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Regulatory Reform Committee

Post Office Closure Programme

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The Business, Enterprise & Regulatory Reform Committee

The Business, Enterprise & Regulatory Reform Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Business, Enterprise & Regulatory Reform.

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1 Introduction

1. The Trade and Industry Committee reported on plans to restructure the Post Office network twice last Session. It considered that “the current situation of increasing financial losses and haphazard closures of branches was undermining the entire network, and we reluctantly accepted that a thorough review of the network with a limited number of planned closures was sensible, provided that the social as well as the commercial aspects of post offices were fully taken into account.”¹

2. Nonetheless there were several concerns over the Government’s plans. In summary, these were:

- the six week consultation would not allow time for customers and others, particularly local authorities, to respond to proposals;
- the merger between Postwatch and the new National Consumer Council would take place before the restructuring had finished, so disrupting scrutiny of Post Office Ltd’s proposals;
- even with the restructuring, the long-term future of the network depended on the entrepreneurial flair of Post Office Ltd, which had not been conspicuous in the past;
- it was unclear how the Post Office network would be sustained after the closure programme, given that, in addition to the programme of planned and compensated closures, sub-postmasters could and would close offices without compensation.

3. We decided to hold a short, focused inquiry, to examine how the closure programme was being implemented, and if necessary, to make proposals for its improvement. Since the Network Change Programme should be a strategic process which results in a coherent Post Office Network, we included the franchising of directly managed Crown Offices to other retail outlets within our terms of reference. In addition to issuing a more general call for evidence, we wrote to Parliamentary colleagues who had had experience of the closure programme in their constituencies. We have held two sessions of oral evidence, in which we questioned Mr George Thomson, General Secretary, and Ms Sally Reeves, Chair, Negotiating Committee and Executive Officer, of the National Federation of Sub-Postmasters (NFSP); Mr Howard Webber, Chief Executive of Postwatch; Mr Billy Hayes, General Secretary, and Mr Andy Furey, Assistant Secretary, of the Communication Workers Union (CWU); Mr Alan Cook, Managing Director, and Ms Paula Vennells, Network Director of Post Office Ltd; Mr Pat McFadden MP, the Minister for Employment and Postal Affairs, Ms Ruth Hannat, Director of Operations Strategy and Mr Mike Whitehead, Assistant Director for Post Office Network and Urban Reinvention Programme, Department for Business, Enterprise and Regulatory Reform. We are extremely grateful to all those who gave evidence, both oral and written. 51 petitions to the House have been referred to us. This short Report is intended to draw attention to matters

¹ Trade and Industry Committee, Eighth Report of Session 2006-7, *Restructuring the Post Office Network*, HC 593, para 1

which we believe should be addressed urgently both to improve local consultations on the Network Change Programme, and to improve the implementation of the Programme.

The Role of Government and the future of the network

4. The Government is providing £1.7 billion in funding for the Post Office, a significant amount of which will be made available for the Network Change Programme, and has set the access criteria for the network as a whole. The Network Change Programme is designed to produce a sustainable network which can be supported with the funding available from Government. That funding is justified because the Post Office performs a social function, as well as being a commercial operation. However, there is uncertainty about the future of the network. As both the Minister and Mr Clark made clear, changing consumer preferences and new ways of providing services mean that Post Office Ltd is running at a loss. The Government has provided funding for “up to 2,500 compensated closures”. Post Office Ltd told us that although there was some flexibility around this, the minimum number of closures would be 2,400.² Post Office Ltd told us that it needed to reduce total costs by £270 million over the next five years. Post Office closures would account for £45 million of that cost. While £29 million of the savings would flow directly from the closure programme, £19 million depended on making savings in the infrastructure that supported those branches. Although £9 million of those savings were clearly identifiable (e.g. maintenance of computer terminals in closing branches), the other £7 million saving would be harder to achieve.³ As long as those savings could be achieved, “this closure programme should not beget another one”.⁴

5. Although Government funding cannot be guaranteed beyond 2011, the Minister has made it clear that “it is Government policy to maintain a sustainable network of around 11,500 post offices”.⁵ Post Office Ltd told us that at the end of the programme there were likely to be 12,200 post offices, of which 500 would be Outreach.⁶ Post Office Ltd told us it:

has no wish to see any reduction in branch numbers beyond this level, providing that the overall network can be made sustainable. Any instance of a branch closing in the future for reasons beyond Post Office Ltd’s control will result in a case by case examination of the future provision of services across the relevant local area and to meet the binding national accessibility criteria.

Nonetheless, it remains the case that the majority of Post Office branches are not commercially viable for Post Office Ltd and require support through the structure of the Post Office remuneration to make them viable for sub-postmasters, which provides minimum income levels regardless of low numbers of transactions in smaller branches. Post Office Ltd’s ability to provide remuneration at a level which enables these branches to survive is dependent partly on the success of the company

² Q 175

³ Q 175-6

⁴ Q 176

⁵ Letter from the Minister for Employment Relations & Postal Affairs to the Chairman of the Committee 17 January 2008

⁶ POS 4 (POST OFFICE LTD)

in marketing new services, both through branches and directly, and, crucially, through financial payments from Government in recognition of the social value of the network of branches. Changes to Government's position would require Government to review its decision on the size and shape of network it wished to see.⁷

6. Mr Thomson of the NFSP told us that the “the answer to the problems facing the post Office cannot continue to mean every two or three years closing 2500 offices” and that current closure programme “takes us to what I would call the ‘critical mass’”.⁸ The replacement for Post Office Card Account is now out to tender, as is required by European procurement rules; it is clear that if the Post Office does not win this, it could have significant consequences. We understand the difficulty for the Government in announcing its future funding intentions, particularly when there is so much uncertainty. We asked the Minister about the review of Postal Services announced last month; he assured us that this was more about mail services than the Post Office network.⁹ Although the Minister warned us that financial commitments could not currently be made beyond 2011, we consider that Post Office Ltd, and all those who supply or use Post Office services should be given as much certainty as possible. As Mr Hayes reminded us, there have already been suggestions that mail services should be divided from the counter service;¹⁰ the Government may be forced to address the future of the Post Office network as a consequence of its review.

