

Submission to Post Office Ltd

The Green Post Office

65 The Green, Kings Norton, B38 8RU

Dr Lynne Jones, MP

Birmingham Selly Oak Constituency

Richard Burden, MP

Birmingham Northfield Constituency

Duncan Ross

Director and Founder, Kings Norton Farmers' Market CIC

Alan Hanson

C & M Dry Cleaners

L A Fallon

Fallon Hardware

Pauline Weaver

Project Director, Kings Norton Restoration

Executive overview

We believe that Post Office Ltd should reconsider its proposal to close The Green Post Office in Kings Norton for the following reasons.

- The positive business development opportunity at The Green Post Office
- The positive business environment on The Green
- The negative impact of closure on Post Office Ltd business
- The unsuitability of the most likely alternative Post Office
- The impact on customers
- The near term impact of regeneration on Post Office Ltd targets

We understand the overall position of Post Office Ltd, but believe that there is a valid business case for maintaining the Post Office's presence in the heart of Kings Norton.

Whilst every care has been taken to make this document relevant to the business needs of the Post Office, we appreciate that we do not have access to the detailed business plan of the Post Office. In order to help you in your decision we have therefore utilised other methods for gathering data that is relevant to the situation. These will be detailed later in the document.

Opportunity for development

The business profile of The Green Post Office is one that we believe offers Post Office Ltd opportunities for improvement and enhancement.

Recently the sub Post-Master has made significant efforts to expand both the range of services on offer and the marketing of his branch.

For example, we note that the Branch Access Report Post Office Ltd only lists Euro Currency on Demand under additional services available. In fact, The Green's additional services also include US Dollar on demand, paypoint / payzone services, Money Gram, bus passes and others. These represent a cross and up-selling opportunity from traditional, low profit areas, towards new, higher profit areas. The availability of these new services is reflected in the customer survey conducted by this group.

This mistake in the Branch Access Report may reflect that Post Office Ltd's assessment of this branch is not fully up to date, or that it was unable to take into account the range of services on offer. The current sub postmaster has put a lot of effort into expanding the financial and other services available at this branch – very much in line with Post Office Ltd's ambitions for local post offices. This is supported by the fact that the core salary of the sub postmaster – linked to sales targets - has increased by around 9% in the last 16 months.

In short, the changing business profile of The Green would provide a solid basis for developing the range of new products that Post Office Ltd is bringing out.

Support from the public

As part of the awareness-raising phase of the consultation process a petition was raised to gauge the level of local support. In less than a month 2 703 people have signed the petition to show their support for The Green Post Office.

This petition shows the breadth of support that is available in the community and that could be used to drive additional business.

Business environment

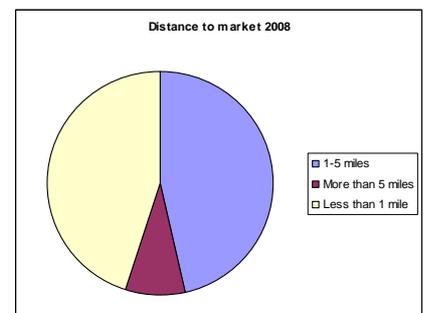
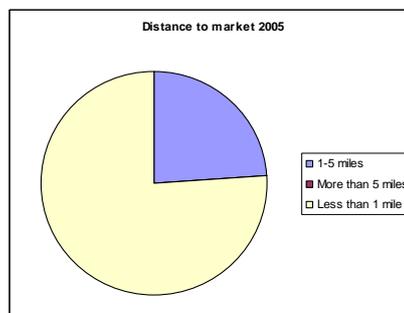
The Kings Norton Green shopping area also has particular potential for developing this kind of business. As with many suburban shopping areas, The Green had a period during which general business was attracted away by out of town store developments. However, in the last few years a concerted effort by local people has enabled The Green to attract new customers.

The Green is characterised by small retailers and services. This includes a significant number of paper-based services and businesses located in offices above the shops. As well as attracting business to The Green, these also provide direct business to the Post Office. The staff of these businesses also utilise the Post Office on The Green.

The BBC-sponsored Restoration Project at the Saracen's Head and Old Grammar School has boosted the area's profile considerably and presents it with the real opportunity of attracting trade from visitors to the area.

