

Business Support Overview and Scrutiny Committee

BRIEFING NOTE – No 1/17

Date: April 2017

Briefing paper to: All Members of the Business Support Overview & Scrutiny Committee

Purpose: At the meeting of the Business Support O&S Committee on 31 January 2017 Members requested a briefing note on the possibility of the post office co-locating in Luton Library.

Heading: Post Office Services in Luton

1. Background

- 1.1 During late 2015, early 2016 Cllr Osborne approached the Library Service as he had become aware that Luton Post Office might be closing; this was confirmed by the Post Office Public Affairs Manager. The suggestion was made as to whether post office services could be accommodated within Luton Library. (Please note the Council rents the Library from MHS.) Clearance was gained to investigate this further.
- 1.2 Before any financial analysis took place, it was felt appropriate to establish whether the post office space requirements could be accommodated within the library. The Library Services Manager met with the Post Office Network Transformation Managers on site to investigate further and this led to an acceptance from them that the library site was suitable for further exploration. MHS indicated informally that they were happy with that proposal. Of course, any building adaptations required, particularly to enhance security, would again have to be addressed with them.
- 1.3 The Post Office were happy to consider two models for a replacement service – either run directly by council staff, or a separate business renting space from the council/MHS.
- 1.4 Members may know that Luton is a single storey library, with one large communal space, save for a staff office and utility area. The space is divided into areas by shelving. Accommodation of the Post Office would impact the library offer to a large degree but would bring more people to the building, enabling the local library's function as the local face of the council to be enhanced.
- 1.5 The next step would have been for a full financial appraisal of the risk involved with the Council's Finance service. This was particularly necessary if the Council chose to be the direct provider of the service and was effectively accountable to Post Office Limited. Whilst the council may view the potential loss of Luton Post Office as a partnership and community opportunity, the council would effectively be entering into a formal business arrangement.

- 1.6 Following the initial conversations, the situation regarding the future of the post office became unclear. In the autumn of 2016 the Luton Postmaster reported to local Library staff that he was not leaving the business. It would appear that discussions and negotiations between the current provider and Post Office Limited were then on-going. The Council has sought to keep in touch but obviously could not be party to confidential commercial conversations.
- 1.7 The Post Office has only recently confirmed that the Luton Postmaster had indicated at the end of 2016 that he was leaving.

2. Current Situation

- 2.1 Post Office Limited has recently confirmed some excellent news that another party within the same catchment area has put in a proposal to run the Post Office in Luton. They are currently preparing their business case and a decision should be made by the end of April 2017.
- 2.2 Commercial confidentiality prevents the Post Office from giving any further details on the nature of the business that has put forward this proposal at this time. Officers will continue to maintain contact with Post Office Limited and monitor the situation.

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