent than those living in the towns; only a fraction of rural (Washington) residents now rely on another person to assist with accessing a Post Office compared to urban residents.

There is deep dissatisfaction with the availability of post office services

As a result of the NCP, local residential and business communities have been forced to migrate to another post office but once there the *"horrendous queues"*, largely associated with Crown Offices, are emblematic of what is generally felt to be a sub-standard service. The impact translates in social, economic and environmental terms.

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The social impact

The social impacts for local residents are felt at three levels: inconvenience, increased dependency and the loss of an important community focal point.

Inconvenience

Typically, time now spent travelling to and queuing at post offices is mentioned by almost all survey respondents as well as those interviewed earlier on. Long queues at alternative branches (usually Crown offices) are at best inconvenient and time wasting but for older people, people who are disabled and mothers with young children they can be uncomfortable, exhausting and stressful. They prevent some people from being able to use the Post Office and so effectively act as an instrument of social exclusion.

Loss of independence

One quarter of those surveyed report a loss of independence. The removal of a post office within a manageable distance means that around 23% of people now need help from another person to access Post Office services; the majority see this as having had a major impact on their lives.

This has had a knock-on effect for Social Services and the agencies they commission to support people in their own homes. According to one individual, daily professional carers who have always collected his pension and done his shopping have to travel further since the Queen Street, Horsham branch closed. They now have to go further to use the Crown Office in the town centre (Carfax) and, once there, have encountered long queues. Carers' time is allocated in blocks of 15 minutes; if the client is paying for their care, additional time can be agreed to manage what was once a quick and straightforward task. If, however, care is funded by Social Services, extra time cannot be negotiated for this task and carers must either refuse the request (causing the client anxiety) or risk taking longer than the time allocated to one client and then running behind schedule for the rest of the day.

Loss of social hub

All the things people valued about their old post office are those they miss now. We received 316 responses to the question asking if there was anything they particularly missed about their old post office. Some people miss "***EVERYTHING***" but roughly half of all comments are about missing the convenience of having a Post Office close to home and roughly half mention missing the "*friendly and personal service*". In Graffham, apart from missing "*the six day service*" the village post office was missed because "*it made Graffham a real place*".

What is striking is the number of older people for whom the physical effort of getting out of the house to go to the post office when this could be combined with a small amount of shopping was enormous. It was, however, do-able and evidently worth the struggle. Now, this outing is rarely, if ever, undertaken. Older people who have their own transport do not have the same logistical problems but they still describe missing the routine and familiarity of visiting their 'own' post office.   Quite often it is the person behind the counter that matters most – the named individuals who have always gone the extra mile to be helpful and friendly. These are the people who get to know the customers, greet them by name and are trusted by customers with their pin numbers.

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For some small businesses the economic impact is significant

The majority of businesses surveyed indicate that there has been an economic cost to them arising from the NCP. The principle cause of this is the increased time and uncertainty associated with travelling further, parking and queuing for longer. It is a cost experienced beyond communities directly affected as customers transfer to adjacent post offices. This cost is borne directly through increased salaries or reduced operational activity elsewhere or indirectly in terms of longer hours.

Of course, the impact on businesses in the vicinity of closed post offices is more significant. Our research suggests that as individuals have to visit post offices elsewhere, they do not use the shops in the area of the old office. In the four urban areas surveyed, our estimates indicate that residents are spending 17% less in shops in the vicinity of the closed office. In America Lane, Haywards Heath this figure is 49%.

The only exception is in Graffham where the only local store has been rejuvenated as a community shop. This would suggest that when the product is right, residents will support it.

The businesses most intimately tied up with branch closure are, of course, those in whose premises the post office was located. Visits to a number of former sub-post offices in the period shortly after closure provided accounts which varied from the most positive and optimistic to the most negative and pessimistic. The removal of the fortress post office counter from the McColls convenience store in Heene Road, Worthing and the ensuing re-fit provided the space to expand into a greater range of products and a more pleasant shopping environment. Business has improved dramatically. Three independent shopkeeper-postmasters had seen the number of customers plummet and did not believe they would still be in business in 12 months based on the level of trade at that time. In each case they believed that their post office business was profitable and failed to understand why they had been singled out for closure.