The Restoration Project (audited by the Heritage Lottery Fund) has developed a business plan that projects 34 000 visitors to the Saracen's Head and Old Grammar School in the first two years. Tours of the buildings take place on four days a week, and attract local, national and international visitors. Extensive community use of the buildings will also move potential local and repeat customers onto The Green – previously activities were spread across many sites.

The national profile which Kings Norton's Farmers' Market is achieving underlines this potential. The Market was founded in 2005, with the stated intention of supporting local business and the community by bringing new customers to The Green. It regularly surveys customers and has seen a steady growth in the numbers of people coming to The Green, and the distance that they travel.

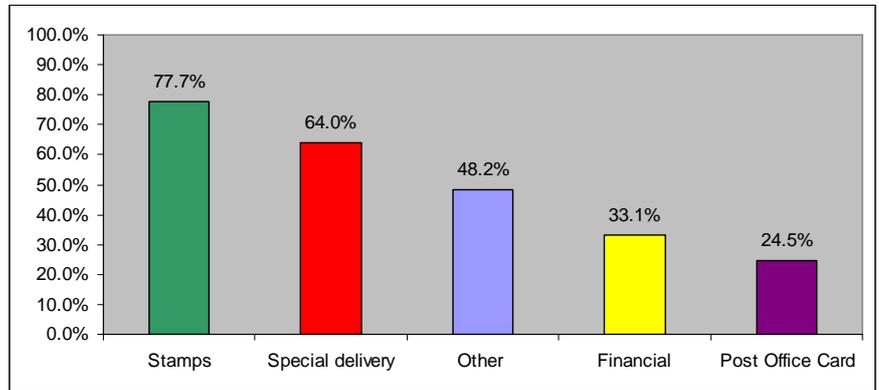


Distance travelled to Kings Norton : KNFM Surveys 2005 & 2008

Impact on Post Office Ltd's business

How customers are using The Green Post Office

The mix of business at The Green shows a relatively small number of people using Post Office Card Accounts, and a high proportion using Special Delivery or Parcel services.

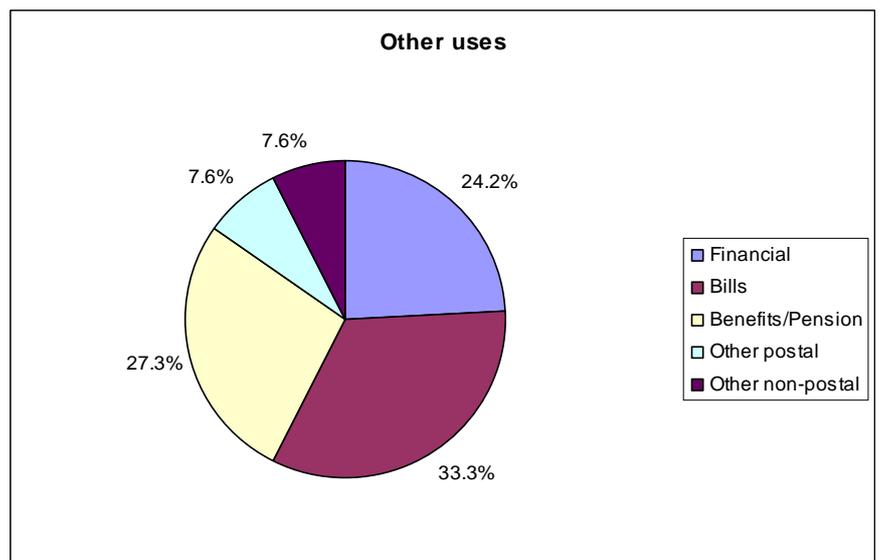


What do you use the Post Office for? : Post Office Survey 7-8 July 2008

The survey allowed users to select from five main categories, when the answer 'Other' was given an additional question was asked with free text entry.

