



# AGENDA

For a meeting of the  
**ENGAGEMENT DEVELOPMENT AND SCRUTINY PANEL**

to be held on

**THURSDAY, 8 MARCH 2007**

at

**2.30 PM**

in

**WITHAM ROOM, COUNCIL OFFICES, ST. PETER'S HILL,  
GRANTHAM**

Duncan Kerr, Chief Executive

Panel Members:	Councillor Robert Conboy, Councillor Mrs Joyce Gaffigan, Councillor Mano Nadarajah (Vice-Chairman), Councillor Norman Radley, Councillor Robert Murray Shorrock, Councillor Michael Taylor (Chairman), Councillor Thomas John Webster and Councillor Avril Williams
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Scrutiny Officer:	Paul Morrison 01476 406512 <a href="mailto:p.morrison@southkesteven.gov.uk">p.morrison@southkesteven.gov.uk</a>
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**Members of the Panel are invited to attend the above meeting to consider the items of business listed below.**

**1. COMMENTS FROM MEMBERS OF THE PUBLIC**

To receive comments or views from members of the public at the Panel's discretion.

**2. MEMBERSHIP**

The Panel to be notified of any substitute members.

**3. APOLOGIES**

**4. DECLARATIONS OF INTEREST**

Members are asked to declare any interests in matters for consideration at the meeting.

**5. ACTION NOTES**

The notes of the meeting held on 11<sup>th</sup> January 2007 are attached for information.  
**(Attached)**

**6. UPDATES FROM PREVIOUS MEETING**

**7. FEEDBACK FROM THE EXECUTIVE**

**8. DIGITV**

The Panel will receive a presentation on the DigiTV project and hear about an existing project run by Kirklees District Council.

**9. CLOSURE OF POST OFFICE CARD ACCOUNTS**

A briefing note on the closure of post office card accounts by the Scrutiny Officer is attached.  
**(Attached)**

**10. MONITORING OF TELEPHONE CALLS - RESPONSES**

The Panel will scrutinise report number PME1 detailing the response times for answering telephones.  
**(Attached)**

**11. ROLE AND FUNCTION OF COUNCILLORS IN THE 21ST CENTURY**

The Panel will scrutinise the role and function of Councillors in the 21<sup>st</sup> Century.

**12. REPORTS FROM WORKING GROUPS**

**13. BEST VALUE PERFORMANCE INDICATORS**

**(To follow)**

**14. WORK PROGRAMME**

**(Attached)**

**15. FINANCIAL REPORTS**

**(Attached)**

**16. REPRESENTATIVES ON OUTSIDE BODIES**

Representatives on outside bodies to give update reports.

**17. ANY OTHER BUSINESS, WHICH THE CHAIRMAN, BY REASONS OF SPECIAL CIRCUMSTANCES, DECIDES IS URGENT.**

## **WORKING STYLE OF SCRUTINY**

### **The Role Of Scrutiny**

- To provide a “critical friend” challenge to the Executive as well as external authorities and agencies
- To reflect the voice and concerns of the public and its communities
- Scrutiny Members should take the lead and own the Scrutiny Process on behalf of the public
- Scrutiny should make an impact on the delivery of public services

### **Remember...**

- Scrutiny should be member led
- Any conclusions must be backed up by evidence
- Meetings should adopt an inquisitorial rather than adversarial style of traditional local government committees



## MEETING OF THE ENGAGEMENT DEVELOPMENT AND SCRUTINY PANEL

THURSDAY, 11 JANUARY 2007 2.30 PM

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### PANEL MEMBERS PRESENT

Councillor Robert Conboy  
Councillor Mrs Joyce Gaffigan  
Councillor Mano Nadarajah (Vice-Chairman)  
Councillor Norman Radley

Councillor Robert Murray Shorrock  
Councillor Michael Taylor (Chairman)  
Councillor Thomas John Webster  
Councillor Avril Williams

### OFFICERS

Strategic Director  
Service Manager, Business Transformation & Information Management (notes 139, 140 & 141)  
Service Manager, Democracy  
Service Manager, HR & Diversity (note 139)  
Acting Service Manager, Customer Services (notes 139 and 140)  
Service Manager, Finance & Risk  
Management  
Scrutiny Officer

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### OTHER MEMBERS PRESENT

Councillor Bryant (Assets & Resources Portfolio Holder)  
Councillor Mrs Cartwright (Housing & Organisational Portfolio Holder)

### 136. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 137. ACTION NOTES

The notes of the meeting held on 17<sup>th</sup> November 2006 were noted.

### 138. FEEDBACK FROM THE EXECUTIVE

The Portfolio Holder for Assets & Resources commended the assistance of the panel in helping to maintain a low level of growth having regard to the Council's position on the 2007/2008 budget.

### EXCLUSION OF THE PUBLIC

It was resolved that in accordance with Section 100A of the Local Government Act 1972, the public be excluded because of the likelihood, in view of the nature of the

business to be transacted, that if members of the public were present there would be disclosure to them of exempt information as defined in paragraphs 1 and 4 of Part 1 of Schedule 12A (as amended) of the Act.

### **139. GATEWAY REVIEW 3: HUMAN RESOURCES & CORPORATE EMPLOYEE SERVICES**

The Service Manager, Human Resources introduced her presentation by emphasising that the service plan was not seen as a static document. Since the Gateway 2 stage, there had been a significant change to the plan to reflect the council tenants' "no vote" to stock transfer. This had removed an area of work from the service plan. However, the council's various statutory duties remained and, given the level of resources within the section, it would be necessary to alter the approach to delivering those obligations by streamlining the work within the section.

The Service Manager explained that anomalies identified during the Gateway 2 stage had been addressed and figures within the plan updated accordingly. Going through the Gateway 3 checklist, the Service Manager drew attention to the improved position regarding sickness absences and that the current figure of 7.18 days absence averaged out per employee was a favourable comparator against benchmark figures. However, she warned that these figures would not generate Gershon savings in the future.

In relation to check list point 10 (whether support services had been challenged with service areas in order to evidence value for money), the Service Manager for Finance & Risk Management stated that managers will be tasked to challenge these figures in terms of the service they received. These charges would be made on a monthly basis instead of yearly in order to add transparency to the process. It was too early for some managers to evidence this ahead of the complete introduction of time recording for their service areas and this was the case with the HR service at present.

During discussion, several points of concern were raised: a member referred to the risk posed by workloads exceeding capacity. He expressed strong concern that the potential impact could be very high on employees' health and stress levels which could, in turn, impact on sickness absences. The service manager was asked what steps were being taken to manage this risk and monitor it. The Service Manager explained that individual's workloads were managed through supervision to ensure the section was delivering what it needed to. Through structured prioritisation, workloads were being streamlined. The section would always need to respond to critical areas of work, such as disciplinary cases. Efficiency measures were being explored and cited, by way of example, the introduction of an on-line recruitment system.

In response to a point raised about the outcome of the recent restructure creating an extension of certain services, the Strategic Director acknowledged that any change required the monitoring of outcomes. Service Managers needed to be clear on where their focus should be. It necessitated looking across the whole council to ensure we have the capacity to deliver, knowing

what to deliver, and increasing the skills of managers and their teams accordingly.

A question was also raised on the budget provision in relation to the unions. The Service Manager explained what this cost covered, and in response to concerns expressed about the rising cost, she agreed to keep this under review.

**Conclusion:**

**Having reviewed the 2007/08 amended service plan for Human Resources and Corporate Employee Services against the Gateway 3 checklist, the Engagement DSP found that:**

1. All comments from Gateway 2 had been taken into account and outstanding issues resolved.
2. All budgetary information had been completed.
3. All performance development reviews had been undertaken with staff and any cost implications arising from these had been incorporated into the service plan.
4. The service plan now identified Value for Money (balanced scorecard) and benchmarking information.
5. Gershon efficiency savings in relation to improved sickness absence figures had been reflected in the budget.
6. The service plan had not been amended to take into consideration the proposed changes to the 2007/08 budget but that the service manager would be addressing this.
7. Review of fees and charges was not relevant to this service area.
8. Small areas for incremental savings had been identified and incorporated into the service plan.
9. There were no major procurement proposals for inclusion in the service plan.
10. Challenging support service charges in order to evidence value for money had not yet taken place.