7. While we accept that there is inevitable uncertainty about the medium term beyond 2011, the shape of network before that is also uncertain. As the Government said in its response to the consultation on postal services “it is not possible to maintain a static network”¹¹ as there will inevitably be some natural exits of postmasters from the network. Whatever the scale of such exits, and it may be considerable over the period, it is likely that it will not be possible to find new premises or replacement postmasters in every case.¹² The Government's access criteria provide a minimum standard for accessibility, but that standard could be met with far fewer than 12,200 branches. **In answer to a Parliamentary Question, the Government said a network of around 7,500 offices would suffice to meet the national criteria. We do not think it is satisfactory simply to accept that the network may continue to shrink in an unplanned way between now and 2011; Post Office Ltd should be obliged to use its best endeavours to keep the network at a minimum of 11,500 fixed outlets.**

8. The new National Consumer Council, which will take over Postwatch's functions, will have a vital role in monitoring the adequacy of the network. Earlier Reports were concerned that the merger would damage Postwatch's ability to engage in the Network Change Programme process. The evidence we received suggests this has not, so far, been the case, and we congratulate Postwatch on the work it has done to improve Post Office

⁷ POS 4

⁸ Q 7

⁹ Q 274

¹⁰ Q 169

¹¹ Department for Business, Enterprise & Regulatory Reform, *Post Office Network: Government response to public consultation*, p20

¹² See QQ 55-6

Ltd's proposals. However, although all agreed that the National Consumer Council should monitor the network in future, the way in which it should do so was felt to be a matter for the new board. **We urge the new National Consumer Council to place continued monitoring of the post office network among its highest priorities.**

2 The Consultation Process

9. In summary, the Network Change Programme sets out its proposals for a reduction in the network in a series of local area plans. Each plan is dealt with in stages:

- In the first 11 weeks, Post Office Ltd draws up its initial plan, and engages with Postwatch in “detailed plan development discussions”. It also speaks to the sub-postmasters and mistresses in the area. Both sets of discussions take place in confidence. Local MPs are notified in the final week of that process;
- After that, there is a six-week period of local public consultation, in which details of the proposals are made publicly available for the first time;
- There then follows three weeks before final decisions are announced (assuming no proposals are taken to review: there is a four stage review process that Postwatch can initiate if it feels it necessary); and
- A further four weeks for implementation.¹³

10. Although the NFSP told us that its experience of the consultation process had generally been positive,¹⁴ and they strongly supported the six week consultation period, this period has proved to be unsatisfactory for other parties—just as we predicted. What we had not anticipated was that the early involvement of Postwatch is also causing difficulties. Mr Thomson of the NFSP told us that “I think Postwatch are doing a very good job and they are doing most of that good work at pre-consultation” and that in Glasgow Postwatch had persuaded Post Office Ltd to change its plans for 24% of the offices at this pre-consultation stage.¹⁵ This is not generally appreciated, and despite the observation in the documents setting out the proposals for change that ‘x%’ of proposals have been changed as a result of pre-consultation, the process is opaque.¹⁶ Postwatch’s involvement has not always been obvious.¹⁷ Moreover, the success of public consultation is often taken to be the number of changes made, but Alan Cook considered that this was not an appropriate measure, when so much preparatory work had been done.

11. This lack of transparency also leads to a misunderstanding of the nature of the consultation among local residents, and has engendered the belief that the public consultations are a sham. As the Leader of the House said, when challenged about the consultation on Post Office closures, “We must ensure that, if at any stage a Government

¹³ See POS 4

¹⁴ Q1, Q3

¹⁵ Q 16

¹⁶ See POS 6

¹⁷ See POS 22, Q 66

Department or agency engages in consultation, it is genuine consultation; otherwise it is worse than simply taking the decision itself.¹⁸ The Minister told us that it was important to be clear about the basis for consultation. The decision to reduce the size of the network has already been taken; the local consultations are not about *whether* post offices should close in a particular area, but about whether Post Office Ltd's proposals identify the *right* offices for closure. The problem is that the consultation materials do not clearly set this out.

12. The Local Area Plans contain a great deal of information about the process, and note the involvement of Postwatch and local authorities. Indeed, Postwatch's first report to us on the closure programme noted that it would welcome a more succinct approach.¹⁹ We agree. We consider the Proposals' description of the local consultation is overly optimistic: "each area plan proposal is subject to local public consultation to ensure that the views of local people are taken into account before any final decisions are made by Post Office Ltd". This implies that the strength of feeling among customers will be a factor, even though Post Office Ltd itself told us that it cannot be taken into account.²⁰ These are not local referenda. Although Alan Cook, Chief Executive of Post Office Ltd, told us that the decision that a particular office was to be closed did not mean that all other offices were to stay open, the information currently available, particularly in individual sub-post offices, makes it appear that the consultation is about the fate of individual branches, rather than about how services should be configured overall. It should be made absolutely clear that if the consultation reveals that a particular post office should remain open, others may be closed in consequence. **Post Office Ltd should be far clearer about the basis on which the public is being consulted. All its literature should make it clear that there *will* be reductions in Post Office provision, and that the question being asked is simply whether the *right* branches have been identified for closure.**

Confidentiality

13. Rt Hon Sir John Stanley MP noted that "no explanation was offered as to why, in a democracy, confidential pre-consultation should be granted to a quango and not to elected MPs and elected local councillors".²¹ Local MPs are meant to be given a week's advance notice of Post Office Ltd's proposals, but it is clear from the responses to our letter to MPs that this has not always been the case.²² Although many MPs found Post Office Ltd itself as courteous and helpful, and some found the process well run,²³ most of the colleagues who responded to us were dissatisfied with the process, particularly with the limited opportunity to change proposals.²⁴ Nick Palmer MP noted that early notification was of limited use if confidentiality restricted discussions.

¹⁸ Official Report 31 Jan 2008, c 473

¹⁹ The Post Office Closure Programme: First Progress report to the Business, Enterprise and Regulatory Reform Committee, November 2007, p 10

²⁰ POS 4, para 33

²¹ Letter to the Committee

²² Eg Peter Bone MP, John Greenway MP

²³ Eg Rt Hon Kenneth Clarke QC MP, Rt Hon Elliot Morley MP, Chris Huhne MP, Rt Hon Ian McCartney MP, Laura Moffat MP

²⁴ Eg Ann Widdecombe MP, Derek Wyatt MP

14. There would be more opportunity to make changes if the pre-consultation phase were more open. We asked why the pre-consultation needed to be kept confidential. The NFSP and Postwatch were both concerned that sensitive business details would be revealed,²⁵ although Postwatch considered there was scope for more openness.²⁶ Although sub-post offices are individual businesses, and Post Office Ltd operates on a commercial basis, the closure programme is being funded by public money and closures can inevitably have a great impact on the public. Many of our respondents complained that, even after considerable effort, they were given no reason why particular branches had been chosen for closure.²⁷ When we put this to Alan Cook, he told us that these grounds were given in the final decision booklet, and since the proposals were tentative, it was inappropriate to give reasons why particular branches were put forward for closure at an earlier stage.²⁸ This is not good enough. The closure programme is not just about the commercial needs of Post Office Ltd—it also about the needs of communities served by individual sub-post offices. **If people are to respond sensibly to proposals to close a particular sub-post office, they need to know why that branch has been put forward for closure. There may be some details which need to be kept confidential, but this should be strictly limited, given the substantial public investment in the network and the keen public interest in the outcome. We welcome the fact that Post Office Ltd has been prepared to share more information as the process has evolved; it should give such information at the outset of the consultation process.**

15. Postwatch, Post Office Ltd and the NFSP defended the pre-consultation process on the grounds that post offices which were considered likely to close lost business and would have difficulty in winning it back if they were later reprieved.²⁹ Given this, they considered it was sensible to ensure that the proposals which would be made public were soundly based.