Although the environmental impact is perhaps the least significant it is none the less detrimental

Although not significant, there has inevitably been an environmental impact as individuals and businesses have to travel further to the next nearest post office or beyond. Our figures show that 82% of those who continue to use a Post Office travel to their next nearest branch but that 17% go elsewhere, further afield. This could be for several reasons:

- The branch is more convenient for work, school run, etc.

- To avoid queues in next nearest (mostly Crown) post offices

- To access a more convenient parking space

- To avoid paying to park

As a result half of the respondents are no longer able to walk to their post office with some 32% now using private transport and15% relying on public transport or taxis.

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Whilst the post office is still a trusted brand further service degradation could provide an irrevocable tipping point beyond gradual decline

Despite feelings of resentment towards closures and the process by which they were accomplished, throughout the questionnaire surveys and the qualitative work which preceded them, there is an undeniable sense of loyalty to what one respondent described a *"British institution"*.

The Post Office is a trusted national brand – 92% of local residents surveyed said this and it is worth considering why. Most of the time dealings with the organisation take place over the counter and that counter staff are held in high regard, it is likely that the high level of trust in the institution is grounded in the quality of the face to face relationship and the perceived trustworthiness of the individual members of staff fronting the service.

The strength of the brand and the trust it inspires represent an opportunity for POL but should not be taken for granted.

As an example of an opportunity, the suggested development of a Post Bank received significant support: 23% of domestic Post Office users said they would consider opening a Post Bank account if it were available (32% were unsure) and 38% of business customers.

Businesses that arguably have more postage options open to them than domestic users have shown a strong preference for Post Office services with the emphasis placed on the excellence of customer facing qualities. As with domestic users, they have, on the whole, been well served by the Post Office. Interestingly, 52% of businesses said they would increase their use of the Post Office if it was clear that this would secure their future (23% did not know). However, one of the key factors for their continued custom rests on the ease and speed of accessing services. Their acknowledged loyalty to the Post Office brand has been tested in recent months and an important finding of this research is that POL has lost revenue from businesses (and from domestic users) as they have changed to other service providers as a direct consequence of Post Office branch closure.

A key benefit for all Post Office users is convenience and implementation of measures intended to ensure the future of the network have substantially damaged this. There has been widespread loss of goodwill and businesses cannot afford the costs incurred. Many expressed the view that if the level of service declines further, they will look elsewhere. As a result the Post Office will be further undermined, a victim of either its own unwillingness to respond to changing business needs or constrained by its own or government regulations:

> *"Every bureaucratic organisation is solely concerned with maintaining the status quo rather than innovating. The Post Office is just slow in going the same way as Woolworths. They will be incapable of adapting and almost certainly they will eventually die. The key services will be taken on by others, like Tesco"*

An associated issue for POL is that much of its service is inextricably linked with that of Royal Mail – "*sending anything by post now takes an age.*"

The question arises of how long businesses will continue to support the Post Office. Perceptions of the Post Office's lack of responsiveness and its apparent unwillingness to innovate mean that the future is uncertain. It seems too that the Post Office fails to recognise opportunities put their way, for example:

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"My local branch is not happy about the large number of people posting bulk lots of parcels there. EBay has created this increase"

"The post office fails to appreciate the business ebay has bought to them, We spend around £400 a week and do not get treated very well"

POL has a network like no other but the NCP has resulted in changes which damage the very factors customers most value. There is no clear evidence that the closure programme was countered by making improvements to receiving branches. The unacceptably long queues, particularly in Crown offices, are testament to this as these branches struggle to cope with the increased workload. Should these issues not be resolved and the network further undermined, then more businesses will go elsewhere taking the network to a point where it is unsustainable.

Despite this there is real demand for replacement and renewed services

Respondents to both surveys were invited to put forward ideas that might benefit themselves or the wider community to improve the current situation. A number of suggestions were put forward but the significant majority focused on getting services back to where they are needed. These ranged from re-opening closed branches to mobile or hosted outreach to allowing shops to offer more Post Office products and services.

The following chapter on recommendations discusses how local authorities in West Sussex might support communities in achieving their objectives.