**140. GATEWAY REVIEW 3: CUSTOMER SERVICES**

The Acting Service Manager, Customer Services informed the panel on what action had been taken on outstanding issues arising from the Gateway 2 process and that the budgetary information updated accordingly. The Gershon savings originally identified had been taken out of the service plan but once all service areas were channelled through the Customer Record Management system, efficiency savings would then accrue.

During its deliberations, the Chairman and Vice-Chairman referred to very positive comments they had been made aware of from the public about the new customer service centre. A question was raised on the back scanning of documents and the use of in-house training. It was suggested that out sourcing training provision could sometimes be more cost effective.

**Conclusion:**

**Having reviewed the 2007/08 amended service plan for Customer Services against the Gateway 3 checklist, the Engagement DSP found that:**

- 1. All comments from Gateway 2 had been taken into account and outstanding issues resolved following consultation with the CSC staff.**
- 2. All budgetary information had been completed.**
- 3. The majority of performance development reviews had been undertaken with staff, with outstanding pdr's now scheduled and any cost implications arising from these had been incorporated into the service plan.**
- 4. The service plan now identified Value for Money (balanced scorecard) and benchmarking information.**
- 5. Gershon efficiency savings had been taken out of the service plan to be reflected once all service areas were channelled through the customer records management system.**
- 6. The service plan had been amended to take into consideration the proposed changes to the 2007/08 budget.**
- 7. Review of fees and charges would be reflected in other service area service plans.**
- 8. There were no potential savings identified and incorporated into the service plan for 2007/08.**
- 9. There were no major procurement proposals for inclusion in the service plan.**
- 10. Challenging support service charges in order to evidence value for money had not yet taken place.**

**141. GATEWAY REVIEW 3: BUSINESS TRANSFORMATION & INFORMATION MANAGEMENT**

The Service Manager, Business Transformation & Information Management gave a presentation during which he referred to the outstanding issues from Gateway 2 and what steps had been taken to address them. Budgetary information had been consequently updated to reflect the changes to the service plan resulting in a £50,000 reduction. The Service Manager, acknowledged that more benchmarking was required for his service area in order to evidence value for money. Non cashable savings had been identified, and potential cashable savings could accrue from moving to longer term contracts.

He was also investigating the potential of income generation by providing services for other local authorities. In common with the other service areas, the support service charges had yet to be challenged.

A question was raised on the staffing figures in section 6 of the service plan: the Service Manager explained that the figures reflected the merger of the former IT service and the modernisation team and agreed to make this change

clearer in the plan.

**Conclusion:**

**Having reviewed the 2007/08 amended service plan for Business Transformation & Information Management against the Gateway 3 checklist, the Engagement DSP found that:**

- 1. All comments from Gateway 2 had been taken into account and outstanding issues resolved.**
- 2. All budgetary information had been completed.**
- 3. All performance development reviews (pdr) had been undertaken with staff and incorporated into the service plan.**
- 4. Further work was still required on identifying Value for Money (balanced scorecard) and benchmarking information.**
- 5. Gershon efficiency savings had been identified in non cashable form and further work was ongoing with regard to cashable savings.**
- 6. The service plan had been amended to take into consideration the proposed changes to the 2007/08 budget.**
- 7. Potential for income generation by implementing fees and charges for service provision to other authorities was under investigation.**
- 8. Potential savings had been identified and incorporated into the service plan for 2007/08.**
- 9. There were no major procurement proposals for inclusion in the service plan.**
- 10. Challenging support service charges in order to evidence value for money had not yet taken place.**

**SHORT ADJOURNMENT**

A short adjournment took place, whilst clarification was sought on the status of the Democracy Service Plan as it had not been circulated with the agenda for this meeting.

Pending the information, the Chairman decided to bring forward the next agenda item.

**142. FEEDBACK FROM THE DEMOCRATIC REVIEW WORKING GROUP**

Having been asked by the Engagement DSP for further comments on each of its recommendation, the Democratic Review Working Group had met on 15<sup>th</sup> December 2006 to consider the responses from the DSP. The views of the working group had been set out in tabular form alongside each original recommendation (numbered 1 to 21) and the DSP response. A copy of this document was circulated with the agenda and is also appended to these notes for reference purposes.

Councillor Shorrock presented he views of the working group who had concentrated on those recommendations not supported by the DSP:-

Recommendation 3: It was felt that consideration should be given to parish council involvement as a matter of course, for example including parish Councillor nominees on district council working groups.

Recommendation 4. A set of criteria for a citizens engagement fund would enable this to operate on a consistent basis.

Recommendation 5. The working group urged the council to participate in national initiatives to promote democracy; Councillor Shorrock advised that there were often funded programmes available that the council could access. He cited recent promotional activities undertaken by North Kesteven District Council to engage young people in the democratic process. Whilst acknowledging that external funds could be available, the Panel expressed some concern that running these activities would inevitable impact on officer time and that aspect did represented a "cost".

***[Action point: The Scrutiny Officer was asked to make enquiries with colleagues at North Kesteven District Council to ascertain the amount of officer time involved on their recent youth engagement event.]***

The Strategic Director advised the panel that a new youth co-ordinator post had been created (pending recruitment) whose remit would include involvement with young people and outreach work in the community. It was suggested that this post holder come support these kind of initiatives and link into the working group's recommendations 6 and 7.

Recommendation 9. Whilst acknowledging the concerns of the DSP, the working group strongly supported members' direct involvement in the democratic and political engagement part of the school curriculum. The training aspect would require resources and an associated cost if this was out sourced, however, Councillor Shorrock advised that external resources were available.

Recommendation 11. Councillor Shorrock informed the panel that schools preferred to make the involvement in citizenship education "real" for their students and this could be addressed by the provision of internships at the council. This would have resourced implications in terms of support time. The panel was asked to look at this recommendation more broadly, suggesting that the council would work with the Council for Voluntary Service to progress this.

Recommendation 12. The working group urged the panel to support the provision of funds for an annual school representative assembly, although it would need to be included within the next budget round. The Strategic Director suggested that this type of activity could potentially be supported by sponsorship from businesses and other organisations.

Recommendation 13. The working group asked that the provision of a citizen

pack be reconsidered, particularly as the law had changed to permit a person to stand as a candidate from the age of 18. The Service Manager, Democracy briefly advised the panel of the new legislative changes which came into force from 1<sup>st</sup> January 2007. This Act placed greater statutory obligations upon the Electoral Registration Officer to be more proactive in ensuring the electoral register was complete and encouraging greater democratic participation.

**Recommendation 14.** This recommendation had stemmed from the analysis of evidence that turn out for elections was greater in rural areas than in urban wards, particularly where there was a strong sense of community. Where people were more involved in community activities, this provided a platform for decision-making and greater engagement in the democratic process. The working group had suggested the exploration of funding to support a particular area or ward.

**Recommendation 15.** The working group asked the panel to support an invitation being extended to the South Lincolnshire CVS to attend a meeting of the DSP to give a presentation.

**Recommendation 16.** Regarding pre-election awareness campaigns, the working group's point was that it was about making information available in a more accessible way and to build on the good practice that already existed. Some concern was expressed by members of the panel that the onus was on political groups to find candidates to stand for election. It was not the remit of officers of the council.

**Recommendations 17 to 21.** In response to the panel's rejection of these recommendations, the working group asked for consideration to be given to a presentation by Rutland On Line and another local authority.

### **Conclusion:**

**Having considered the feedback from the Democratic Review Working Group, the DSP agreed to:**

- **Recommendation 3 – to note and accept**
- **Recommendation 4 – acceptance in principle stands**
- **Recommendations 5, 6, 7, 8, and 9 – support these recommendations being pursued subject to investigation of training costs and involvement of new Youth Co-ordinator**
- **Recommendation 11 – support in principle and approach being made to the CVS**
- **Recommendation 12 – support principle for reconsideration at next budget round**
- **Recommendation 13 – note new statutory requirements on Electoral Registration Officer.**
- **Recommendation 14 – support in principle if external funding could be accessed**
- **Recommendation 15 – support presentation to the DSP by the South Lincolnshire CVS in the next municipal year**

- **Recommendation 16 – to not support this activity being undertaken by council staff**
- **Recommendations 17 to 21 – support an invitation to RoL and another authority (such as Preston) to make a presentation to the panel in the next municipal year.**

#### **143. GATEWAY REVIEW 3: DEMOCRACY**

The service plan for Democracy Services was circulated at the meeting. Members were advised that there had been no substantial change in the plan since Gateway 2 other than the deletion of the bid for half a post to add to an exiting half post vacancy to create a full time trainee post for committee support.