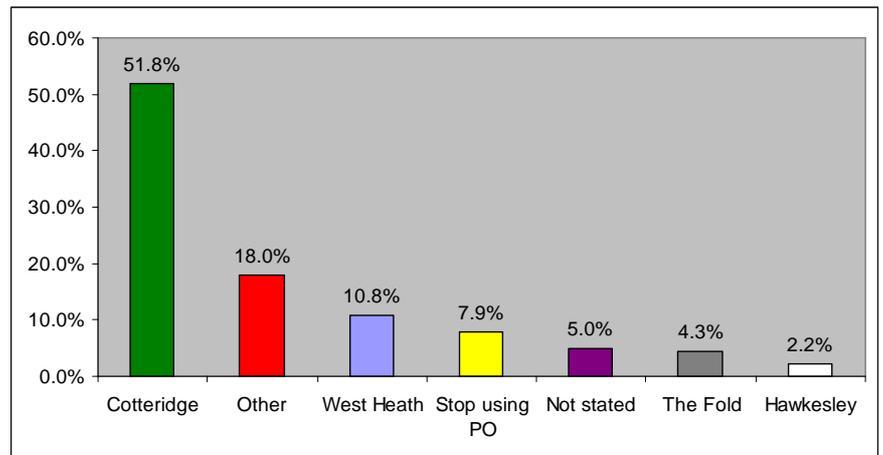
This question has been summarised in the chart below.

- Financial included: Money Gram, Currency Exchange, Savings and Banking.
- Other Postal included: BFPO.



Break down of Other services: Post Office Survey 7-8 July 2008

Where would customers go?



Alternative Post Office preferences: Post Office Survey 7-8 July 2008

The survey found that most customers would try to use Post Office facilities at Cotteridge. The fact that this is an unpopular choice is indicated by the number of user comments to that end, and the large number of diverse office mentioned in the Other category (including offices that have already closed).

The Fold and Hawkesley had the lowest number of mentions for any of the local branches.

Lost Business

The results from our survey indicate that only 8% of business would be lost to Post Office Limited (13% if respondents who were unable to identify another Post Office they would use is taken into account). However, we feel this underestimates the value of the lost business. Firstly, this reflects only those customers who would stop using the Post Office completely. It does not indicate those customers who would transfer parts of their business from the Post Office – this is likely to be in the higher margin business that is currently competed for by banks and other financial institutions.

This is made more likely by the presence of a number of businesses on The Green. These businesses will not spend time and money travelling to other Post Offices, and their staff are unlikely to travel during breaks. This business will be lost to Post Office Ltd, and typically will include the higher margin business.

Although it is not directly relevant to Post Office Ltd, we would also like to raise as a consideration the reciprocal damage that would be caused to traders and businesses on The Green were the Post Office to close.

Customer comments on business

- *“Our staff of 10 use it for all personal postage and payments, we use it for recorded deliveries.”*
- *“I would send parcels via private company... too much hassle to use other Post Offices.”*
- *“I will probably transfer to a Bank.”*

The increasingly positive business environment of The Green means it would seem to make little sense to close down the Post Office, thereby not only undermining local businesses but also depriving the Post Office itself of future business.

Cotteridge Post Office

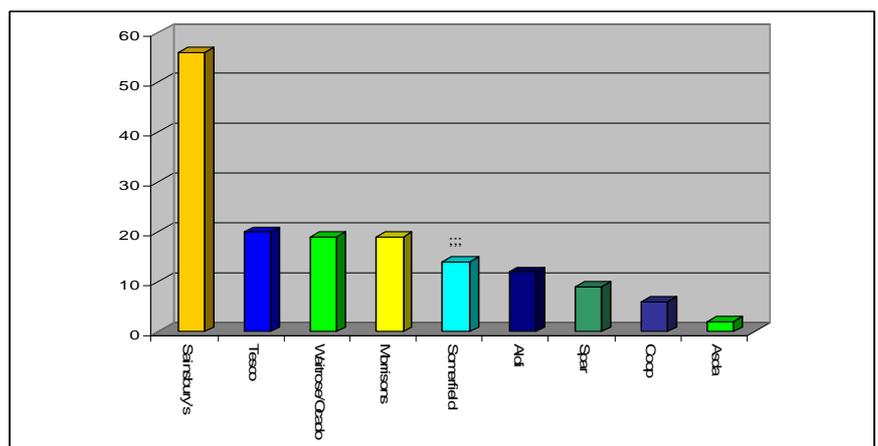
A viable alternative?

The Branch Access Report suggests Cotteridge Post Office as a suitable alternative for customers of The Green. We believe that it is unlikely to be so in practice.

Location

The Cotteridge branch is located at the top of a steep hill and therefore accessing by foot would be problematic for customers with mobility problems, with young children, or with significant loads to carry.