CHAPTER 7

RECOMMENDATIONS

Our research indicates that there is considerable activity amongst local authorities that are trying to address the issues associated with communities in decline through a range of tailored initiatives. The majority of this activity is based around rural communities although there is some evidence of urban initiatives. Some of these initiatives involve the replacement of post office services through a variety of means both working with POL and, in some cases, not. The Parliamentary Report produced by the Business and Enterprise Committee on the subject of Post Offices and Securing Their Future (2009) has evaluated some of these initiatives and has suggested that local authorities should take a more significant and coordinated role in protecting the future of post offices. It is proposed that post offices become a 'One Stop Shop' for local authority services. Perhaps unsurprisingly, this view is supported by both the National Association of Sub-postmasters (NFSP) and POL. However, neither body seems to recognize that they have a role to play in terms of improving both the quality of current services and engaging in open partnership discussions.

It is our view that, whilst the Post Office is still a trusted brand, further service degradation is likely to provide an irrevocable tipping point beyond gradual decline. Correcting this will require concerted and urgent action from POL to address customer service issues at all levels within the organisation. It will also require effort to clearly distinguish the services and brand of the Post Office from that of Royal Mail.

In a number of meetings with POL and local authorities within West Sussex, service issues have been denied and attempted discussions on service renewal initiatives have been rejected. Essentially POL has proved difficult to deal with, lacks transparency and does not have a clear and unambiguous framework for engagement. They do not appear to have the partnership infrastructure to proactively take specific services to local authorities. Further to this, providing additional services through already over-loaded offices is perceived generally to further undermine current poor levels of service.

For these reasons, local authorities in West Sussex although they trust the Post Office brand are, at this time, reluctant to engage in discussion with POL re supporting existing and new services. They would prefer to focus on supporting the communities directly.

On this premise, the following are recommended actions arising from the research programme for local authorities within the West Sussex Region. In these, we see the role of WSCC, or rather that of the District Councils in West Sussex, to be an enabling one. In this way, Councils can draw on their existing experience and initiatives already in place to address the impact of post office closure on communities hardest hit. There are already many examples in West Sussex which could be extended or reproduced to achieve mitigation of some, if not all, of the negative effects. In particular, the ideas and activities which focus on rural areas should be taken into urban spaces.

First, the authors of this report wish to state most emphatically that they do not believe that the option of re-opening a post office as per the Essex model is sustainable or cost effective within West Sussex.   However, action should be taken to investigate community focused initiatives as per the following.

The remit of the existing West Sussex Rural Action for Sussex Programme should be extended to include an assessment of whether integrated service delivery centres, for example, community hubs could take responsibility for providing postal services (from private service providers) in those areas suffering the greatest impact following the loss of post office services. The advantages to this course of action are mainly concerned with addressing service needs and social needs simultaneously. Businesses and local residents can all benefit. In order to do this the following actions will be required:

- To investigate and develop a comprehensive inventory of 3rd party and Post Office mail services currently available together with the infrastructure/resources necessary to deliver them.

- Identification of one or more pilot hubs with the necessary community drive and support to take initiatives forward

- Evaluation of the feasibility of providing and consequent potential demand for such services within the pilot hub community and development of a subsequent business model

- Extending the concept of integrated service delivery centres to those urban deprived communities most significantly impacted should be investigated as a matter of urgency. In this case, community hubs should be purposefully mapped to neighbourhoods where post offices have closed.

We feel it is important to consider a number of factors which we feel are important. First, the most vulnerable groups have suffered in two distinct but overlapping areas: the need to access post office services and the added social value that accessing those services has brought. It could be argued that the re-provision of postal services alone does not address all needs and this is true, especially for those who can only access their cash by using a POCA. However, our research has found that older people in particular make extensive use of postal services and would value their return to their communities. If a community hub is well established and, most importantly, trusted, there is no reason why this should not serve as a collection point for pensions and benefits.   The Post Office does offer a Home Delivery service in certain circumstances and, whilst this may provide the answer for some individuals, it could serve to further keep people in their homes.

Second, although Post Office Ltd has demonstrated a reluctance to engage on the subject of post office service provision, the region should pursue this discussion once more in relation to the **Post Office® essentials^{TM}** service. There are several examples whereby local authorities have met with POL intransigence but, by persevering even when this has taken the process through various stages of judicial review have succeeded in re-instating a post office service in locations where the original service had been the victim of the NCP.

It may, for example, be possible to replace outreach services with **Post Office® essentials^{TM}**. The community shop at Graffham would, in our view, provide a good pilot location for such a service. The revitalised village shop is successful, well supported and, according to local residents, taking more money than before. As a community enterprise, the profitability of an additional post office service may be secondary to the public service it

provides. There is every indication that Graffham residents would be highly motivated to support a **Post Office® essentials^{TM}** service.