16. NFSP considered that postmasters in offices where closure proposals have been revoked should be given financial and practical help. Indeed, George Thomson told us he was in discussions with Post Office Ltd about this.³⁰ Part of the problem appears to us to stem from Post Office Ltd's publicity. Proposals for closure are extremely clearly set out on posters displayed in the post offices concerned. The "reprieve" notice might be expected to open with a clear statement that "This office is remaining open" when the information is in fact given in the middle of a densely printed statement. Post Office Ltd should review the publicity material in the Network Change Programme. **Area Plan Proposals and their associated publicity should make it clear that closure, although likely, is not inevitable, and that the status of post offices scheduled to remain open may change. The notification that an office, is to remain open should be far more clearly worded.**

²⁵ Q 66

²⁶ QQ 68-9

²⁷ Eg POS 31

²⁸ Q 186

²⁹ QQ 14, 41, 66

³⁰ Q17

17. Post Office Ltd told us that it observed confidentiality in dealings with sub-postmasters:

There will be two types of sub-postmasters. We will go to one sub-postmaster and say, “We are proposing that your office is closed,” but equally, we are likely to go to another postmaster and say, “We’re proposing that your post office stays open, but the one down the road is proposed as closing and that being the case, it is going to produce additional work in your post office. We need to assess whether you can cope with that, whether you need a grant, whether you need an extra counter position or whether you would be prepared to run an outreach service.” We are then discussing someone else’s business with that sub-postmaster and so that needs to be in confidence because I cannot be discussing with postmaster A the fact that we are likely to close postmaster B. If postmaster A refuses to have that conversation in confidence then we just cannot have the conversation because it would not be fair. It does not invalidate the work we do. It probably makes it slightly more likely that a closure decision could be overturned because we have not had as good and as thorough a conversation as we would like with all the affected parties.³¹

We find it difficult to understand how Post Office Ltd can draw up sensible proposals for change if, for example, commercial confidentiality means it is unable to discuss the capacity of neighbouring offices to take on the business that might be displaced by a post office closure. **The Chief Executive of Post Office Ltd told us that the proposals in Local Area Plans were refined through the pre-consultation process and that this preparation is some compensation for the limited time allowed for public consultation. If this is so, commercial confidentiality should not prevent Post Office Ltd from holding the discussions necessary to make sensible proposals.**

Local authority and MP involvement

18. The Government response to the consultation on the post office network implied that local authorities would be involved at this pre-consultation stage, although it was imprecise about the nature of this involvement:

The early stages of the local process will involve detailed area plan development discussions with Postwatch and the involvement of local authorities in advance of formal public consultation.³²

19. Post Office Ltd wrote to local authorities asking for information about their areas at a very early stage in the process. Alan Cook and Paula Vennells told us that local authorities had been fully involved in the pre-consultation phase, and had been able to comment on proposals.³³ However, several local authorities submitted evidence precisely because they felt they had not been properly consulted at this stage. In practice, some local authority

³¹ Q 191

³² Department for Business, Enterprise & Regulatory Reform, *Post Office Network: Government response to public consultation*, p20

³³ QQ198-9

involvement appears to be limited to checking Post Office Ltd's factual data. Many local authorities have complained to us that Post Office Ltd's proposals are often factually inaccurate, or take no account of future housing development plans.³⁴ There is also concern that local authorities might have plans for the future of their areas which would be affected by the siting of Post Office facilities. As Stirling Council said:

We suggest that early sight of the proposals by local authorities is vital, not only because of the detailed information systems and analytical capability to examine the proposals held by local authorities but also to assist with planning effective local consultation and community engagement. Local authorities commonly deal responsibly with sensitive and commercially confidential information on a range of issues. We find the suggestion from Post Office Ltd that any information provided in advance to local councils would be leaked to be offensive and ungrounded in fact.³⁵

20. We also note that although Postwatch appears to be doing a good job in influencing proposals in the pre-consultation period, several of the MPs who responded to our request felt that Postwatch could have been more closely involved in discussions with them. Postwatch is the only organisation able to take proposals to review; it would be helpful if it always discussed its position with interested MPs.³⁶

21. Local authorities and local MPs should be more closely involved in the pre-consultation process. Postwatch appears to be doing a good job, but it simply does not have the wider responsibilities of local government, or the representative role of MPs. The Chief Executive of Post Office Ltd told us that local authorities were involved in drawing up local area plans before they went out to public consultation; clearly, some local authorities do not feel they have been properly involved. Local Area Plans would be improved if local authorities and Post Office Ltd worked together:

Profitability

22. A constant theme in the consultation has been that Post Office Ltd sometimes puts forward profitable branches for closure.³⁷ In part, this concern stems from differences in the definition of profitability; an office which supports a sub-postmaster may still make a loss for Post Office Ltd when overheads are taken into account.³⁸ However, Mr Cook could not give us a categorical assurance that no office which was profitable for Post Office Ltd would ever be closed:

I cannot categorically say no, but it is clearly pretty illogical that we would want to close something that is making a profit to us, unless it was really, really close to another one that was making even more, so you could say, "Is that a nonsense to have those two so close together?" so that is why I do not want to give you an unqualified no because I cannot tell you that we would not find that, but the essence is really that we need to be sure that every one we close produces a material saving to

³⁴ POS 7, POS 9, POS 22, POS 25

³⁵ POS 22

³⁶ Dr Nick Palmer MP, Graham Stuart MP,

³⁷ Eg POS 7

³⁸ Q 24

Post Office Ltd and there will be no post office that closes that does not produce a material saving to Post Office Ltd.³⁹

We noted this assurance. However we have some concerns about this, given that profitable branches are likely to be busy and valued in the local community. Such closures can only be justified if there is an absolute confidence that receiving offices nearby will have the capacity to deal with the business transferred without inconveniencing customers. Hugh Bayley MP suggested that Postwatch should have power to block the closure of a commercially viable office. **Postwatch should scrutinise proposals to close post offices which are commercially viable for Post Office Ltd particularly closely and, if necessary, have powers to block them.**

Alternative support for post offices

23. In the course of the closure programme some authorities and local groups have suggested that they might provide support to keep local post offices open. At the outset of the process, there were concerns that commercial information was not shared in a way which would allow this to be properly considered and firm proposals put forward.⁴⁰ As Rt Hon Sir George Young MP said, more openness about the viability of the offices proposed for closure would have made the debate better informed and given local authorities and others the opportunity to consider whether they would support particular offices.