Cotteridge is not currently a natural destination for Kings Norton residents. A survey at the May 2008 Farmers' Market indicated that most shoppers there did their main grocery shopping at Sainsbury's (located at Maypole and Northfield). Only 13% used Somerfield (the main Cotteridge supermarket). Fewer used Spar.



Supermarket used : KNFM Survey 10 May 2008

Public transportation

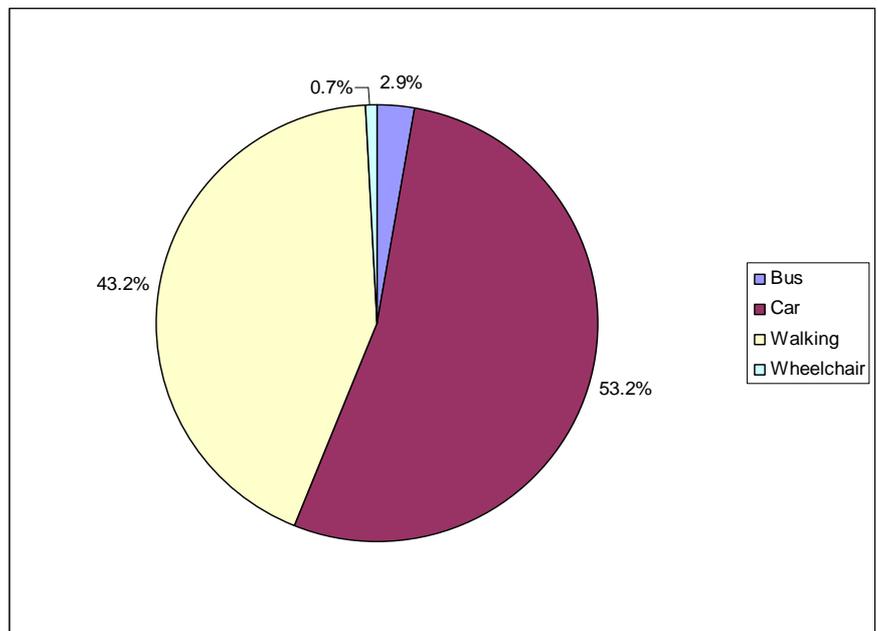
Disabled and buggy access to the buses serving Cotteridge cannot be guaranteed. It should be noted that the direct route to Cotteridge Post Office is not one of Centro's outer city "bus showcase" routes. As a consequence it is served by an older generation of buses that do not provide dedicated disabled access or buggy positions.

It is also the case that although there are buses from Pershore Road South, close to The Green, that does not mean that there are bus services close to where people live, and from where they travel to a Post Office.

Parking

The facilities for parking at Cotteridge are limited, with additional parking restrictions introduced in 2007. The only parking available is on-street, either on a busy main road, or on the residential streets surrounding it. This parking is usually full, a fact that was mentioned by many of our survey respondents.

This will become a major issue in the usability of Cotteridge Post Office, as identified by the transportation choices made by current visitors.



Transportation to Post Office: Post Office Survey 7-8 July 2008

It can be assumed that those currently travelling by car will continue to do so. Those travelling on foot will either continue to do so, or more likely will either transfer to bus or car. In our opinion, and given the issues already raised about the bus service, the likelihood is that most customers will choose to travel by car.

Post Office Environment

Cotteridge Post Office is set at the back of a local Spar convenience store. It is already a very busy branch, with queues at lunchtimes and in the morning. If large numbers of customers did indeed migrate from The Green, as indicated in our survey, it is not clear how Cotteridge could cope. Shop aisles already mean the queuing area is small – for example it is not possible to navigate the queuing area with a double buggy. In the event of still larger queues, dividers would mean that a full line would fold back on itself twice. The potential problems for customers of both Spar and the Post Office are evident, and they are likely to be particularly acute for those with mobility problems or for those with children who are trying to bring buggies into the shop.

We understand that Postwatch has highlighted concerns about the capacity of Cotteridge as a potential alternative post office for former customers of The Green.