Thirdly, where urban post offices have been closed, for example in Horsham and Haywards Heath, the potential of supporting the provision of 3rd party 'look-a-like' post office services should be considered. Now that the 12 month period following the compensation pay-out to former sub-postmasters has ended, shopkeepers are at liberty to pursue alternative postal services from private suppliers. Where there is no ATM or Post Office facilities for withdrawing cash, there are examples of smaller shops offering a 'cash back' services for their customers through debit card transactions.

This facility is offered to the customers of the Brockweir shop; they are able to get cash back through the shop till on debit card transactions. Whilst there is a charge to the shop for this service, it is seen as a cost worth paying in return for higher sales in the shop. Through internet computers, customers can have access to other services including car tax, passport applications and internet banking. A trained member of staff is available to help customers with navigating around the internet.

We also recommend that, on the assumption that Post Office Ltd demonstrates clear action to improve service quality issues across the network, local authorities within the region should work with POL to promote existing and new ways in which post offices can support local authority business. We have recently learned that POL is attempting to take a more proactive approach to promote these services and there is also the suggestion that the cost of these services is more competitive than previously.

Although there are no indications, currently, that the Government or POL will seek to close further post offices within the region. Should this situation change, then any such plans should be rigorously opposed.

Finally, the authors believe that, in the long term, the interests of residents and businesses are best served by a sustainable post office network and that this will require concerted effort by POL, local authorities and the business and residential communities they serve working together. The alternative total breakdown in the network would be far more costly in social, economic and environmental terms.

APPENDIX : selection of case study locations

Starting with the need to gain as broad an understanding as possible of the impact of Post Office closure over West Sussex as a whole, the process of selecting cases for inclusion depended on several clear rationales/range of criteria.

That at least one case was selected to ensure coverage of the three principal West Sussex Economic Partnership regions: Gatwick Diamond, Coastal West Sussex and Rural West Sussex thus enabling the work of this project to link in to these partnerships
That the project included both urban and rural communities
That communities at risk, specifically those including significant deprivation profiles (deprivation index), or higher proportion of older people should be included
Different outcomes of closure – closure with or without replacement by an outreach service

Based on these criteria, the study includes branches in the following geographic locations:

- Bognor Regis (urban)
- Worthing (urban)
- Horsham (urban)
- Haywards Heath (urban)
- Graffham (rural, Outreach)
- Washington(rural)

This selection takes the research into four local authority Districts: Arun, Adur, Horsham and Chichester. The demographic information included in support of these decisions is based on the series of fact sheets compiled by the Economic Strategy Group (2007) for each of the County Local Committee (CLC) areas affected by post office closures.

The selection of branches, where there are multiple closures, was based firstly on ward level data (included in the fact sheets) and secondly by making preliminary visits to all potential research sites within the 3 urban locations and 4 potential rural locations. Also included are the overall Indices of Multiple Deprivation (IMD) score for each ward. This information was sourced from the NHS *Fit for the Future* website where ward scores have been calculated from lower level SOA scores.

Location 1: Bognor Regis (Western Arun CLC area)

Bognor Regis was selected to represent the Coastal West Sussex Partnership region and an urban location. In particular, Bognor Regis was seen as providing the surest opportunity to study the impact of post office closure on older people and pensioners. The Western Arun CLC area has a higher proportion of older people compared with Arun District as well as county, regional and national averages. Over 36% of all households are

made up solely of pensioners (10% more than West Sussex as a whole) and, of these, a higher proportion of people have no car or van – 41.5% compared to 30.8% for the county.

At 15.9%, the total benefits claim rate for Western Arun CLC is higher than that of West Sussex (11.9%) indicating higher levels of other social groups thought to be most disadvantaged by post office closure: people who are unemployed, sick or disabled and lone parent families. In addition, with 5 branch closures within Bognor Regis, we are able to study the impact of multiple closures such as the knock-on and cumulative effects on other Post Offices.

