

Proposed branch closure

POST
OFFICE

David Montgomery
Chief Executive
East Ayrshire Council
Council Headquarters
London Road
KILMARNOCK
KA3 7BU

15/09/2004

Dear Mr Montgomery

Post Office® area plan for Kilmarnock & Loudoun

I am writing to you to let you know that we have recently undertaken a comprehensive review of the network of Post Office branches in the above area, and I am now in a position to provide you with information about our proposals in respect of this network. You should have already received an update on the Network Reinvention programme earlier this year. Rachel Fielding should also have sent you a letter recently which included an offer to send us any infrastructure / regeneration plans. I appreciate you may not have had time to reply yet and, as such, I would still be pleased to receive this information during the consultation period and will factor this into the decision making. The consultation process is in line with what is set out in our Code of Practice for network change, agreed with the independent consumer watchdog, Postwatch.

Enclosed with this letter are two proposal documents giving details of branches we are putting forward as potential closures; and the improvements agreed in surrounding branches which will ensure our customers continue to have good access to Post Office services.

The proposals are made within the framework of our Network Reinvention programme, which we are undertaking in order to stabilise provision of service to our customers. The current urban network is too vast for the amount of custom it receives despite ongoing work to increase the business it handles. We are therefore, having to reduce the number of branches to ensure future viability. This will still leave a significantly large urban network with continuing unrivalled access for customers.

What changes are we planning to make to the Post Office network in the Kilmarnock & Loudoun area?

As you know, we have already made changes to our network in your area with the closure of Titchfield Street branch, which closed on 14th January 2004.

There are currently 17 Post Office branches in the Kilmarnock & Loudoun constituency. This review only considers those branches in the urban network, of which there are 9 in this area. The remaining 8 are classified as rural. As a result of our review, and in agreement with the subpostmasters concerned, we are now proposing the closure of a further 2 branches. The specific branches included in our proposals are:

Proposed closing branches:

- New Farm Loch branch, 18 Lindsay Drive, New Farm Loch, KILMARNOCK, KA3 7LJ
- Whattriggs Road branch, 81 Whattriggs Road, KILMARNOCK, KA1 3RB

The proposal documents provide details on each of the branches put forward for closure and of the main receiving branches. The following information provides you with more detail about the area plan itself and the reasons behind the proposals.

The Kilmarnock and Loudoun constituency currently supports seventeen Post Office branches, eight of which are classified as rural and are not included within this network review. We have reviewed the classification of these branches, using the Multiple Index of Deprivation, and established that three of them, Knockinlaw, Onthank and Shortlees fall within the top 10% of deprived areas in Scotland. In January this year, as part of our initial review of the area, we completed the permanent closure of the Post Office Titchfield Street branch. As predicted, customers have successfully migrated to the nominated receiving branches, where the business has been absorbed without difficulty. Despite this closure, the constituency still has too many branches for the business available. Our final review indicates that two further closures are necessary in order to strengthen the Post Office network and we are proposing to close the Post Office branches at Whattriggs Road and New Farm Loch.

Both branches are located in small, poorly used premises and the subpostmasters have found it increasingly difficult to generate enough profit to allow for reinvestment. As a result, standards in both the Post Office and associated retail offer are very poor. The investment required to bring these branches up to an acceptable standard cannot be supported with the current business levels. Neither branch has any potential for development and growth. The migration of customers to the nominated receiving branches nearby will help improve profitability and support the improvements planned by the subpostmasters. There are good public transport links throughout the area, offering free travel to senior citizens.

In addition to considering the effect the proposed closures would have on our customers, the review has taken into account current infrastructure developments within the constituency, particularly the activities identified in the East Ayrshire Community Plan. We are confident that our proposals retain a strong Post Office presence, accessible to all the main retail and residential areas.

As part of the review we also considered aspects such as availability of public transport, parking facilities, topography and ease of pedestrian access to the branches themselves. The branches shown as 'receiving' are ones we believe customers are most likely to move to. We used a sophisticated computer modelling programme to help us understand the levels of customers likely to migrate to these branches and sense checked these 'on the ground' during visits to survey the area and the relevant branches involved.