24. On 17 January 2008, the Minister told the Chairman of the Committee:

Post Office Ltd is currently putting in place a process for responding to serious expressions of interest in maintaining post office service provision at specific offices by means of community or local government funding. Under this process they will provide information on the costs which would need to be covered and the terms and conditions which a contract for continued operation of that office would need to cover. These include provision of suitable premises and employment of a Post Office Ltd approved sub-postmaster, guaranteed funding until least 2011 of fixed ongoing costs and any setup costs. Where a firm proposal for local funding then emerges, Post Office Ltd will delay physical closure of the existing branch in that locality for a stipulated period to allow both funding and a contract to be put in place.⁴¹

In evidence to us, Mr Cook said that such locally supported offices would count against the total closure programme, and separately funded offices were a real possibility.⁴² However, the NFSP was more wary, and suggested that such offices might raise wider problems about the sustainability of the network.⁴³ **We welcome Post Office Ltd's apparent willingness to contemplate introducing locally supported post offices.**

³⁹ Q 222

⁴⁰ Rt Hon James Arbuthnot MP, Rt Hon Sir Alan Haselhurst, MP, Derek Wyatt MP

⁴¹ Letter from the Minister for Employment Relations and Postal Affairs, 17 January 2008

⁴² Q 177

⁴³ Q 28

Local authority services

25. There were some criticisms that local authorities were quick to complain about post office closures, yet slow to use the services of the network. We were therefore pleased to hear from Alan Cook:

I think many local authorities have realised that they are losing branches because government services were not being used, as I said in my introduction, as much as was the case. It has created a climate for us where we can go to those local authorities and say, "Look, one of the ways that this could all be less painful is if you put more business our way", and that is becoming quite prevalent.⁴⁴

Management style

26. We were concerned by evidence of Post Office Ltd intimidation. There were claims of bad practice in the Crown Office network. CWU told us that staff in franchised Crown Offices were not told about their rights under TUPE. Post Office Ltd defended its position. We are unable to comment on the issue at this stage, but we have asked both parties for more information and are likely to return to this.

27. At the beginning of the Network Change Programme, sub-postmasters were sent a letter saying:

During the programme, representatives of Post Office Ltd will visit branches at random, on an anonymous basis, in order to ensure that these "key messages" are being delivered in an accurate and professional manner...any compensation package offered to you...shall be subject to you having complied, and continuing to comply with this obligation up to the date of closure.⁴⁵

Although the letter was immediately withdrawn, many of the colleagues who wrote to us told us that it had indeed made sub-postmasters unwilling to express their views, either publicly, or to MPs themselves.⁴⁶

28. Post Office Ltd has assured us that the letter was immediately retracted and Mr Cook reassured us "I think at the end of the day actions speak louder than words and six/seven months on no compensation has been docked"⁴⁷, but, as he admitted, "it was disturbing the draft was even produced in the first place."⁴⁸ **The Post Office's future is a matter of public debate. As we have said, Post Office Ltd is not solely a commercial enterprise. Its network provides access to essential services, and has a greater reach than any other. The Government is the sole shareholder, and the public has a right to expect Government-controlled enterprises to behave in an exemplary way. After the experience of this inexcusable lapse, we expect Post Office Ltd to do so in future.**

⁴⁴ Q 233

⁴⁵ Letter from Programme Director, Postmasters July 2007

⁴⁶ Rt Hon James Arbuthnot MP, Gregory Barker MP, Peter Bone MP, Greg Clark MP, Austin Mitchell MP, Sir George Young MP, see also POS 18

⁴⁷ Q 245

⁴⁸ Q 246

3 The Access Criteria

The Government Access Criteria

29. As a result of its consultation, the Government changed its initial purely distance-based access criteria. The revised access criteria for the network are:

- 99% of the population within 3 miles;
- 90% of the population within 1 mile;
- 95% in urban areas within 1 mile;
- 99% in the 15% most deprived urban areas within 1 mile;
- 95% within 3 miles in rural areas; and
- 95% within 6 miles within every postcode district

in applying the access criteria, Post Office Ltd will be required to take into account obstacles such as rivers, mountains and valleys, motorways and sea crossings to islands to avoid undue hardship.

30. Most significantly, the Government now requires Post Office Ltd “to consider the availability of public transport and alternative access to key services, local demographics and the impact on local economies when drawing up area plans”.

31. Many of those who wrote to us felt that these criteria were not being properly observed, and that Post Office Ltd was not gathering the information necessary to make sure its proposals conformed to the criteria. We have had numerous complaints that proposals failed to take account of poor public transport links, or of high concentrations of elderly or disabled people living close to offices scheduled for closure.⁴⁹ **The evidence we have received from local authorities suggests the detailed information required to implement the access criteria properly has not always been taken fully into account. We are particularly concerned that in some cases the local area plan has failed to reflect arrangements to transfer Crown Offices to franchised premises in a different location.⁵⁰ If Post Office Ltd cannot take into account information about matters that it controls, confidence in the wider information underlying these plans is undermined. Post Office Ltd must do more to demonstrate that local area plans are accurate and based on current information.**

32. **We underline the fact that the geographic access criteria are national, and can be met even if coverage in certain local areas falls well below the national standard. We do not know the extent to which the national criteria are met in each local area plan. We**

⁴⁹ Eg Gwyneth Dunwoody MP, John Gummer MP, David Lepper MP, Alan Simpson MP, Paddy Tipping MP, POS 6A, POS 7, POS 8, POS 9, POS 17, POS 28

⁵⁰ See POS 22, for example

expect Post Office Ltd, as far as possible, to take the geographic access criteria into account at local area plan level, not just meet them nationally.

Accessibility

33. Many of those who submitted written evidence were concerned about the need to make services accessible. There are two types of accessibility involved. One is the ease with which people can reach a post office, including matters such as transport links, and the availability of parking close by, discussed above; the second is the facilities provided in the individual premises themselves.