We selected the Station Road branch for our investigation. This was in Marine Ward, the most deprived in Bognor affected by PO closure and the 4th most deprived ward in West Sussex with an IMD score of 30.5[*]. 3.4% claim unemployment benefit (more than double the rate for West Sussex at 1.6%). Of the 5 Bognor locations, it has the highest total claim rate at 25.9% which, unsurprisingly, compares poorly with West Sussex (15.3%). It has the lowest economic activity rate at 76.1% (West Sussex 81.1%).

All Bognor Regis wards in which there has been a Post Office closure have higher proportions of people over 65 than West Sussex as a whole and the proportion in Marine is not as high as other wards in Bognor Regis. This is, though, a much larger proportion of people over the age of 85: at 8% this is more than twice that for the county (3.1%). Half of Marine residents over 65 do not have a car.

The Station Road Post Office was located within a Tesco Express in the northern part of the town itself. There was anecdotal evidence that this closure had impacted significantly on the older population as well as having had a noticeable effect on surrounding businesses. Of particular interest, having visited the neighbourhood and spoken to a small number of people there, it would seem that the Station Road Post Office formed part of a distinct community which functioned independently from the town as a whole. Concerns were expressed that this discrete community and people's *sense* of community were at risk.

Location 2: Worthing (Worthing CLC area)

Worthing was selected to represent the Coastal West Sussex partnership region and also because it is an area with multiple closures. Four post offices have closed in this urban area and, like Bognor Regis, there was anecdotal evidence (from site visits) that there has been a cumulative effect on remaining branches and, in particular, the main Post Office in the centre of town. It was suggested that the pressure placed on these had severely tested their capacity to cope and older people, again, are seen as the group most disadvantaged by closures. In addition to having to go further afield, people were having to stand in lengthy queues – a major problem for people with reduced mobility.

We selected the Heene Road branch for this investigation. With an IMD score of 27.2, Heene is the 8th most deprived ward within West Sussex (the only other ward in which a post office has closed which is more deprived is Marine in Bognor Regis with an IMD score of 30.5%). At 35.2%, Heene ward has a high concentration of people over 65 compared to the county (20.3%) and 50.8% of those have no car (compared to only 18.9% for the

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IMD (Indices of Multiple Deprivation score) – wards with higher scores are more deprived

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county). The total claim rate for this ward is 22.2% compared to 15.3 for West Sussex. More people were likely to be self employed in Heene (14.2%) than the other sites and more likely to work at home (10.2%) although both rates were fractionally lower than for the county.

The Post Office was located within the busy McColls convenience store and the shop manager described the closure as having 'a big impact' on everyone who used the post office. In his view, it was customers who have no private transport that have been hardest hit and this, of course, includes older people. The McColls store may not have suffered directly from the closure as the area taken up by the Post Office (the two businesses were completely independent of one another) has been utilised to accommodate an extended range of items. However, according to him, other local shops along the parade have been adversely affected.

Location 3: Horsham (North Horsham CLC area)

Horsham was selected to represent an urban location in the Gatwick Diamond Partnership region and the opportunity to study the impact of post office closure on an area of higher economic activity was seen to exist here. Labour market statistics reveal the economic activity rate of the North Horsham CLC area to be slightly higher than that of the county (83.1% compared to 81.1% for West Sussex). Four post offices have closed in the urban area of Horsham and visits to all of these and to the main Post Office in the centre of the town highlight the problems face by multiple closure in an urban area with those remaining struggling to cope with demand.

We selected the Queen Street branch, one of two post offices to have closed in Forest ward. With an IMD score of only 2.1, this is the least deprived ward in West Sussex but there is a higher proportion of pensioner households (27.6%) than the other potential sites in Horsham. In this instance, information gathered on the exploratory visit contributed more to the decision to select this branch. Firstly, the post office was part of a privately owned small business: both the Bognor Regis and Worthing businesses were part of a regional or national chain. The shop owner and former postmaster described a devastating loss of trade which he was certain would result in the collapse of his business. Secondly, the branch was located in a cluster of a dozen or so shops and small businesses which the ex-postmaster said worked to the mutual benefit of all – *"we all feed off each other"* – but the loss of the post office meant that he was now out of this loop. The post office was what he called a *"community asset"* which was lost to both the business and residential communities, the latter confirmed by a District Nurse who *'knew for a fact"* that the many older people who had used the post office had been affected *"a hell of a lot"* by its closure.