Our aim of course is to retain as many customers as possible following any closures and we therefore make sure our customers know that they can choose to visit any other branches within our network to conduct their business. From listening to what MPs, Postwatch and other opinion formers have advised us, should our proposals go ahead, we will be putting customer advisors in the closing branches to help customers choose the most convenient option for them. Full details of all Post Office branches can be obtained by contacting our customer helpline on 08457 22 33 44 or by visiting our website at www.postoffice.co.uk

Please note that the existing post boxes located just outside New Farm Loch and Whatriggs Road branches will all remain sited.

I am confident that the 15 remaining Post Office branches in the area, 7 urban and 8 rural, have the capacity to cope with the increase in customers expected to migrate from the branches I am proposing to close.

To help you consider the proposals, I have enclosed one map showing the current Post Office branch network in your area, and another showing the Post Office branch network should all the proposals go ahead.

Post Office Ltd operates within a very competitive retail sector, which is subject to many external influences. The urban Post Office branch network must be commercially viable and I believe the proposals we are putting forward are the most realistic we can make in the area to ensure the long term viability and stability of the remaining network of branches for customers, Post Office Ltd and our subpostmasters. Naturally, I cannot guarantee that once we've stabilised our network, there will not be further incremental changes, as has always been the case, as the surrounding retail environment continues to change.

Are there any investments or improvements planned to Post Office branches in the area?

We have identified the branches we anticipate will be the ones customers are most likely to use if the closure proposals go ahead. You will obviously be keen to understand what we are doing to improve the service offer in these branches. I am pleased to confirm that, in partnership with the remaining subpostmasters, coupled with financial support from the various grant schemes available, £7,810 will be invested within selected branches. This investment will give subpostmasters the opportunity to enhance the overall service offer to their customers.

Improvements vary depending on local circumstances and current standards within the individual branches. Improvements planned for a specific branch are detailed within the enclosed proposal documents and these include:

Improving facilities for disabled customers:

- o Improving access facilities into branches by providing a ramp at the entrance
- o Put up a hand rail

Improving customer service:

- o Increasing opening hours
- o Reviewing alignment of staff to customer arrival patterns

Presentational improvements:

- o External signage to help customers identify the Post Office branch
- o Installation of signage indicating products and services available
- o External redecorations

Some improvements may be subject to planning permission. Our priority is to ensure that customers continue to receive at least the same high standard of service they have come to expect; at whichever branch they prefer to use. Post Office Ltd will give full consideration to all further suggestions that may arise during the formal period of consultation, in terms of enhancing the standard of service available within the remaining branches.

Next steps

Public consultation will begin on Thursday 16th September 2004 and end on Wednesday 27th October 2004. After this period of public consultation I will carefully consider all of the feedback received before making any decisions about whether the individual branches should remain open or close. If the decision is taken to proceed with the closure of one or both branches we expect these to start during January 2005. I will write to you again, shortly after the end of the consultation period, informing you of the feedback received and the decisions taken in respect of the proposals.

I would like to invite you to write to me with any points you would like me to consider in respect of the individual proposals covered by this letter. Our National Consultation Team will co-ordinate all responses received, in direct liaison with myself.

Should you wish to discuss these proposals on a face-to-face basis a meeting may be organised by contacting the number below and quoting reference number SC11E.

We listen carefully to all points of view before taking important decisions to change the Post Office branch network in any particular area. You may, therefore, want to share this information with those people within your organisation who you feel would have an active interest in this matter.

As you know, among others we are also consulting with Postwatch. You may, therefore, wish to consider copying your correspondence to them at the following address; Postwatch, 28 Grosvenor Gardens, London SW1W 0TT. Of course, you are under no obligation to do so and any correspondence received by us will be treated in the strictest confidence.

Thank you for your time taken to consider this matter.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andy Bayfield', written in a cursive style.

Andy Bayfield
Head of Area
Post Office Ltd,

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The Post Office[®] is able to supply customers with this information, free of charge, in an alternative format for people who are visually impaired. To obtain a copy, call the Post Office[®] helpline on 08457 22 33 44 or textphone 08457 22 33 55.