Customer comments on Cotteridge

Many of the respondents to our survey highlighted the difficulties of Cotteridge:

- *“Cotteridge will be a nightmare.”*
- *“The ones below (The Fold and Cotteridge) are not feasible.”*
- *“Cotteridge, under duress.”*
- *“Cotteridge, if forced.” (several)*
- *“I don’t want to use Cotteridge because I feel unsafe.”*

Impact on customers

Accessibility and demographics of The Green

Currently The Green and post offices on the Three Estates serve very different customer bases. The result of this is that even if The Fold was not scheduled for demolition, it would not, in practice be an alternative branch for most of The Green's customers.

This is particularly true of The Green's older customers. We believe that the radius of one mile used in the initial demographics provided by Post Office Ltd understates the number of senior local customers, and the additional number of over 70 and over 80 year olds close to The Green. We strongly recommend that data at an enumeration district level be utilised.

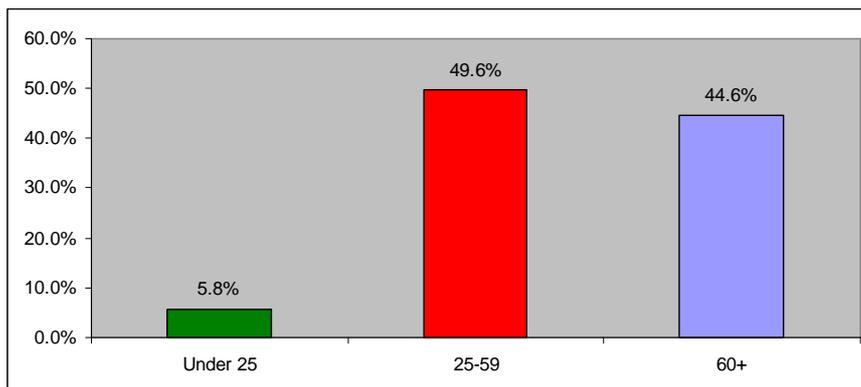
The Green is within close walking distance of a range of housing for older people – including:

- Grosvenor Court (directly adjacent to the branch): a managed housing scheme for residents all aged 70+.
- Rowan Court (500 metres from branch): Trident Housing scheme comprising sheltered bungalows.
- Wharf Road (500 metres from branch): Nursing Home for infirm elderly residents.
- The Spinney: sheltered accommodation on Redditch Road

In addition, the current St Nicolas' Hall is being redeveloped as sheltered accommodation, with a planned opening in summer 2009.

Of the customers who participated in the survey, 15% indicated that they had mobility problems.

The customer base of The Green supports this, with a mix of several populations, elderly local residents, younger local residents, visitors and local staff.



Age of survey respondents: Post Office Survey 7-8 July 2008

Previous closures

A postal survey recently carried out by local MPs Lynne Jones and Richard Burden revealed that nearly 9% of former customers of Wychall Lane Post Office, which was closed under the Urban Network Reinvention Programme, transferred their custom to The Green after closure.

In addition, 11% of former Wychall Lane customers went on to use both Middlemore Road Post Office and The Green after the closure of Wychall Lane. The proposed closure of both Middlemore Road and The Green would therefore constitute a major double whammy for residents living in the Wychall Road area.

Analysis of the Post Office Survey indicates that up to 27% of users of The Green may have been affected by the closure of the Redditch Road Post Office in the same wave of closures (estimate based on street address of respondents).

We have little doubt that the biggest concentration people living in that part of Kings Norton and Northfield wards who used to use Redditch Road will have taken their local post office business to The Green and to West Heath post offices. If The Green closes under the Network Change programme, services to those residents will again suffer. Additional migration to the West Heath Post Office will exacerbate the existing problems of queues there.

Local regeneration

Impact of other regeneration plans in the area

One of the two local post offices that Post Office Ltd put forward as alternatives for local people to use, in the event of The Green closing, is The Fold in the neighbouring Three Estates area.

However this area is scheduled for imminent partial clearance and redevelopment, with the proposed Phase 1 and 2 clearance of 160 properties due to commence in 12 to 18 months time. The Fold shopping area, where The Fold Post Office branch is currently sited, is earmarked for clearance in Phase 3 of the redevelopment.

The reality is that if The Green is closed under the Network Change Programme, The Fold Post Office will not be there for much longer anyway. This is a particular issue for Post Office Ltd if it is to meet its minimum access criteria. The Three Estates is an area of very high deprivation. When The Fold Post Office is demolished, the absence of a post office at The Green will mean that Post Office Ltd will be unable to meet its minimum access criteria of 99% of the population of this deprived area being within a mile of a local post office.