The Service Manager, Democracy reminded the panel that the main issue of concern raised at Gateway 2 was the low level of staffing of the section as evidenced by benchmarking figures and the consequent risk this posed if numbers fell below the existing establishment. Since Gateway 2, the post of scrutiny support officer had become vacant and this was currently impacting on the capacity of the section pending recruitment of a replacement. The service manager also referred to the increased workload on the section during the run up to the district and parish elections in May 2007. This would involve committee support staff as well.

The bid for a temporary electoral services assistant (6 months) to cover the additional workload generated by the new Electoral Registration Act that came into force on 1<sup>st</sup> January together with the election preparations had been allowed to remain in the budget and the process of recruitment for this post would begin as soon as possible.

The panel sought clarification from the service manager on the number of full time equivalent staff in the section. Some concern was expressed over the existing capacity of the service having regard to the impact of the current vacant post and the new statutory requirements imposed by the new electoral registration law. The panel agreed that the number of posts in the section should at least be maintained and that favourable consideration be given to allowing the additional half post to create a full time trainee committee support officer.

#### **Conclusion:**

**Having reviewed the 2007/08 amended service plan for Democracy Services against the Gateway 3 checklist, the Engagement DSP found that:**

1. **All comments from Gateway 2 had been taken into account and outstanding issues resolved.**
2. **All budgetary information had been completed.**
3. **All performance development reviews has been undertaken with staff and any cost implications arising from these had been**

incorporated into the service plan.

4. The service plan identified Value for Money (balanced scorecard) and benchmarking information.
5. Gershon efficiency savings had been reflected in the budget. Non cashable savings had been identified by the same number of staff covering an increased number of meetings.
6. The service plan had been amended to take into consideration the proposed changes to the 2007/08 budget.
7. Review of fees and charges was not relevant to this service area.
8. Potential savings in relation to reduction in printed agendas had been identified and incorporated into the service plan.
9. There were no major procurement proposals for inclusion in the service plan.
10. Challenging support service charges in order to evidence value for money had not yet taken place.

#### **144. REPORTS FROM ACCESS & MODERNISATION WORKING GROUP**

The DSP received and noted the notes from the meeting of the Access & Modernisation working group held on 21<sup>st</sup> December 2006. The notes contained a recommendation to refer a matter to the Access & Engagement Portfolio Holder.

**Conclusion:**

**To support the request that the Access & Engagement Portfolio Holder be asked to ensure there is better co-ordination between the Street Scene Service and the Customer Services Centre.**

#### **145. BEST VALUE PERFORMANCE INDICATORS**

The Scrutiny Officer presented the best value performance indicators. The panel noted with concern that BVPI SK22 (% of application for service transactions that are dealt with by the CSC) was still "red" despite assurances at the last meeting by the service manager that this would be addressed.

**Conclusion:**

**That the Service Manager, Business Transformation & Information Management be asked to review BVPI SK22 as to whether or not this was a realistic target.**

#### **146. WORK PROGRAMME**

The panel noted the updated work programme. The Scrutiny Officer advised that the draft Forward Plan to be published on 16<sup>th</sup> January 2007 provided for a number of changes and revised dates. The Strategic Director gave reasons for some of the revised decision dates.

## **147. FINANCIAL REPORTS**

The Service Manager, Finance & Risk Management circulated the budget information for the service areas under the DSP for the remainder of the year. He pointed out that budget profiling was not in place for 2006/07. The DSP was advised that the figures for travel had been updated but there was still a significant under spend which would be put back into the working balances.

The DSP noted the report and commended the clear presentation of the information.

## **148. REPRESENTATIVES ON OUTSIDE BODIES**

There was nothing to report under this item.

## **149. URGENT BUSINESS: LINCOLNSHIRE PCT CONSULTATION ON SHARING ACUTE SERVICES**

*The Chairman agreed to take this as an urgent item having regard to the receipt of a consultation paper from the Lincolnshire PCT and the timeframe within which responses were invited.*

The Strategic Director circulated details of a consultation exercise by Lincolnshire Primary Care Trust in which stakeholders' views were sought on any issues in relation to the provision of acute hospital services for this locality.

Whilst this subject did come within the remit of the Healthy Environment DSP, she considered it appropriate that this DSP also had an opportunity to comment if it so wished. Any views by the DSPs would be fed back to the Cabinet to prepare a corporate response.

### **Conclusion:**

**To refer the consultation paper to the Healthy Environment DSP for comment but that the Engagement DSP be apprised of the outcome.**

# Agenda Item 9

## **NOTE FOR ENGAGEMENT DSP – 8<sup>th</sup> MARCH 2007**

### **CLOSURE OF POST OFFICE CARD ACCOUNTS**

Post Office Card Accounts were set up in 2003 when it was decided that people such as pensioners and those on benefits or without a bank account would no longer be able to withdraw cash from post offices. There are an estimated 4,000,000 account holders throughout the UK.

Post Office Card Accounts (POCAs) are basic savings accounts into which payments such as social security benefits, pensions and tax credits can be directly paid into. Anyone receiving state benefits can open one and holders cannot get into debt as there are no credit or overdraft facilities attached.

The Government has recently announced that it intends to phase out POCAs by 2010. There is cross party opposition to this proposal across the country and by the National Federation of Postmasters, because

- Vital trade will be taken away from many post offices, especially small branches in rural areas, which could then be threatened with closure
- The closure of POCAs will affect some of the most vulnerable people in society, such as pensioners and people on benefits.

The DSP is asked to consider this issue. Further information is attached from MPS of all parties, Help the Aged, Age Concern, the Countryside Alliance and the National Federation of Post Masters.

Paul Morrison  
23<sup>rd</sup> February 2007



The Post Office™ card account is an ultra simple account that can only be used to receive benefit, state pensions and tax credit payments. No other payments, such as Housing Benefit, occupational pensions, or wages can be paid into it. You can only collect payments over the counter at a Post Office™ branch. This account may suit you if you want a simple account that won't let you go overdrawn or incur any charges. No credit checks will be carried out when you open this account.

A Post Office™ card account will allow you to take cash out, free of charge, at any Post Office™ branch using a plastic card and Personal Identification Number (PIN). Your card and PIN will also allow you to request a balance enquiry at any Post Office™ branch.

*Post Office™ card account is offered by J. P. Morgan Europe Ltd through Post Office Ltd.*



Media centre

[Home](#) > [Media centre](#) > [News archive](#) > [January 2006](#) > Response to reports that Post Office card account will not be renewed (19.01.06)

# Our response to reports that the Government will not be renewing its Post Office card account contract (19.01.06)



Gordon Lishman, Age Concern's Director-General, said:

"Post Office card accounts are very popular with pensioners and we would be strongly opposed to any moves that make it more difficult for people to access their pensions and benefits. These accounts were set up so that benefits, pensions and tax credits could be paid directly into the Post Office, making it much easier for older people without a bank account to receive their cash securely, without the fear of becoming overdrawn or paying extra charges."

"The Post Office will lose an important source of revenue if the Government fails to renew its contract after 2010, which could force many more branches to close down."

Media Contact: Helen Wanless  
Telephone: 020 8765 7514

Helen Wanless

**Telephone:**

020 8765 7514

**Out of hours:**

07071 243 243

**Email:**

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## News

Home > Campaigns & issues > News > Archive

### **Post Office Card Account is a lifeline for pensioners, says Help the Aged**

14 December 2006

**As Ministers consider the future of the Post Office network, Help the Aged has published the results of a survey into older people's views about the Post Office Card Account.**

An overwhelming majority (85 per cent) of respondents want the Government to keep the Post Office Card Account. That figure rises to 90 per cent among pensioners who do not have immediate access to a bank branch nearby.

84 per cent also want local post offices to continue with distribution of pensions and benefits, even when the Post Office Card Account is scrapped.

David Sinclair, Senior Policy Manager at Help the Aged, said: 'The long term future of the Post Office network is at a tipping point. Ministers must commit to the subsidy for rural branches, and help must be given to small post offices in deprived communities.