34. Individual post offices should be accessible to elderly and disabled. This includes making various types of physical provision but is not limited to that. An office where frail people face lengthy queues is as inaccessible as one with no wheelchair access. There were concerns that some of the proposals for closure of sub-post offices failed to take into account the degree to which the office was Disability Discrimination Compliant, or otherwise accessible.⁵¹ Similarly, many of the concerns expressed about the transfer of franchises to W.H. Smith were based on the accessibility of services on the first floor or basement. Although in oral evidence Postwatch assured us that these branches were as accessible as those they replaced,⁵² their survey data was more mixed. The data we were sent had been gathered before many franchises to W.H. Smith were in operation, and covered only six W.H. Smith operations, which were all accessible. However, the survey's findings did not reassure us. Queuing times at Crown Offices were longer than in most franchised operations (a consideration for frailer customers) but disabled facilities were more commonly available in crown post offices, and seven of the eight offices where wheel chair access was impossible were in franchised offices.⁵³ The NFSP told us that although grants were available to enable facilities to be upgraded, it is believed "that the maximum grant amounts are too low and total funds available is inadequate." They considered the sum was likely only to allow relatively small grants to a few hundred post offices. **We welcome the fact that Postwatch surveys proposed franchises for accessibility. We trust it also considers accessibility when it considers proposals for sub-post office closure made as part of the Network Change Programme. However, we are far from convinced that Post Office Ltd itself is fully engaged with the need to ensure that services are accessible to all. This needs to be given much higher priority.**

Local economies

35. There were also concerns that the impact of closures on local economies, particularly rural economies, was not properly considered. The Commission for Rural Communities suggest that there should be "a presumption against the closure of a post office with an attached shop *where this is the last remaining outlet in a community*"⁵⁴; this recognises the importance of that outlet.⁵⁵ Mr Webber of Postwatch hoped that "it is possible to meet, or

⁵¹ See POS 29

⁵² Q123-5

⁵³ Post office Product Advice, Research Study conducted for Postwatch by Ipsos Mori, 23 August 2007

⁵⁴ POS 13

⁵⁵ CRC POS13 para 14

pretty well meet, the Government target for closures with no or very few such cases happening”.⁵⁶ However, our evidence suggests that, despite Postwatch’s hopes, several such closures have been put forward.⁵⁷ **We believe that there should be a presumption against closing a post office where this is the last shop in the village, or in a deprived urban area.**

36. Post offices perform a vital role in getting cash into rural or deprived areas. The NFSP explained that the amount of compensation a postmaster receives depends on the nature of his or her business. If a sub-postmaster with a retail business wishes to continue to offer services which might compete with the post office, then compensation is reduced accordingly. Compensation is set at 28 months of earnings, so the loss is 28 months worth of the earnings from the service in question.⁵⁸ However, Paypoint considered that “If the goal is to minimise disruption caused by closures to local communities, then this is certainly a disturbing development.”⁵⁹ Greg Clark MP also criticised the restriction on providing services such as Paypoint.

37. Although the NFSP was content with the terms of the compensation package, the Co-operative Retail Trading Group, which runs a number of franchises, told us that “Co-operative societies are not members of the FSB and, therefore, had no input into these negotiations.”⁶⁰ In their view:

services such as bill payment and lottery are an important part of our commercial offer and we have always sought to offer them in our stores regardless of whether a store hosts a Post Office. The proposed compensation package penalises us for providing these services and for honouring our existing contracts with existing commercial partners such as Paypoint. In doing so we believe the Post Office is trying to reduce competition and acting against the consumer interest.⁶¹

38. Alan Cook defended this practice:

it is a critical part of the success of this programme that the income that is being generated in a post office migrates as far as possible to the neighbouring post office and we are trying to encourage that to happen, we are trying to encourage the customers to go to their neighbouring post office, so we are not saying to a postmaster whose business is closing, “You can’t do this”, but what we are saying is, “We’re putting a 12-month wait in if you want the full compensation”, and that does not seem an unreasonable thing to me.⁶²

We understand the commercial logic of Post Office Ltd’s position, but pure commercial logic cannot be the overriding factor here; the Post Office performs a social function, recognised in the Network Subsidy Scheme. Preventing a former urban office from

⁵⁶ Q114

⁵⁷ Eg POS 16

⁵⁸ Q 216, QQ 36-38

⁵⁹ Eg POS 32

⁶⁰ Eg POS 23

⁶¹ ibid

⁶² Q215

competing with a post office half a mile away may be acceptable; we are not convinced this is reasonable in rural areas where the nearest post office may be several miles away and only easily accessible by car. Where a post office is attached to a shop it is unreasonable—and potentially very damaging for the shop—to penalise it for taking a service such as Paypoint when the village pub or garage would have no such restriction. However, we accept that Post Office Ltd will wish to do all it can to retain business for the network as a whole. **Post Office Ltd must take great care to ensure that any reduction in compensation to a sub-post office that closes, but where the remaining business intends to offer new and competing services, is not excessive. The purpose of reducing compensation is to limit competition with, and encourage business to migrate to, remaining post offices nearby. The argument for this reduction is weaker in areas where there is no ready access to such offices. Because of the importance of such facilities to the local communities, Post Office Ltd should always be realistic in its assessment of the degree to which alternative services would really displace business for the Post Office Network. When reaching its decisions it should give the benefit of the doubt to the business and so to the people it serves.**

39. The timetable for the Network Change Programme is extremely compressed. We would be concerned if postmasters had to decide whether to accept the cut in compensation before they had the time to establish whether they could attract bill payment or other services, or explore the terms of such contracts. Postmasters should be given adequate time to explore these factors before deciding what compensation to accept.

Outreach

40. Outreach services are an integral part of the Network Change Programme. 500 such services are to be provided. They have, so far, only been proposed for rural areas, but there is no reason why they should not operate in urban areas. There are “four models for ‘Outreach’ service provision—a mobile post office service visiting small communities at set times; a hosted service operated within third party premises for specific hours each week; a partner service within the premises of a local partner such as a shop; or a home service whereby customers can contact a sub-postmaster by phone for services.”⁶³ These services will be provided by sub-postmasters.

41. In early consultations, Post Office Ltd asked local communities to propose the type of outreach they might require. Lincolnshire County Council commented:

communities have been asked for their opinions about a service that has not been properly investigated or thought out by Post Office Ltd. It is not reasonable for Post Office Ltd to ask communities their opinions on the suitable outreach options for their community without any indication of a location, the service that will be provided, and the sustainability of the service.⁶⁴

Postwatch told us:

⁶³ POS 4

⁶⁴ POS 11

that from January 2008 all Outreach proposals entering public consultation will include proposed operational details. Postwatch will continue to monitor this. Additionally, we welcome Post Office Ltd's commitment that for those outreach proposals that have already moved through public consultation and where Post Office Ltd continues to be unable to provide Postwatch with operational service details at our post-consultation review discussion, Post Office Ltd will undertake a further six-week local consultation on the proposed Outreach service, once details have been worked up.⁶⁵

42. We agree that open-ended questions about the type of Outreach which may be appropriate are not helpful but welcome the fact that in recent consultations Post Office Ltd suggests what Outreach arrangements could be provided. We also welcome the assurance that Outreach services will continue until at least 2011.⁶⁶ In addition we welcome the statement from Post Office Ltd that they are prepared to consider Outreach services in areas which had previously lost their postal services but are within the new national criteria.