Conclusion

We believe that The Green Post Office offers Post Office Ltd a viable opportunity to expand business locally. Although it is small it has the potential for growth, has a dynamic, young sub Post-Master, and is able to grow into higher margin business. The Green itself has reversed the decline typical of sub-urban shopping districts, and is attracting new customers.

We are convinced that much of the current business of The Green would not migrate to alternative Post Offices.

The alternative Post Office branches suggested are either unlikely to be used (The Fold) or have significant usability issues themselves (Cotteridge) – this is reflected in both our survey and in customer comments.

Finally, the imminent closure of the Fold shopping area will leave residents of The Fold with limited access to Post Office facilities.

Appendix 1: Contributors

Lynne Jones, MP

Lynne represents the Birmingham Selly Oak constituency where The Green Post Office is located.

Richard Burden, MP

Richard represents the Birmingham Northfield constituency adjacent to Kings Norton. Birmingham City Council recognises Kings Norton Ward as being within the Northfield District, and by agreement with Lynne, Richard represents the Ward to the Council within the District.

L A Fallon and Alan Hanson

Mr Fallon and Alan are independent traders with businesses on The Green. They are representatives of the wider business community, and local residents.

Kings Norton Farmers' Market

The Market was founded in 2005, with the stated intention of supporting local business and the community by bringing new customers to The Green. It has been recognised by The Times and The Independent amongst others. In 2007 the Farmers' Market became a Community Interest Company. The Market has been the key access point to members of the public since the proposed closure was announced.

Kings Norton Restoration

The Restoration Project was launched by Kings Norton PCC as part of the BBC Restoration programme in 2004. It went on to win the final, and has resulted in the redevelopment of significant historical buildings on The Green. The focus of the project has always been community led, and the project is a major voice for the community. Groups that use the Saracen's Head include regular, local users of the building such as parents with young children, uniformed organisations and senior citizens.

Appendix 2: Data used in this submission

Post Office Customer Survey

The survey was conducted, by interview, on Monday July 7 & Tuesday July 8, 2008. Customers were approached on exiting the Post Office, and were asked questions about themselves and about the services that they used.

139 customers were surveyed, between the hours of 9am and 5pm.

Kings Norton Farmers' Market surveys

The Market carries out regular surveys to understand buying behaviours and customer activities. Surveys utilise core questions that enable the surveys to be baselined against each other, and to allow the detection of trends.

Surveys are carried out on market day, by interview. Typically 80 – 100 customers are surveyed.

Kings Norton Restoration Project Plans

Kings Norton Restoration has been required by the Heritage Lottery Fund and English Heritage to produce detailed and realistic business plans in order to release funding. These are drawn on for visitor figures.

Petition

2 703 people had signed the petition by July 30. The number of signatories has been calculated without confirmation of the accuracy of the names and addresses supplied. We have not checked for duplication, but have every reason to believe that the number presented is accurate.

Other sources

- Postal survey of Wychall Lane Post Office Customers, Lynne Jones and Richard Burden, MPs.
- Development plans for the 3 Estates, Birmingham City Council
- Development plan for St Nicolas' Hall, Kings Norton PCC

Appendix 3: Community input process

In order to ensure that the consultation process was as productive as possible the following activities were carried out by local volunteers.

Petition

A petition was raised, encouraging members of the public to join in the consultation and to support their Post Office.

The petition was distributed through local businesses, within the Church, in local GPs surgeries, and on a dedicated stall at the July Farmers' Market.

Letter writing campaign

Local residents and businesses were also encouraged to write in as part of the consultation process. Rather than producing a form letter, which we feel does not add to the discussion in a positive way, we specifically encouraged customers to write in about their specific concerns.

Public Meeting

A public meeting was held at St Nicolas' Church early in the process to encourage local people to get involved in the process.

Direct consultation

Local residents, and residents' organisations such as The Links Residents' Association, have conducted door-to-door consultations.

A stall at the July Farmers' Market has also given resident the ability to talk directly about their concerns.

Members of the business community have visited every business in, or around The Green.

The concerns raised through these processes have been incorporated in this document.