'There is lot more to the Post Office than merely places where older people go to a buy a stamp – they are literally a lifeline for thousands of poorer pensioners. Closing down branches or scrapping services with no thought for the future will be a real blow.

'Scraping the Post Office Card Account will deliver the very worst sort of Christmas present'

'The Post Office Card Account is a vital part of their services. It allows older people to access simple banking facilities which are so important to their daily lives. Scrapping it will hit pensioners hard, and deliver the very worst sort of Christmas present.'

Help the Aged continues to campaign against Post Office closures. Read more in Campaigns and Issues





## Andrew Selous MP for South West Bedfordshire

n e w s

### **Withdrawal of post office card account worries pensioners, benefit recipients and post offices**

23 March 2006



News release from Andrew Selous MP 23 March 2006

### **WITHDRAWAL OF POST OFFICE CARD ACCOUNT WORRIES PENSIONERS, BENEFIT RECIPIENTS AND POST OFFICES**

4,200 pensioners and benefit recipients in South West Bedfordshire are going to have to make other plans to receive their cash at post offices following the government's decision to scrap the post office card account in 2010, a parliamentary answer to Andrew Selous has revealed.

Age Concern Bedfordshire has said the government's decision will have "a major impact on older people". Alan Cook, the Managing Director of the Post Office wrote to Andrew Selous to say that the Post Office was "surprised and disappointed" that the Department for Work and Pensions had decided not to support the post office card after March 2010. The effect is to begin now a rundown of the post office card account before the Post Office has had time to develop and introduce an alternative product".

The Post Office currently earns £200 million a year from the use of the card and there are fears that even more post offices will close in future. Locally, post offices have closed in Totternhoe, Studham and Dunstable recently. The Post office has called for "a full debate before any actions are taken that could jeopardise the future of the network".

Ends

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**John Healey MP**

Labour MP for Wentworth



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**Next advice surgery:**

Friday 23rd February 2007

5pm - 6pm Rotherham Town Hall

Please call 01709 875943 for an appointment

## **Post Office Card Accounts**

In the past few months over 500 people have contacted me to let me know that they are concerned about the withdrawal of the Post Office Card Account in 2010.

Many are concerned about how this change will affect how they collect their pensions or their benefits and some are concerned about how this change will affect the viability of their local Post Office.

Following meetings with Postmasters and customers, I have held talks with Pensions Minister James Plaskitt and Treasury Minister Ed Balls.

I have discussed with them the need for the Government to try to do more to persuade the major banks, who do not currently allow their customers to access accounts via Post Offices, to do so. In my view this would help reinforce the prospects for many Post Offices in the run up to 2010.

I know this is an issue of upmost concern to many Post Office customers and I am continuing to keep a close eye on it within Parliament, and to ensure that the concerns of local people are put forward to those making the decisions.

For more news items, please [click here](#)



David Howarth has revealed that over 3700 people in Cambridge use the Post Office Card Account to receive their pensions or benefits.

David commented:

*"It is astonishing that the Government seems intent on destroying a service which is of such great value to so many people in the local area and in the country as a whole. The Post Office Card Account offers an accessible and affordable way for thousands of people in Cambridge to receive their benefits, yet the Government is proposing to axe it."*

*"Without the vital revenue stream from the Post Office Card Account, the Government is further undermining the long term viability of the Post Office network that will mean that even more than the 3500 post office already closed by Labour will be put out of business."*

Commenting further on an Age Concern Report published earlier this month, David said:

*"The Government must pay far greater heed to the effects that the closure of post offices has on a community - nearly 8 out of 10 people feel that the closure of their local post office would present a loss of essential local services."*

*"This is yet another example of an over-centralised Government entirely out of touch with local communities."*

The Government plans to scrap the Post Office Card Account in 2010.

The Age Concern report findings on Post Offices can be found at  
<http://www.ageconcern.org.uk/AgeConcern/BBA8F3E6C959416E9437E36F9B00EBD4.asp>

## Post Offices need your help

Wednesday, 18 October 2006



The Countryside Alliance has called upon the Government to make a decision over the future of rural post offices. While the Government continues to deliberate over their future -14,000 sub Post Offices face an uncertain time - the post office has already lost important contracts such as the Post Office Account Card and TV licensing. In the last year alone £168million of Government services have been taken away from post offices.

We are asking you to get behind us and your local post office and make your views known to Jim Fitzpatrick MP – Parliamentary Under Secretary of State for Employment Relations and Postal Services by sending him a letter from your local post office.

In your letter please include the following points:

- **How important your local Post Office is to you.**
- **What role they play in your local community** - Rural Post Offices play a far more significant social role than in towns and cities - rural areas rely on their Post Offices for more than just the services they provide. They are often the centre of their community, and without that focus many communities face disintegration.
- And emphasise that **the social value of post offices cannot be simply measured through financial terms.**

Please copy in your local MP and the Countryside Alliance and send your letters to

Jim Fitzpatrick  
Parliamentary Under Secretary of State  
Department of Trade and Industry  
1 Victoria Street  
London SW1H 0ET

### Facts and Figures about your local post office

- There are around 8,000 Post Office branches in rural areas; rural branches are defined as those in areas with a population of less than 10,000 people.  
(Postcomm's Annual Report 2005 –2006)
- 90% of rural post offices cannot be maintained on a purely commercial basis.  
(The Guardian, Saturday April 10, 2004)
- The rural network serves approximately 11.4 million customer visits a week.  
(Postcomm's Annual Report 2005 –2006)
- Around 65% of rural communities have a Post Office, whereas only 10% have a bank

[http://www.countryside-alliance.org.uk/rural\\_services/rural\\_services\\_campaigns/Post\\_Offices\\_need\\_your\\_help/](http://www.countryside-alliance.org.uk/rural_services/rural_services_campaigns/Post_Offices_need_your_help/)

branch.

(Postcomm's Annual Report 2005 –2006)

- Each post office branch has an average of up to 355 customers a week collecting their benefits through their Post Office card account.  
(Taken from Parliamentary Answers January 2006)
- In January 2006, the Department of Work and Pensions announced that it would not be renewing the contract for the Post Office card account beyond 2010.  
(Department of Work and Pensions, January 2006)
- At the end of March 2006 an obligation on Post Office Ltd to “prevent avoidable closures” comes to an end. Projects run under the auspices of this obligation, such as the use of rural advisers brought into a community facing the loss of their post office, have been shown to slow down the rate of closures.  
(Postcomm's Fifth Annual Report 2004 –2005)
- The large majority of rural branches are loss making and it costs £3 million a week to sustain the rural network.  
(Rural Pilot Activity, The Post Office, 2006)
- The Department of Trade and Industry received state aid clearance from the EU on 24 February 2006 to continue to use Royal Mail's reserves to fund the rural network to the end of March 2008 with a £300million package of support. However, the Government needs to decide what the size and shape of the network needs to be, and how much it is going to pay towards maintaining a network to ensure that its objectives of social and financial inclusion are met.  
(Postcomm's Annual Report 2005 –2006)
- 84% of the rural population live within 1 mile of a post office.  
(Countryside Agency, Rural Services Review, 2002)
- More than two thirds of villages with between 500 and 1,000 inhabitants have a post office.  
(Countryside Agency, Rural Services Review, 2002)
- Some of the 8,000 rural branches are in busy market towns while others may only receive 5 customers a week.  
(Postcomm's Fifth Annual Report 2004 –2005)
- However, in the financial year 2005–2006 there were 149 rural post office closures a net loss of 1.9%. The highest number of net closures was in Wales (25) and the South East (21). In the previous year there were 144 net closures, of these, 97 were in England, 22 in Scotland, 18 in Wales and 7 in Northern Ireland. (Postcomm's Annual Report 2005 –2006)
- The announcement that the BBC replaced the Post Office as its supplier for a range of services for TV licensing raised further concerns about the viability of the rural Post Office network. 2.1% of Post Office income was derived from over-the-counter sales of TV licences and over 300 000 rural people are thought to purchase their TV licence over the counter.  
(BBC Press Release 31st March 2006)

## Rural Post Office Network and Post Office Account Card

The Post Office Card Account (POCA) is a bank account offered by the Post Office with suppliers EDS and Citibank. It is specifically designed for benefits, pensions and tax credit customers to have their payments paid into an account. Its customers access their money free over the Post Office counter. The card does not allow customers to become overdrawn and so protects them from debt. It was specifically designed to make an account accessible to customers who are unable to open standard bank accounts. Around 4.2 million benefit and pensions customers

regularly use their accounts to access their benefit payments.