43. Outreach proposals are based on current usage.⁶⁷ Some proposals for Outreach suggest a single session of two hours a week. Ms Vennells told us that in such cases, the communities involved often asked for two one-hour sessions instead.⁶⁸ However, the Minister was reluctant to set minimum criteria because:

First of all, Post Office Ltd have to make a judgment about the amount of business in that village or that location. Secondly, they need sub-postmasters to act as the core. ... Outreach is a lower cost model of providing the service but it still has to work for the sub-postmaster at the core who might be covering two or three areas, so I am not sure we should set that minimum criteria.⁶⁹

We believe a single outreach session of two hours a week is generally unacceptable; there should normally be at least two sessions per week.

44. There are also areas where Post Office services do not currently meet the access criteria, and where coverage will be improved. In these cases, Outreach services might be used to provide the necessary services.⁷⁰ We pressed the Minister on whether the availability of Outreach services in remote areas would depend on the willingness of sub-postmasters to provide the service. We were told "The Post Office are required as part of the Network Change Programme to bring up provision in those areas so it meets the access requirements. If a sub-postmaster leaves and that will mean the Post Office is going to dip below its access requirements, they would be required to ensure the provision was replaced."⁷¹ **We welcome the proposals to introduce Post Office provision to remote**

⁶⁵ POS 4

⁶⁶ Q 293

⁶⁷ Q 49

⁶⁸ Q262

⁶⁹ Q289

⁷⁰ Q254

⁷¹ Q 319

areas. If this cannot be done by voluntary Outreach arrangements, we expect the Post Office to provide the necessary services itself.

Proportionality

45. The Urban Reinvention Programme, a previous closure programme, was based on postmasters' willingness to leave the network, rather than on strategic consideration of the network as a whole. The Network Change Programme takes a more strategic approach, but is constrained by the Government's requirement that changes are roughly proportionate between different areas. The National Consumer Council criticised this approach:

Post Office Ltd should have taken a baseline of provision and cross-matched it with consumer need before the start of this closure programme. Historically, closures have not been based on consumer need but rather sub-postmaster preference, and this first strategic reshaping looking at need should not have ignored this. The Government's rule that one place would not be more disadvantaged than another by closures failed to take account of the mistakes of the past and has meant that the current closure programme could not address previous low provision. This was a missed opportunity.⁷²

There is a difficult balance between the need to ensure that the overall Post Office Network is coherent, and the need to ensure that individual communities are not proportionately hard-hit by the closure programme. If closures were made evenly across the network, most areas would experience closures of about 18% of post offices. Ms Vennells told us that "What we have in the Memorandum of Agreement with Postwatch is that we will go either side of that 18% by 1% or 2%. ... We are managing that to try and take account of the fact that the country is not evenly spread in terms of post offices".⁷³ Postwatch suggested the range was still wider—from 13% to 23%.⁷⁴ **We welcome the fact that Post Office Ltd appears to be taking a flexible and pragmatic approach to the requirement that the closures should not fall disproportionately in particular areas, and that its programme takes some account of the varying levels of current provision.**

46. Although we are pleased that the proportionality rule is not provided over-rigidly, we agree with the Government that no one area should take a disproportionate share of reductions. There had been concerns that if Post Office Ltd was too willing to "reprise" offices in the early stage of the programme, later areas would find themselves faced with an extremely high rate of closures. We were largely reassured that the Minister told us:

we should not be in a position whereby we suddenly come to the final couple of area plans and say, "Oh, my goodness, we'll have to shut far more in these areas." That should not happen.⁷⁵

⁷² POS 30 (NCC)

⁷³ Q 181

⁷⁴ Q 94

⁷⁵ Q320

The Network Change Programme has a difficult balancing act to perform between responding to local needs and concerns and ensuring that the necessary reduction in the network is achieved. We welcome the Minister's assurance that areas which are considered late in the process will not be disadvantaged. We intend to keep this, and other aspects of the programme, under review.

47. Post Office Ltd has been given the task of reducing the network by a fixed number of branches in a fixed period. The Network Change Programme began in July 2007 and the final consultation is scheduled to end in October 2008. That is a very challenging timetable. As we always feared, this has meant that consultation has been curtailed, and the whole process has been rushed. The failure to realise at the outset that the consultation timetable should take account of the "purdah" for local elections, and the failure to allow properly for the effects of holidays on consultation periods, are symptoms of this. The process has been improving as more experience is gained, but problems remain. There is not enough clarity about the basis of the consultation; we are concerned that accessibility is not always taken into account; commercial confidentiality has prevented sensible discussion. We hope that all those involved will use this Report as a prompt to make further improvements.

Conclusions and recommendations

Role of Government and the future of the network

- 1.** In answer to a Parliamentary Question, the Government said a network of around 7,500 offices would suffice to meet the national criteria. We do not think it is satisfactory simply to accept that the network may continue to shrink in an unplanned way between now and 2011; Post Office Ltd should be obliged to use its best endeavours to keep the network at a minimum of 11,500 fixed outlets. (Paragraph 7)

The Consultation Process

- 2.** We urge the new National Consumer Council to place continued monitoring of the post office network among its highest priorities. (Paragraph 8)
- 3.** Post Office Ltd should be far clearer about the basis on which the public is being consulted. All its literature should make it clear that there will be reductions in Post Office provision, and that the question being asked is simply whether the right branches have been identified for closure. (Paragraph 12)

Confidentiality

- 4.** If people are to respond sensibly to proposals to close a particular sub-post office, they need to know why that branch has been put forward for closure. There may be some details which need to be kept confidential, but this should be strictly limited, given the substantial public investment in the network and the keen public interest in the outcome. We welcome the fact that Post Office Ltd has been prepared to share

more information as the process has evolved; it should give such information at the outset of the consultation process. (Paragraph 14)

5. Area Plan Proposals and their associated publicity should make it clear that closure, although likely, is not inevitable, and that the status of post offices scheduled to remain open may change. The notification that an office, is to remain open should be far more clearly worded. (Paragraph 16)
6. The Chief Executive of Post Office Ltd told us that the proposals in Local Area Plans were refined through the pre-consultation process and that this preparation is some compensation for the limited time allowed for public consultation. If this is so, commercial confidentiality should not prevent Post Office Ltd from holding the discussions necessary to make sensible proposals. (Paragraph 17)