Location 4: Haywards Heath (Central Mid Sussex CLC area)

A fourth urban area was selected so as to include Mid Sussex in our sample of cases. Burgess Hill and Haywards Heath have both seen two Post Office branches close. Ward level data demonstrates a broad similarity between the two locations: in each town a post office has closed in an area of relatively high deprivation and an area of relatively low

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deprivation. There was little on CLC data to single out any one as offering a research opportunity of any special interest except to say that the Haywards Heath Bentswood ward, with an IMD of 12.7, is the most deprived in Mid Sussex. However, relative to West Sussex, this ward is placed just above the median deprivation score. The selection of the New England Road Post Office branch in Haywards Heath Bentswood is based largely on the site visit and subsequent research on this area.

The Post Office was located in a small retail parade central to two very large local authority built housing estates – Bentswood and Wilmington Way. For this reason, this neighbourhood is different to those already identified in terms of its geography and local characteristics. Research funded by *Communities Against Drugs* focused on the social problems identified within this area (mostly to do with crime and disorder) and the results published in 2003 as Findings of the Bentswood Research Project (Smith, J. 2003). Relevant to the present project are the report's observations that there is significant within-ward diversity 'with pockets of affluence and deprivation in close proximity to each other' and it is the poorer residents of Bentswood who are 'constantly reminded of their relative poverty' as they compare themselves with the residents of next-door Lindfield Urban, the sixth most affluent ward in West Sussex. As the within-ward range of socio-economic advantage/disadvantage is broad, the needs of the poorest families tend to be overlooked in statistical averaging. In particular, Bentwood has a comparatively high number of single parent families and support for these together with families on low income is provided through a community project, the Saltworkz Café. This is in the parade of shops where the Post Office was located (within the McColls convenience store) and provides a meeting place for community groups and it is here that the West Sussex Credit Union holds regular sessions. In social research, reaching these groups can be challenging and the Saltworkz Café, whose support for *this* project has so far been positive, makes inclusion of these groups more certain.

Location 5: Washington (Chanctonbury CLC area)

The number of opportunities to study post office closure in a rural location were relatively few, and opportunities to study outright closure even fewer. Washington provided the one opportunity within a reasonable commute distance to study the impact of post office closure in a rural location in which there were no plans to set up an outreach service. It is in the relatively affluent Chantry Ward (IMD score 2007 = 8.4) in the Horsham District and within the Rural West Sussex partnership region.

There are no features in the demographic data to make Washington a special case for study except perhaps to note that the rate of self-employment (21.5%) is high relative to West Sussex (15.7%) and that 14.3% of residents who work mainly from home (10.3% for the county). These, however, reflect the rural location of Washington.

The Post Office occupied part of the Frankland Arms public house in a building attached to but separate from the business of the pub itself. At one time this also housed the now closed village shop. A local resident explained that most people had cars (verified by the demographic data) so that access to a post office was not, in itself, a problem for the majority of people but that it now always entailed a car journey. This also means that older people who are unable to drive themselves and who wish to collect their pension or draw out cash "*have to be taken*".

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Location 6: Graffham (North Chichester CLC area)

A second rural location was required in which an outreach service would be in place. Three commutable possibilities included Redford, Compton and Graffham. The relative remoteness of Redford made this our first choice on paper but time spent in the village suggested that more might be learnt from another location. The visit was made on a morning when the outreach service was operating from the village shop that had previously accommodated the sub post office. Conversations with both the former postmaster and the supervisor of the new outreach service (operating out of Midhurst) suggest that the impact on more vulnerable social groups was minimal and that the number of businesses affected were few.

A visit to Compton revealed that the post office had, in fact, been closed for about a year and that the new outreach service (in the saloon bar of the local pub) had been so poorly publicised that few people knew of its existence. The post office was formerly housed in the village ship which local residents described as failing and there were plans for the community to take this over. However, it seems that a private sale has since been achieved. The shopkeeper who was also the former postmaster described the lack of support for both the shop and the post office, suggesting (rather like Redford) that the impact on the community was, on the whole, muted.

Graffham, however, provides a unique opportunity. When the post office was closed down, the combined village shop closed too. According to a local resident, both had been failing for some time due to the personal and health problems of the previous owner. Graffham now has an outreach service hosted by the picture framing shop which, according to the Midhurst postmaster is busier than either Compton or Redford. Here, though, we had direct access to a community which did join forces successfully to re-open the shop as a communal venture.

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