The Department of Work and Pensions's decision not to renew the Post Office account contract beyond 2010 will have a devastating effect on rural post offices. Since its introduction, the Post Office Account Card has provided rural communities with local access to their benefits. By withdrawing the contract, the Government have undermined the long-term viability of post offices in rural communities. The Post Office account card system is estimated to be worth £1 billion in revenue to Post Office Limited, and is therefore an important part of the business.

The reduction in the number of people going to post offices to collect their benefits and pensions has had a knock-on effect on many rural post offices. The Government needs to understand that the real value of a post office cannot be measured simply by turnover, and must recognise that the benefit to the community goes far beyond the 'doorstep' of the post office.

Rural services are the "glue" which holds local rural communities together. In this respect they play a far more significant social role than in towns and cities. For some years, rural public services have been in much faster comparative decline than that of equivalent services in conurbations, a decline exacerbated by comparative inequity in funding. Rural areas receive a significantly lower level of per capita public investment than urban areas even before the additional disadvantage of rural population sparsity is factored in.

The Government have committed up to £750 million, subject to state aid clearance, until March 2008 to maintain the rural post office network. However, whilst the Government's annual support of £150 million helps Post Office Limited to maintain non-commercial post offices in rural locations, no decisions concerning the future of the rural post office network beyond March 2008 have been taken.

This may stabilise the situation for the rural network until March 2008, but not beyond. The Government needs to have a clear view of what it wants from the rural network and what measures need to be put in place to prepare for 2008.

Without a clear Government policy, sub-postmasters and Post Office Ltd cannot plan for the future or ensure that rural services are maintained after March 2008. The infrastructure for the rural network needs to be as flexible as possible to respond to customer needs in order to provide a viable living for the sub-postmaster and a cost effective solution for Post Office Ltd. This will need planning, and mapping of requirements, and could mean the closure of some offices where a service is offered by one of the new methods e.g. a travelling post office.

A comprehensive review is needed into the social and economic role played by rural post offices. This will then lead to the optimum development of a viable rural network.

The Government should now urgently consider more radical measures and ideas for co-location of services and for expanding and diversifying the range of products, services, and functions of rural post offices, as key focal points of village community life.

### **Countryside Alliance Recommendations**

- The Government and Department of Work and Pensions should review and reinstate the contract for the Post Office Account Card.
- Research into the social and economic role that Post Offices play in the community.
- Rate relief should be extended to a wider catchment of small shops, post offices and pubs

in rural areas designated by local councils as having amenity shortages.

- Any new trading regulations should be 'rural-proofed' to ensure that no new burdens, especially superfluous red tape, are placed on rural businesses.
- Further research should be undertaken as a follow up to the Post Office "Rural Pilot Activity" report published in 2006.
- Government should mandate the distribution of lottery machines, which should not be in the gift of the commercial lottery operator. Small traders should not be discriminated against in licensing decisions for lottery ticket machines - lottery tickets have proved to be an important factor in determining where people shop.
- The Government fund established to help with the costs of relocating and refurbishing rural post offices should be allocated increased funding, and new grants should be made available to promote the re-opening of rural post offices where the community deems a need.
- Adequate training must be provided to post office counter staff and others administering the new universal banking system.
- Income to post offices from the new system must, at the very least, replace the £400 million per annum accounted for by benefit payments over-the-counter under the existing system.
- Incentives should be developed to encourage younger people to take over post offices from those retiring. Too often rural post offices are closing because no one is willing to take on the commitment, which is seen more as a liability than an opportunity. Allowing post offices to take on and offer other functions or services will help them become more viable, attractive business propositions.



## NATIONAL FEDERATION OF SUBPOSTMASTERS

### LOBBY OF PARLIAMENT BRIEFING PAPER

#### BACKGROUND

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The National Federation of SubPostmasters (NFSP) is the only body representing the interests of 14,500 subpostmasters throughout the United Kingdom. Sub post offices make up 97% of the national network of post offices and are run by private business people, subpostmasters.

On 18 October 2006 NFSP will be holding a rally and lobby of Parliament to highlight the growing concerns over the future of the post office network and to press the Government to act now to ensure its long-term future.

#### THE POST OFFICE NETWORK

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The post office network reaches into every urban community and nearly every sizeable rural settlement, with 94% of people in the UK living within one mile of a post office. 28 million customers make 45 million visits to post offices every week. Post offices offer a range of 170 different services and products. The post office network is the largest retail network in Europe and has more branches than the UK's major banks and building societies combined.

The network has faced some very serious challenges in recent years. 2,500 urban post offices have been closed under the Network Reinvention Programme. The rural network is losing £3million each week and is currently supported by an annual £150million Social Network Payment from the Government which will expire in March 2008 with no planned replacement funding.

The critical state of the post office network is illustrated by the fact that, while Royal Mail Group registered record profits of £537 million in 2004-05, losses incurred by Post Office Ltd (POL) rose by 7% during the same period to £110 million. Central to this has been the change to direct payment of pensions and benefits, which traditionally accounted for 40% of post office income. The change has led to significant loss of income for subpostmasters.

While the introduction of the Post Office card account has helped offset some of these losses, the Government intends to withdraw the card account by 2010 and is already migrating customers off the card account and into bank accounts. According to research conducted by Ipsos MORI during February and March this year, the card account is responsible for 10% of subpostmasters' pay (12% in urban deprived offices), while bill payment, another product threatened by the withdrawal of Government contracts, accounts for 5% of pay (9% in urban deprived offices). The range of new products and services which the Government has encouraged POL to introduce has singularly failed to offset these losses, with 58% of those subpostmasters surveyed by Ipsos MORI receiving no income at all that month from sales of Post Office financial services and 83% receiving no income from sales of Home Phone.

## OBJECTIVES FOR THE LOBBY OF PARLIAMENT

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The National Federation of SubPostmasters calls upon the Government to provide the following:

1. A suite of **Post Office based banking products**, including an enhanced form of Post Office card account, offering improved services and options for customers, including financially excluded groups.
2. A Government commitment to undertake a thorough **assessment of the social and economic role** played by post offices in communities across the UK, and for Government to provide ongoing support to the non-commercial parts of the network for social and economic service they provide.
3. Government recognition of the important social value of post offices by giving preference to the network in the **distribution of Government services**, and to encourage local authorities to offer council services through the network.
4. A definitive statement on the future **size, shape and purpose** of a sustainable post office network.
5. A clear **compensation framework** for subpostmasters in post offices forced to close, which recognises the investment made in these businesses by subpostmasters and compensates them accordingly.

We urge the Government to publish a **White Paper** which addresses these issues and puts forward a clear framework for the long term future of the network, in order to provide the certainty that existing and potential subpostmasters require to be able to invest in the network.

## 1. A suite of Post Office based banking products, including an enhanced form of Post Office card account, offering improved services and options for customers, including financially excluded groups.

- **Post Office card account**

The Post Office card account (POCA) is a simple account which allows the receipt only of benefit, state pension and tax credit payments. Account holders can access their cash and make balance enquiries at any post office. The card account is the only option for benefit receipt through which claimants cannot get into debt.

POCA is used by 4.3 million people every week to access their pension and benefit payments and currently brings in an average of 10% of a subpostmaster's income. It emerged in January 2006 that the Department for Work and Pensions (DWP) does not intend to extend the POCA contract beyond 2010.

The DWP claims that it was always clear that POCA would only run until 2010, as a transitional device following the introduction of Direct Payment. However, while the current contract does indeed come up for renewal in 2010, the Government stated at the time of the introduction of POCA that the card account or an equivalent scheme allowing customers to access their pensions and benefits through the post office network would be guaranteed. Applicants were at no point informed of POCA being a short-term product.

POCA brings in much needed revenue of around £200 million a year to the network as subpostmasters receive payment for each POCA transaction. In addition, it brings people into the Post Office that may otherwise not have made that visit and thereby provides additional custom. The loss in revenue from the abolition of the POCA threatens the viability of thousands of urban and rural post offices, many in areas of deprivation where the Post Office is a vital resource. Support for POCA across the country is overwhelming; over three 3 million people have already signed the NFSP's petition to save POCA.

