



Christopher Leslie MP  
House of Commons  
LONDON  
SW1A 0AA

7 July 2010

Dear Mr Leslie

I have been asked to reply to you directly on the Parliamentary Questions that you recently raised on the Post Office Network.

The Government announced in May 2007 a range of proposed measures to modernise and reshape the network of Post Office® branches and to put it on a more stable footing. This included the Network Change programme and changes under the programme, including the closure of around 2500 Post Offices and the introduction of 500 new outreach services, commenced in October 2007. The changes were implemented on an area by area basis including a detailed pre-planning stage and a six-week period of local public consultation.

As part of the Network Change Programme the Government also established minimum access to the Post Office network as follows;

- *Nationally, 99% of the UK population to be within 3 miles and 90% of the population to be within 1 mile of their nearest post office outlet.*
- *99% of the total population in deprived urban areas across the UK to be within 1 mile of their nearest post office outlet.*
- *95% of the total urban population across the UK to be within 1 mile of their nearest post office outlet.*
- *95% of the total rural population across the UK to be within 3 miles of their nearest post office outlet.*
- *95% of the population of the postcode district to be within 6 miles of their nearest post office outlet.*

Post Office Limited's aim is for the size of its network to be stable at around the level as at the completion of the Network Change Programme in 2009. This is consistent with the funding that Government has put in place to support the network and with ensuring the accessibility criteria established by Government are met.

Whilst we do not have any wholesale plans to open new Post Offices we do look to replace services if and when Post Offices close, to maintain our network and to meet the access criteria, and we will look at other areas when there has been a significant change in demographics. A key aim of the Network Change Programme was to make the remaining branches more viable through business migrating from closed branches. It is important therefore that Post



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Office Limited ensures that any additional outlet does not adversely impact on the viability of the branches in the area. In looking at each case Post Office Limited will therefore calculate the amount of business expected to migrate to and from outlets as part of the proposed change. This is carried out using an industry standard gravity model combined with Post Office business data to predict traffic flows. If the projected level of migration from an existing outlet is considered to be significant then Post Office Limited will not agree to the change as this would have a detrimental effect on the existing network affecting the profitability and potential viability of branches.

This approach applies to all cases including where Post Office is asked to consider opening a branch that is supported by local funding. A number of these types of outlet have been opened and a list is attached as requested.

In all cases, when changes do happen to the Post Office Network we aim to keep customers informed and we have agreed a Code of Practice on public consultation and communication for changes in the Post Office® network. This Code of Practice has been agreed with Consumer Focus and can be found on our website at [www.postoffice.co.uk](http://www.postoffice.co.uk). As part of the establishment of the Code of Practice it was agreed that a review would be carried out and this review, between Consumer Focus and Post Office Limited, has commenced.

I hope this information is helpful to you.

Yours sincerely

A handwritten signature in black ink, appearing to read "D Smith", written over a white background.

David Smith  
Managing Director

Post Offices supported under Local Funding			
Allnuts	Epping	Essex	CM16 7BE
Berechurch Road	Colchester	Essex	CO2 7QB
Bicknacre	Chelmsford	Essex	CM3 4EU
Bradwell on Sea	Southminster	Essex	CM0 7QN
Henham	Bishops Stortford	Hertfordshire	CM22 6AS
Little Hallingbury	Bishops Stortford	Hertfordshire	CM22 7RD
New Covent Garden	London	Greater London	SW8 5HB
Panfield Lane	Braintree	Essex	CM7 5RJ
Station Way	Buckhurst Hill	Essex	IG9 6LN
Tytherington	Wotton-Under-Edge	South Gloucestershire	GL12 8QE
Uplands	Stroud	Gloucestershire	GL5 1UB
White Notley	Witham	Essex	CM8 1RQ