Local Authority and MP involvement

7. We also note that although Postwatch appears to be doing a good job in influencing proposals in the pre-consultation period, several of the MPs who responded to our request felt that Postwatch could have been more closely involved in discussions with them. Postwatch is the only organisation able to take proposals to review; it would be helpful if it always discussed its position with interested MPs. (Paragraph 20)

Profitability

8. Local authorities and local MPs should be more closely involved in the pre-consultation process. Postwatch appears to be doing a good job, but it simply does not have the wider responsibilities of local government, or the representative role of MPs. The Chief Executive of Post Office Ltd told us that local authorities were involved in drawing up local area plans before they went out to public consultation; clearly, some local authorities do not feel they have been properly involved. Local Area Plans would be improved if local authorities and Post Office Ltd worked together. (Paragraph 21)
9. Postwatch should scrutinise proposals to close post offices which are commercially viable for Post Office Ltd particularly closely and, if necessary, have powers to block them. (Paragraph 22)

Alternative support for Post Offices

10. We welcome Post Office Ltd's apparent willingness to contemplate introducing locally supported post offices. (Paragraph 24)

Management style

11. The Post Office's future is a matter of public debate. As we have said, Post Office Ltd is not solely a commercial enterprise. Its network provides access to essential services, and has a greater reach than any other. The Government is the sole shareholder, and the public has a right to expect Government-controlled enterprises

to behave in an exemplary way. After the experience of this inexcusable lapse, we expect Post Office Ltd to do so in future. (Paragraph 28)

The Government Access Criteria

- 12.** The evidence we have received from local authorities suggests the detailed information required to implement the access criteria properly has not always been taken fully into account. We are particularly concerned that in some cases the local area plan has failed to reflect arrangements to transfer Crown Offices to franchised premises in a different location. If Post Office Ltd cannot take into account information about matters that it controls, confidence in the wider information underlying these plans is undermined. Post Office Ltd must do more to demonstrate that local area plans are accurate and based on current information. (Paragraph 31)
- 13.** We underline the fact that the geographic access criteria are national, and can be met even if coverage in certain local areas falls well below the national standard. We do not know the extent to which the national criteria are met in each local area plan. We expect Post Office Ltd, as far as possible, to take the geographic access criteria into account at local area plan level, not just meet them nationally. (Paragraph 32)

Accessibility

- 14.** We welcome the fact that Postwatch surveys proposed franchises for accessibility. We trust it also considers accessibility when it considers proposals for sub-post office closure made as part of the Network Change Programme. However, we are far from convinced that Post Office Ltd itself is fully engaged with the need to ensure that services are accessible to all. This needs to be given much higher priority. (Paragraph 34)

Local economies

- 15.** We believe that there should be a presumption against closing a post office where this is the last shop in the village, or in a deprived urban area. (Paragraph 35)
- 16.** Post Office Ltd must take great care to ensure that any reduction in compensation to a sub-post office that closes, but where the remaining business intends to offer new and competing services, is not excessive. The purpose of reducing compensation is to limit competition with, and encourage business to migrate to, remaining post offices nearby. The argument for this reduction is weaker in areas where there is no ready access to such offices. Because of the importance of such facilities to the local communities, Post Office Ltd should always be realistic in its assessment of the degree to which alternative services would really displace business for the Post Office Network. When reaching its decisions it should give the benefit of the doubt to the business and so to the people it serves. (Paragraph 38)
- 17.** The timetable for the Network Change Programme is extremely compressed. We would be concerned if postmasters had to decide whether to accept the cut in compensation before they had the time to establish whether they could attract bill payment or other services, or explore the terms of such contracts. Postmasters

should be given adequate time to explore these factors before deciding what compensation to accept. (Paragraph 39)

Outreach

- 18.** We agree that open-ended questions about the type of Outreach which may be appropriate are not helpful but welcome the fact that in recent consultations Post Office Ltd suggests what Outreach arrangements could be provided. We also welcome the assurance that Outreach services will continue until at least 2011. In addition we welcome the statement from Post Office Ltd that they are prepared to consider Outreach services in areas which had previously lost their postal services but are within the new national criteria. (Paragraph 42)
- 19.** We believe a single outreach session of two hours a week is generally unacceptable; there should normally be at least two sessions per week. (Paragraph 43)
- 20.** We welcome the proposals to introduce Post Office provision to remote areas. If this cannot be done by voluntary Outreach arrangements, we expect the Post Office to provide the necessary services itself. (Paragraph 44)

Proportionality

- 21.** We welcome the fact that Post Office Ltd appears to be taking a flexible and pragmatic approach to the requirement that the closures should not fall disproportionately in particular areas, and that its programme takes some account of the varying levels of current provision. (Paragraph 45)
- 22.** The Network Change Programme has a difficult balancing act to perform between responding to local needs and concerns and ensuring that the necessary reduction in the network is achieved. We welcome the Minister's assurance that areas which are considered late in the process will not be disadvantaged. We intend to keep this, and other aspects of the programme, under review. (Paragraph 46)

Conclusion

- 23.** Post Office Ltd has been given the task of reducing the network by a fixed number of branches in a fixed period. The Network Change Programme began in July 2007 and the final consultation is scheduled to end in October 2008. That is a very challenging timetable. As we always feared, this has meant that consultation has been curtailed, and the whole process has been rushed. The failure to realise at the outset that the consultation timetable should take account of the "purdah" for local elections, and the failure to allow properly for the effects of holidays on consultation periods, are symptoms of this. The process has been improving as more experience is gained, but problems remain. There is not enough clarity about the basis of the consultation; we are concerned that accessibility is not always taken into account; commercial confidentiality has prevented sensible discussion. We hope that all those involved will use this Report as a prompt to make further improvements. (Paragraph 47)

Formal Minutes

Thursday 7 February 2008

Members present:

Peter Luff, in the Chair

Mr Adrian Bailey
Roger Berry
Mr Brian Binley

Mark Hunter
Mr Mike Weir

Draft Report (Post Office Closure Programme), proposed by the Chairman, brought up and read.

Ordered, That the Chairman's draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 37 read and agreed to.

Paragraph 38 read.

Amendment proposed, in line 18, to leave out from "whole." to the end of the paragraph and add

"Whilst we recognise that the purpose of the Programme is to ensure that there is a sustainable national network nonetheless given the large amount of taxpayer's money funding this scheme we also believe that the need to ensure that business is transferred from closing post offices to remaining offices must be balanced against the needs of a community that is losing its post office. The purpose of the payment is to compensate post masters for the loss of their post office business. We do not think it is acceptable to reduce compensation in order to discourage someone who is losing the Post Office part of their business from taking on Paypoint, or any other service, that might help their revenue stream, the survival of the remainder of the business and provide some facilities to the community." —(*Mr Mike Weir.*)

Question put, That the Amendment be made.