It has always been the understanding of NFSP that POCA or an equivalent Post Office-based scheme would be continued beyond 2010. Many subpostmasters have invested their own money in their businesses on the understanding that the network would continue to have a role in, and thereby receive income from, the provision of Government pensions and benefits. We are calling on the Government to devise a successor scheme to POCA which gives customers the option to use a Post Office based solution with broader functionality than at present.

- **Financial inclusion**

The post office network provides an ideal channel for the Government's efforts to promote financial inclusion, due to its extensive branch network and trust in the Post Office brand. This is particularly the case among marginalised or vulnerable members of society. According to research among financially excluded consumers by the National Consumer Council, "the Post Office is well regarded as offering a good, accessible service", and is viewed as both better trusted and more accessible than banks.

NFSP is deeply disappointed that the Government has failed to implement the recommendation of its Performance and Innovation Unit and develop a Universal Bank based at the Post Office, which would have better enabled the realisation of the Government's financial inclusion objectives.

- **Banking at post offices**

Only 40% of current accounts are accessible at post office counters. Many of the banks that do enable current account access only allow their customers to use a very restricted range of transactions at post offices. HSBC, Halifax Bank of Scotland and Royal Bank of Scotland Group do not offer any access to their current accounts at post offices. NFSP supports POL's bid to join the LINK card scheme in order to provide a universal free of charge over the counter cash withdrawal service to all LINK-enabled card holders.

Banking services at post offices could provide an excellent source of income and footfall but are currently limited. NFSP regrets the ongoing refusal of several major high street banks to offer a comprehensive service for their current, basic and business account holders at post offices and calls upon the Government to take a leading role in rectifying this.

**2. A Government commitment to undertake a thorough assessment of the social and economic role played by post offices in communities across the UK, and for Government to provide ongoing support to the non-commercial parts of the network for social and economic service they provide.**

The economic and social importance of post offices has been well documented. Particularly in rural and deprived urban areas, not only do post offices provide a wide range of services, but act as an anchor for other local businesses.

In rural areas post offices are frequently the only local place to access cash: only 4% of villages have a bank, but 60% have a post office. The Countryside Agency found that in local rural shops and businesses with a nearby post office 15% of customers' expenditure is directly due to the presence of the post office (2000 report). Postcomm estimated that in settlements with a population of 1,000 – 3,000 people £417,000 per settlement per year could be lost by nearby shops on the closure of a post office (2001). Local shops and businesses will suffer substantial losses, resulting in the closure of many other local services.

Research by Postwatch and the London Assembly demonstrated the inconvenience caused to many local businesses in both rural and urban areas where post offices had recently shut. Local businesses say post office closures result in extra costs for petrol and lost work time in travelling to the post office to post letters and parcels, pay bills and access other services.

Clearly, the closure of a local post office not only seriously impedes the ability of individuals and businesses to access the wide range of post office services, but also has a more extensive knock-on effect. Most affected are those who are already vulnerable to social and financial exclusion, such as older and disabled people and people on low incomes. These groups will often find it difficult to access a post office that is further away, due to increases in costs of transport and difficulties in physically reaching the service. Moreover, it tends to be older people and the less well off who use post offices most.

Research by Postcomm demonstrates that subpostmasters and post offices play an invaluable role in communities by providing support for vulnerable residents, including older and disabled people. For example, subpostmasters frequently interpret official letters and forms, take messages and offer emotional support, and enquire to ensure customers are not unwell if they do not make their normal visit to the post office. Post offices provide a focal point for communities, a place to congregate and are used by police, local authorities and local tourist attractions to display information.

Post offices are crucial to sustaining the vitality and viability of communities. Closure of post offices and the consequent closure of other key local services results in greater isolation of villages and further ghettoisation of deprived urban areas.

Nine out of ten rural post offices cannot be maintained on a purely commercial basis therefore without Government support mass rural closures are inevitable. The Government must provide rural post offices with ongoing payments for the social and economic services they provide and give preference to the network in the distribution of Government services. It must end the uncertainty by deciding what subsidy it will provide after March 2008.

**3. Government recognition of the important social value of post offices by giving preference to the network in the distribution of Government services, and to encourage local authorities to offer council services through the network.**

The Government is failing to take a joined up view of the post office network, for example by not actively encouraging departments and local authorities to make their services accessible through post offices. Recent examples of missed opportunities include POL's loss of the BBC TV licence contract, vehicle excise duty (internet renewal encouraged), POL not obtaining the contract for conducting new passport interviews. Other services are in jeopardy, for example issuing fishing permits.

Subpostmasters are ideally placed to act as Government General Practitioners, providing information and basic advice on government issues and helping the public to carry out routine transactions with local and national government. NFSP is calling on the Government to avoid silo thinking by individual departments and actively encourage departments and local authorities to make their services accessible through post offices.

#### **4. A definitive statement on the future size, shape and purpose of a sustainable post office network.**

Before embarking on a far reaching programme of change, the Government must be clear on the future role and purpose of the Post Office. NFSP's vision is to provide the public access to bigger, better and brighter post offices, with a wide range of services, delivered by trained, qualified and rewarded subpostmasters. To achieve this, the network needs financial backing from the Government.

NFSP welcomes the setting up of a Cabinet Committee (MISC 33) chaired by the Deputy Prime Minister John Prescott to look into issues around the post office network, which we hope will enable the Government to take a long-term cross-departmental view of the network's future. Among the issues the Committee will be considering is the Government imposed requirement on POL to prevent avoidable rural post office closures which is due to end this autumn.

NFSP supports the pilot work that has been done in rural areas on trialling alternative methods of postal service provision, for example a mobile service or partner service with a third party such as a village hall or church. We believe it is a practical approach that may find ways to keep services in rural areas in a more cost effective way but reflects the needs of customers and operators.

The Government has encouraged Post Office Ltd (POL) to develop Post Office financial services such as loans, credit card, savings accounts, car insurance, home insurance, etc., to make up for losses in traditional business. Currently these services only account for 1% of income to subpostmasters.

The Department for Trade and Industry had planned a public consultation on the future of the rural and urban deprived ("social") post office network. This was originally (Nov 2005) planned to start in Feb 06 and report by mid July 2006. However, it has not started yet, and there has been no announcement about when it will begin. We call on the Government hold a public consultation in advance of issuing a White Paper outlining its policy towards the network.

## 5. A clear compensation framework for subpostmasters in post offices forced to close, which recognises the investment made in these businesses by subpostmasters and compensates them accordingly.

It is crucial to the success of any programme to build a sustainable future for the post office network that the optimum network reach is achieved – the right post office in the right location.

Work has declined, not helped by Government actions, and in the absence of an influx of new work, the current network may not be sustainable, despite the closure of 2,500 offices under the urban network reinvention programme. We have no desire to see a further reduction in this well loved network, however being practical, a further reduction is probably necessary.

If it is decided that fewer outlets than present exist are required, Government will need to ensure that subpostmasters who are affected are adequately compensated for the loss in value of their asset. The formula used during network reinvention successfully facilitated the reduction of 2,500 post offices at that time. The NFSP require the same or similar compensation arrangements should further closures prove necessary.

Reducing the network size is not a complete answer to the current problems. Post office closures, without an injection of new products, services and investment, will merely lead to another round of closures later as the downward spiral continues.

We need to build a sustainable network where subpostmasters are confident to invest their finances and time. The present climate is one of severe doubt for the future, and is not conducive to building confidence for those working in the network. It is unattractive for those who may be looking to become subpostmasters because of the considerable doubt over the future.

## CONCLUSION

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The post office network in its current state is unsustainable - 39% of subpostmasters in rural and urban areas said they could see “no future whatsoever” for their business in a recent Ipsos MORI survey. NFSP is prepared to champion change and will work together with others to achieve it; as long as it is sensible, well thought through change that recognises the financial and human investment that subpostmasters have made in the industry. NFSP wants to see clarity from the Government on its policy towards the post office network so that subpostmasters will have the confidence to invest in their businesses, in order to build a sustainable future for the network.

