

postwatch news release

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POST OFFICE CLOSURE PROPOSALS – ONE MONTH LEFT TO HAVE YOUR SAY

Postwatch, the watchdog for postal services, urges customers to have their say on the future of the post office network by responding to the government's consultation, due to close on 8th March.

The government is proposing to close up to 2,500 post offices throughout the UK, establish new minimum access criteria to maintain a national network, put in place 500 'outreach' services such as mobile post offices, and continue to fund the rural network to 2011. These proposed changes seek to address the network's current difficulties, with 90 percent of rural branches failing to make a profit, revenue from government transactions falling by £168 million last year, and overall financial losses for the network expected to rise from £111 million to £200 million this year.

Commenting on the consultation, Millie Banerjee, Chair of Postwatch, said:

"The government's proposals signal a massive change for the post office network, and anyone who uses these services should take an interest in the consultation.

"Postwatch has been urging the government to take action to address the current problems and to put in place a sustainable way of meeting customers' post office needs. We therefore welcome the opportunity the consultation gives to contribute our thoughts on the appropriate next steps.

"No decisions have yet been taken, so there are no details on which post offices will close. However, **if** 2,500 closures go ahead, and **if** these are split proportionally across the UK, that would result in:

Postwatch region	Number of closures
East	228
London	157
Midlands	380
North	604
South East	209
South West	327
Northern Ireland	94
Scotland	296
Wales	205
Total	2,500

"Throughout the UK, we have been busy contacting businesses, charities and councils to raise awareness of the government's proposals. We are encouraging as many people and organisations as possible to respond, to ensure their views and concerns are fully taken into account. With one

month to go before the deadline for responses, if you have not yet submitted your comments, there is still time to do so.”

Notes to editors

Background

1. In March 2006 there were 14,356 post offices in the UK, of which 6,522 were in urban areas, and 7,854 rural. There were 1,125 post offices classified as being in urban deprived areas,
2. Over 1,500 rural post offices have fewer than 40 customer visits a week and 90 percent fail to make a profit.
3. Since April 2000 despite it being government policy to avoid rural post office closures over 1,000 have closed.
4. During the **Urban Reinvention** programme (April 2003 – March 2005), over 2,400 urban post offices were closed.

Government proposals

5. The government’s consultation document is available online at www.dti.gov.uk, or you telephone **0845 015 0010** for a copy.
6. Responses should be submitted by 8th March to: **Post Office Network Consultation, Department of Trade and Industry Response Centre, 1 Victoria Street, London, SW1H 0ET.** Or email dti.enquiries@dti.gsi.gov.uk
7. The key proposals in the consultation are:
 - A maximum of 2,500 post office closures;
 - Putting in place minimum access criteria for the network;
 - 28 months compensation for subpostmasters leaving the business;
 - The creation of 500 new ‘outreach’ services; and
 - A continuation of the £150 million annual funding to 2011.
8. The 2,500 proposed closures constitute 17.5 percent of the total post office network.

Closures

9. As the government is currently consulting on its proposals, the number of closures is yet to be decided, likewise the location of post offices that will close. For indicative purposes, the following table shows how 2,500 closures would affect each region within the UK if they were split proportionally across all regions.

Region	Total Number of branches	% of branches	Number of rural branches	% of rural branches	Number of urban branches	% of urban branches	No. close if network reduced by 17.5%
East	1307	9	922	12	385	6	228
London	900	6	37	0	863	13	157
Midlands	2181	15	1141	15	1040	16	380
North	3467	24	1623	21	1844	28	604
South East	1200	8	518	7	682	10	209
South & West	1878	13	1210	15	668	10	327
Northern Ireland	542	4	384	5	158	2	94
Scotland	1702	12	1141	15	561	9	296
Wales	1179	8	858	11	321	5	205
Totals	14356	100	7834	100	6522	100	2500

For more information contact:

Andy Frewin 020 7259 1223 or 07900 263 004

Daryl Barrett 020 7259 1239 or 07900 263 020