



Post Office Closures

SUMMARY

- 1.1 At a council meeting on 15th July 2009 it was resolved that Council recognises that the Post Office closure programme had a disproportionate effect on certain neighbourhoods around the city.
- 1.2 The administration was asked to approach Post Office Ltd regarding the closure of Chester Green post office and to consider the options for re-opening.
- 1.3 This report highlights the options considered, after discussions with Post Office Ltd, and the financial implications of each option.

RECOMMENDATION

- 2.1 It is recommended that no further action is taken in view of the cost to the council under all 3 options.

SUPPORTING INFORMATION

- 3.1 Following discussions with PO Ltd we obtained the final years trading figures for the former Chester Green PO on Mansfield Road. These were used as a guide to produce financial assumptions for the options considered below.

3.2 We considered 3 alternative approaches for the provision of PO services:

- **Hosted Service** – Operated at set times and days each week by a sub core post master (possibly from Victoria street PO). The community centre would be the best placed building to provide this level of service. Initial cost in year one would be £66,000 and ten year cost implications £295,000.
- **Partner Service** involving the **re-opening of the former Post Office/corner store** at Mansfield road, possibly by the former occupiers, if willing. This would offer the same service level as when previously open. Initial cost in year one (assuming no set up or training costs) £42,250 and ten year cost implications £58,000.

Partner Service with new partners (for example, the news agency at the corner of City Road and Mansfield Road). This is an established corner store that may be suited to the provision of PO services. Initial cost in year one would be £57,250 and ten year cost implications £73,000.

3.3 The attached appendix covers these 3 options plus a do nothing option. It also summarises the financial risks and legal implications along with the proposed next steps for each. Two key financial risks to note are:

- As the income levels are based on the last year of trading which was circa three years ago, there is a risk that these levels would not now be achievable again
- Partner service with new partners – there is a risk of abortive and repeat set up and training costs if partners withdrew at a later stage

Other considerations include the impact this extra service may have on surrounding Post Offices and any precedence set from the provision of extra PO services in this area.

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Options paper

IMPLICATIONS

Financial

1.1 None

Legal

2.1 None

Personnel

3.1 None

Equalities Impact

4.1 None

Corporate objectives and priorities for change

5.1 None