The Committee divided:

Ayes, 2
Mr Brian Binley
Mr Mike Weir

Noes, 2
Mr Adrian Bailey
Roger Berry

Whereupon the Chairman declared himself with the Noes.

Another Amendment proposed, in line 27, at the end, to add

"However, it is particularly important that Paypoint should not be used by Post Office Ltd as a negotiating tool for the purposes of agreeing final compensation." —(*Mr Brian Binley.*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 2
Mr Brian Binley
Mr Mike Weir

Noes, 2
Mr Adrian Bailey
Roger Berry

Whereupon the Chairman declared himself with the Noes.

Paragraph agreed to.

Paragraphs 39 to 47 read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman make the Report to the House.

Written evidence was ordered to be reported to the House for printing.

[Adjourned till Thursday 21 February at 9.00 am

Witnesses

Tuesday 29 January 2008

George Thomson, General Secretary and **Sally Reeves**, Negotiating Committee Chair, National Federation of Subpostmasters

Howard Webber, Chief Executive, Postwatch

Tuesday 5 February 2008

Billy Hayes, General Secretary, and **Andy Furey**, Assistant Secretary, Communication Workers Union

Alan Cook CBE, Managing Director and **Paula Vennells**, Network Director, Post Office Ltd;

Pat McFadden MP, Minister for Employment Relations and Postal Affairs, **Ruth Hannat**, Director of Operations Strategy and **Mike Whitehead**, Assistant Director for Post Office Network & Urban Reinvention Programme, Department for Business, Enterprise and Regulatory Reform

List of written evidence

1	Alan Bates	POS 5
2	Arthur Rank Centre	POS 17
3	Commission for Rural Communities	POS 13
4	Communication Workers Union	POS 2
5	Cool Milk Ltd	POS 20
6	Co-operative Retail Trading Group	POS 23
7	COSLA	POS 25
8	Daventry Over Fifties Forum	POS 6
9	Department for Business, Enterprise and Regulatory Reform	POS 1
10	Essex Association of Local Councils	POS 9
11	Essex Rural Partnership	POS 18
12	Greater London Authority	POS 26
13	Hawnby Post Office	POS 21
14	Herefordshire Save Our Post Offices Campaign	POS 12
15	Highland Council	POS 27
16	Judy Robinson	POS 29
17	Lincolnshire County Council	POS 11
18	National Consumer Council	POS 30
19	National Federation of Sub-Postmasters	POS 15
20	Northern Pensioners Association	POS 28
21	North Yorkshire County Council	POS 7
22	Paypoint Plc	POS 32
23	Postcomm	POS 14
24	Postwatch	POS 3
25	Riverside Community Council	POS 8
26	Royal Mail	POS 4
27	Save Tilton Post Office Campaign	POS 31
28	Stirling Council	POS 22
29	Thornhill and Blairdrummond Community Council	POS 16
30	Ian Fulton	POS 33
31	Mrs J. E. Manicom	POS 34

Replies from Members of Parliament

32	Rt Hon James Arbuthnot MP
33	Norman Baker MP
34	Gregory Barker MP
35	Mr Tim Boswell MP
36	Mr Graham Brady MP
37	Hugh Bayley MP
38	Mr Peter Bone MP

- 39 Mr Julian Brazier MP
- 40 Greg Clark MP
- 41 Rt Hon Mr Kenneth Clarke MP
- 42 Mrs Claire Curtis-Thomas MP
- 43 Mr David Drew MP
- 44 Mrs Gwyneth Dunwoody MP
- 45 Mr Michael Fallon MP
- 46 Mr Mark Francois MP
- 47 Mr Roger Gale MP
- 48 Mr Robert Goodwill MP
- 49 Mr John Greenway MP
- 50 Mr John Grogan MP
- 51 Rt Hon Mr John Gummer MP
- 52 Mr Mike Hall MP
- 53 Rt Hon Sir Alan Haselhurst MP
- 54 Mr Mark Hoban MP
- 55 Rt Hon Mr Michael Howard MP
- 56 Mr Gerald Howarth MP
- 57 Dr Kim Howells MP
- 58 Chris Huhne MP
- 59 David Lepper MP
- 60 Dr Julian Lewis MP
- 61 Tim Loughton MP
- 62 Rt Hon Mr Ian McCartney MP
- 63 Miss Anne McIntosh MP
- 64 Ann McKeichin MP
- 65 Rt Hon Mr Patrick McLoughlin MP
- 66 Mr Robert Marshall-Andrews MP
- 67 Mrs Maria Miller MP
- 68 Mr Austin Mitchell MP
- 69 Laura Moffat MP
- 70 Rt Hon Mr Elliot Morley MP
- 71 Dr Nick Palmer MP
- 72 Mr Andrew Robathan MP
- 73 Alan Simpson MP
- 74 Mr Graham Stuart MP
- 75 Mr Desmond Swayne MP
- 76 Mr Andrew Turner MP
- 77 Rt Hon Sir John Stanley MP
- 78 Paddy Tipping MP
- 79 Peter Viggers MP
- 80 Rt Hon Miss Ann Widdecombe MP
- 81 Derek Wyatt MP
- 82 Mr Tim Yeo MP
- 83 Rt Hon Sir George Young MP

List of Reports from the Committee during the current Parliament

Session 2007–08

First Report	The work of the Committee in 2007	HC 233
Second Report	Jobs for the Girls: Two Years On	HC 291

List of Reports from the Trade and Industry Committee in the previous Session;

Session 2006–07

First Report (30.1.07)	Local energy - turning consumers into producers	HC 257
Second Report (28.2.07)	The Work of the Committee in 2005-06	HC 332
Third Report (12.4.07)	Stamp of Approval? Restructuring the Post Office network	HC 276
Fourth Report (29.3.07)	Success and failure in the UK car manufacturing industry	HC 399
Fifth Report (7.5.07)	Better Skills for Manufacturing	HC 493-I
Sixth Report (6.6.07)	Marketing UK plc – UKTI's five-year strategy	HC 557
Seventh Report (13.6.07)	Trade with Brazil and Mercosur	HC 201-I
Eighth Report (9.6.07)	Restructuring the Post Office Network	HC 593
Ninth Report (26.6.07)	Recent developments with Airbus	HC 427-I
Tenth Report (7.8.07)	Strategic Export Controls: 2007 Review	HC 117
Eleventh Report (18.10.07)	Europe moves East: The impact of the 'New' EU Member States on UK business	HC 592
Twelfth Report (24.10.07)	The work of the Office of Fair Trading	HC 591
Thirteenth Report (8.11.07)	The future of UK manufacturing: public procurement	HC 1109