## KEY FACTS

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- 94% of the population currently live within one mile of a post office in the UK
- 28 million customers make 45 million visits to the post office every week
- 4.3 million use the post office card account each week
- Over 3 million people have signed NFSP's petition to save the post office card account
- The Post Office card account is set to be withdrawn in 2010
- 60% of bank current accounts are still not accessible in post offices
- Average subpostmaster salaries are under £1,000 a month, a fall of 6% in real terms since 2004
- 39% of subpostmasters in rural and urban areas can see "no future whatsoever" for their business
- Nine out of ten rural post offices cannot be maintained on a purely commercial basis
- The £150 million annual Government payment for the rural network comes to an end in March 2008
- The Government's "no avoidable closures" programme comes to an end later this year

## FURTHER INFORMATION

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For further details please contact:

Colin Baker  
General Secretary  
National Federation of SubPostmasters  
Evelyn House  
22 Windlesham Gardens  
Shoreham by Sea  
West Sussex BN43 5AZ

Tel: 01273 452324  
[www.nfsp.org.uk](http://www.nfsp.org.uk)

# Agenda Item 10

## REPORT TO ENGAGEMENT DSP

REPORT OF: SERVICE MANAGER – PERFORMANCE: PERFORMANCE MANAGEMENT & ENGAGEMENT

REPORT NO.: PME1

DATE: 8<sup>TH</sup> MARCH 2007

<b>TITLE:</b>	<b>Update of customer service standard performance</b>
<b>FORWARD PLAN ITEM:</b>	n/a
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	n/a
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	n/a

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	Access Cllr Paul Carpenter, Access and Engagement Portfolio	
<b>CORPORATE PRIORITY:</b>	Access and Communication	
<b>CRIME AND DISORDER IMPLICATIONS:</b>	n/a	
<b>FREEDOM OF INFORMATION ACT IMPLICATIONS:</b>	n/a	
<b>INITIAL EQUALITY IMPACT ASSESSMENT</b>	<b>Carried out and appended to report?</b>	<b>Full impact assessment required?</b>
	<b>Not Applicable</b>	<b>No</b>
<b>BACKGROUND PAPERS:</b>	Customer Service Standards	

## **1. INTRODUCTION**

Following the restructure, performance monitoring is now the responsibility of the Performance Management and Engagement service. This report includes performance relating to answering telephones – both within the customer service centre and front-facing advertised numbers.

## **2. RECOMMENDATIONS**

It is recommended that:

- The Engagement DSP continues to be monitor customer service standards.
- The Performance Management and Engagement service ensure that following the reorganisation all service managers are aware of their responsibilities regarding customer service standards and offer guidance accordingly.

## **3. DETAILS OF REPORT**

Appendix one attached shows the collated telephony statistics for April 2006 to January 2007. It should be noted that the average results shown are below the performance standard. However, services individual performance may be better or worse than this. Each service managers will receive their individual results.

Appendix two shows the telephony performance operated by the customer service centre for April 2006 to January 2007. It shows the growth in the number of calls taken as more services route their calls through the centre. At the end of January 69,799 calls had been handled on behalf of services.

## **4. OTHER OPTIONS CONSIDERED AND ASSESSED**

Not applicable

## **5. COMMENTS OF SECTION 151 OFFICER**

Not applicable

## **6. COMMENTS OF MONITORING OFFICER**

Not applicable

## **7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER**

Not applicable

## **8. CONCLUSION/SUMMARY**

The speed of answering our telephones is currently below the customer service standard. As the majority of our customers use the telephone as their access medium it is essential that calls are answered quickly and efficiently.

## **9. CONTACT OFFICER**

Sharon Yates  
Service Manager – Performance Management and Engagement  
Ext 6020  
[s.yates@southkesteven.gov.uk](mailto:s.yates@southkesteven.gov.uk)

## Appendix 1

### Corporate Customer Services Standards

#### Advertised front facing telephones

Month	Telephone (frontfacing)	
April		55.82
May		51.81
June	71.29	51.78
July	73.52	53.66
August	69.86	50.64
September	70.12	62.62
October	64.73	51.03
November	64.48	51.93
December	60.47	48.94
January	66.99	52.41
February		
March		

**Appendix 2**  
**Customer services telephone performance 2006-2007**

**Calls Offered**

Service	Development Control	Building Control	Waste Mgmt	Revenues & Benefits	Environmental Health	Bin Advice	Travel Concessions	Total
April	-	-	-	5,235	1,068	-	215	6,518
May	-	-	-	3,921	1,220	-	64	5,205
June	-	-	-	3,171	1,298	-	48	4,517
July	-	-	2,515	3,314	1,619	-	56	7,504
August	-	-	2,873	3,864	1,376	-	73	8,186
September	-	-	2,689	3,948	1,368	880	59	8,944
October	2,110	940	3,268	3,999	1,611	1,824	50	10,752
November	1,236	212	2,841	4,038	1,363	1,295	83	12,670
December	1,628	352	2,085	2,917	927	895	657	8,929
January			3,146	4,246	1,258	909	472	12,011
February								
March								
	4,974	1,504	19,417	38,653	13,108	5,803	1,777	85,236

**Calls Handled**

Service	Development Control	Building Control	Waste Mgmt	Revenues & Benefits	Environmental Health	Bin Advice	Travel Concessions	Total
April	-	-	-	3,928	938	-	199	5,065
May	-	-	-	3,277	1,093	-	58	4,428
June	-	-	-	2,881	1,195	-	45	4,121
July	-	-	1,916	2,856	1,382	-	53	6,207
August	-	-	2,535	3,054	1,119	-	66	6,774
September	-	-	2,424	3,131	1,213	597	47	7,412
October	-	-	2,484	3,180	1,118	1,374	42	8,198
November	1,316	581	2,313	3,272	994	1,060	75	9,611
December	856	180	1,944	2,554	724	774	578	7,610
January	1,282	292	2,971	3,638	1,060	774	356	10,373
	3,454	1,053	16,587	31,771	10,836	4,579	1,519	69,799

**Handled %**

Service	Development Control	Building Control	Waste Mgmt	Revenues & Benefits	Environmental Health	Bin Advice	Travel Concessions
April	%	%	%	75	88		93
May				84	90		91
June				91	92		94
July			76	86	85		95
August			88	79	81		90
September			90	79	89	68	80
October			76	80	69	75	84
November	62	62	81	81	73	82	90
December	69	85	93	88	78	86	88
January	79	83	94	86	84	85	75
February							
March							

**% Handled within service standard**

Service	Development Control	Building Control	Waste Mgmt	Revenues & Benefits	Environmental Health	Bin Advice	Travel Concessions
April				48	68		70
May				64	71		63
June				77	77		79
July			56	67	48		41
August			73	55	53		49
September			77	55	73	48	48
October			56	54	48	63	50
November	69	59	61	59	49	67	54
December	64	59	82	64	59	70	76
January	54	55	81	60	59	74	61
February							
March							

## **DEVELOPMENT AND SCRUTINY PANELS (DSPs) WORK PROGRAMME 2006/7**

### **INTRODUCTION**

This Work Programme is partly derived from the Cabinet's Forward Plan, but also contains items that have been brought forward by the DSPs themselves.

Where the item has appeared on the Forward Plan, the anticipated date of the key decision is listed in the second column. The third column shows the last available date that the full DSP can consider this item before the key decision is due to be taken (unless a special meeting is called). This does NOT necessarily mean that the item will appear on the DSP agenda, this will only happen if this is requested by the Chairman or members of the DSP. There will also be instances where there is no DSP meeting before a decision is due to be taken; in these cases the next meeting date after the decision date is shown.

As Cabinet meets monthly and the DSPs meet bi-monthly it is not possible within the current timetable of meetings for the DSPs to consider every single Cabinet or Cabinet Member decision. Scrutiny members are therefore encouraged to read this Work Programme and bring forward items for consideration where they think that an item should be considered by the DSP.

**DEVELOPMENT AND SCRUTINY PANELS (DSPs)**  
**WORK PROGRAMME 2006/7**

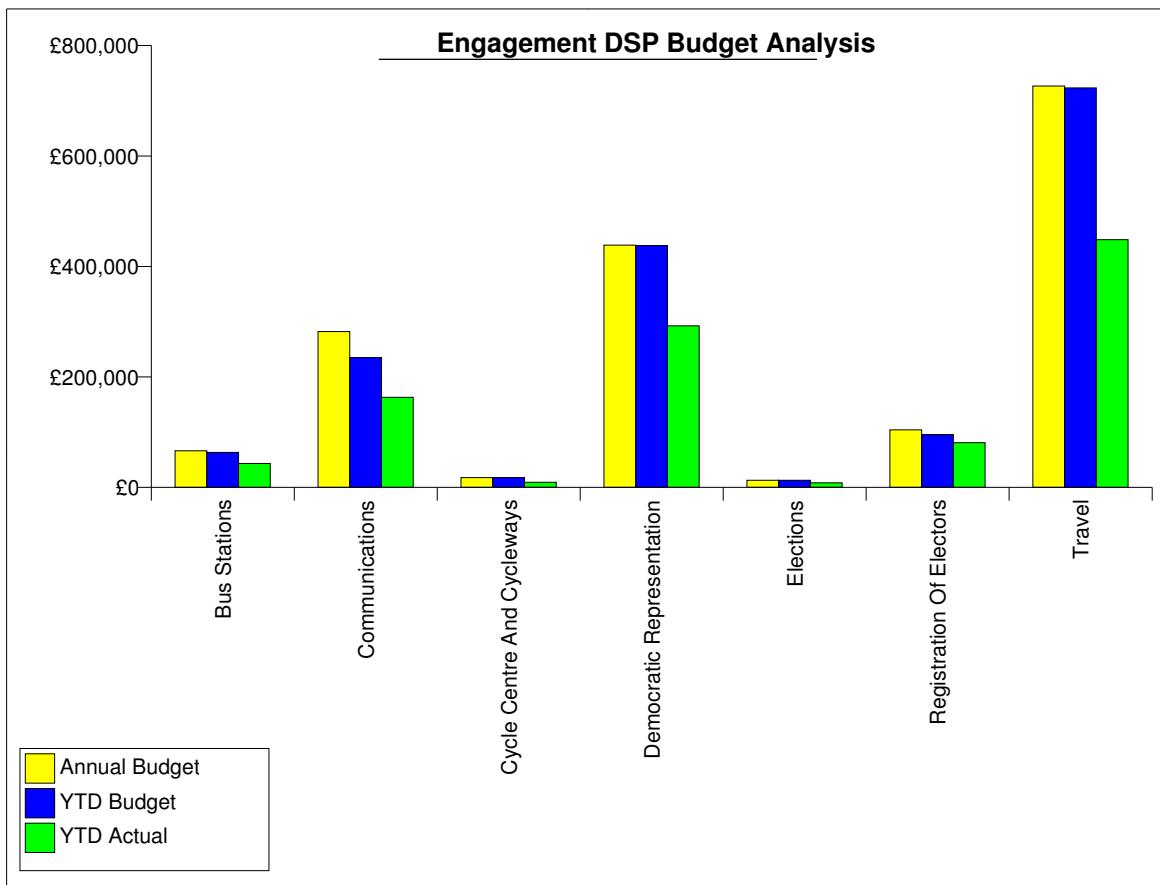
**ENGAGEMENT DSP**

<u>ISSUES FOR CONSIDERATION</u>	<u>Date item appeared on Forward Plan</u>	<u>DATE OF KEY DECISION (IF APPROPRIATE)</u>	<u>DSP MEETING</u>
Access and Modernisation Group including Members IT		N/a	Working Group is meeting
Equalities		N/a	To receive minutes of Multi Cultural Consultation Forum
Review of Generic Equality Scheme	14.07.06	March 2007	08.03.07
Monitoring of telephone calls - responses		Ongoing	Ongoing
Closure of post office card accounts	Dec 06	N/a	08.03.07
Review of Communications Strategy	Dec 06	Not before April 2007	12.04.07
Revised strategy on Access and Engagement	Dec 06	April 2007	08.03.07
Council meeting times/dates	N/a	N/a	08.03.07 referred from Council 25.01.07

**DEVELOPMENT AND SCRUTINY PANELS (DSPs)**  
**WORK PROGRAMME 2006/7**

Role and Function of councillors in the 21 <sup>st</sup> Century	Dec 06	N/a	08.03.07
Use of Digital tv	N/a	N/a	Presentation on 08.03.07
Travel Concessions: ongoing review – monitoring of the take up and cost of bus passes and travel vouchers	N/a	N/a	Ongoing

SERVICE AREA	ANNUAL BUDGET £'000	YTD ACTUALS £'000	VARIANCE £'000	VARIANCE OF SPEND %	VARIANCE OF UNDERSPEND %
Bus Stations	66	43	-23	65%	-35%
Communications	282	163	-119	58%	-42%
Cycle Centre And Cycleways	18	9	-8	53%	-47%
Democratic Representation	439	293	-146	67%	-33%
Elections	13	8	-5	64%	-36%
Registration Of Electors	104	81	-23	78%	-22%
Travel	727	448	-278	62%	-38%
<b>Total for Engagement DSP</b>	<b>1,649</b>	<b>1,046</b>	<b>-603</b>		



## Budget Report for Engagement Dsp 2007 Period 10

### Bus Stations

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Capital Charges	43,590	25,595	-17,995
Employee Expenses	12,860	0	-12,860
Income	-41,300	-17,635	23,665
Premise Expenses	38,070	31,029	-7,041
Supplies And Services	13,130	4,302	-8,828
Third Party Payments	0	0	0
Transport Expenses	0	97	97
<b>Total for Bus Stations</b>	<b>66,350</b>	<b>43,388</b>	<b>-22,962</b>

### Communications

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Employee Expenses	113,930	78,243	-35,687
Premise Expenses	5,370	0	-5,370
Supplies And Services	161,070	83,700	-77,370
Transport Expenses	1,800	1,120	-680
<b>Total for Communications</b>	<b>282,170</b>	<b>163,063</b>	<b>-119,107</b>

### Cycle Centre And Cycleways

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Capital Charges	4,560	2,343	-2,217
Income	-120	-230	-110
Premise Expenses	10,220	7,275	-2,945
Supplies And Services	3,200	0	-3,200
<b>Total for Cycle Centre And Cycleways</b>	<b>17,860</b>	<b>9,388</b>	<b>-8,472</b>

## Budget Report for Engagement Dsp 2007 Period 10

### Democratic Representation

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Employee Expenses	12,800	10,217	-2,583
Income	-44,890	0	44,890
Premise Expenses	99,940	1,095	-98,845
Supplies And Services	337,510	252,078	-85,432
Transport Expenses	33,200	29,253	-3,947
<b>Total for Democratic Representation</b>	<b>438,560</b>	<b>292,643</b>	<b>-145,917</b>

### Elections

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Employee Expenses	3,500	5,851	2,351
Income	0	-8,013	-8,013
Premise Expenses	750	1,654	904
Supplies And Services	8,580	8,726	146
Transport Expenses	0	12	12
<b>Total for Elections</b>	<b>12,830</b>	<b>8,230</b>	<b>-4,600</b>

### Registration Of Electors

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Employee Expenses	51,160	46,501	-4,659
Income	-1,000	-1,945	-945
Premise Expenses	0	46	46
Supplies And Services	54,080	36,338	-17,742
Transport Expenses	0	37	37
<b>Total for Registration Of Electors</b>	<b>104,240</b>	<b>80,976</b>	<b>-23,264</b>

## Budget Report for Engagement Dsp 2007 Period 10

### Travel

DETAIL	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
Employee Expenses	6,200	3,582	-2,618
Income	0	-95	-95
Supplies And Services	358,580	189,278	-169,302
Transfer Payments	362,000	255,669	-106,331
<b>Total for Travel</b>	<b>726,780</b>	<b>448,435</b>	<b>-278,345</b>

	ANNUAL BUDGET	YTD ACTUALS	YTD VARIANCE
<b>Total for Engagement DSP</b>	<b>1,648,790</b>	<b>1,046,123</b>	<b>-602,667</b>

**Comments from Financial Services to  
accompany this report**

1. The majority of items relating to year end adjustments such as support services have been taken out of this report in order to provide more meaningful data for scrutiny.
2. There is no budget profiling in place for this financial year.
3. The Annual Budget column contains the Original Budget Figures as the revised budget is yet to be approved.