

**Post Offices Advisory Group
Artillery House
Wednesday 16 December 2009**

Agenda:

- 1. Welcome and Tea**
- 2. Minutes of the last meeting**
- 3. Rick Ginter: Research presentation**
- 4. Lord Young, Postal Affairs Minister**
- 5. Consultation Discussion**
- 6. Nigel Woods: Local Collect**
- 7. Any Other Businesses**

Attendees:

Marie-Claude Hemming – FSB
Jane Finnerty - NFWI
Paul Hook – NFSP
Malcolm Craig – CRC
Mike Granville – POL
Manita Basra – POL
Philip Mind – LGA
Tony Herbert - CAB
Frank Thomas - NALC
Gretel Jones – Age UK
Ken Parsons - RSA
Roger Darlington
Chervon Edwards
Andy Burrows
Andrew MacLachlan
Matt Forde
Richard Bates
Colin Griffiths
Nigel Woods
Rick Ginter

Apologies:

1. Welcome and Introduction

Roger Darlington opened the meeting, welcoming everyone to introduce themselves individually.

2. Minutes of the last meeting

2.1 Everyone agreed that the minutes to the previous meeting were correct.

2.2 Roger asked what progress had been made between Paul Hook and Phillip Cullum. Paul stated that he had met with Phillip, also there is going to be a conference between POL and LGA to look at how they can work together in relation to the PO network.

3. Rick Ginter presented his research presentation; How to better meet low-income consumer needs at the Post Office.

Rick introduced himself and his research to the group, and proceeded with a presentation on his findings.

3.1 Malcolm Craig asked was the stereotype (the Post Office if for the elderly and people on benefits) reinforced by the advertising campaigns made by POL. Rick's response was; yes to a certain extent POL are conceived to not get any money their was. Most people are unaware of the full services that POL offers. Post Offices score highly with trust/safety, which is a very good starting block. It's window dressing that needs to be done in terms of image.

3.2 Someone asked; what were the schematics of the current account used in the research presentation that ICM/Consumer Focus created.

Action: Richard Bates to circulate via email the definition of the current account used in the research.

3.3 Andy Burrows stated that the purpose of this research was not to analysis POCA but to see where it could go in the future. Mike Granville stated that POL will be offering a POCA current account in the near future; it is still under review as to what exactly this account will offer, but stated that the research carried out by CF was invaluable in making the decision.

4. Lord Young, Postal Affairs Minister

4.1 Lord Young was speaking on the current BIS consultation; he stated that the consultation was lunched two weeks ago and that he has been up and down the country visiting Post Offices and outreach services. The PM has expressed an interest to bring banking back to the heart of the community. Due to the change in technology e.g. internet/direct debit has changed the way many people use the bank, POL presents a new opportunity/product that will benefit the community whilst making the network sustainable.

4.2 Roger Darlington commented that he was delighted to see the consultation. Philip Mind asked many local authorities are financially excluded, will theses new services be available in every Post Office? The answer given by Lord Young was; not all services will be available in every outlet, we are trying to make all services available whether that is a leaflet promoting the service or a telephone hot line. They may be many regulatory constraints in place.

4.3 A member of the group asked; when talking about regulation are you referring to the Financial Services Authority or Postcomm? The response was; in some respects it will be the FSA other areas will still fall under Postcomm although POL will not be offering financial advice, it will only provide products.

4.4 Tony Herbert asked; do you think that you can get high street banks to co-exist with the services the Post Office currently has, because we are still trying to get banks to allow people to access their accounts via the Post Office? The response from Lord Young was; yes at present they do co-exist, we want to offer customers the widest range of services.

4.5 Malcolm Craig stated that he strongly urged links with credit unions, POL having a wider range of services is a good thing with local bank branches closing, but more people need to be made aware that these products are for everyone.

4.6 Ken Parsons Wanted reassurance that these services would not come at the cost of the sub post master. Lord Young stated our aim is to make the PO network sustainable. The economic viability is our number 1 priority.

4.7 Paul Hook remarked that it would be hard to get SPM's to stay. The response was not every product would be available at every PO.

4.8 Gretel Jones commented that there was no mention of ATM's in the consultation document. Mike Granville stated that there are now 1100 ATM's are now installed across the PO network, which POL is committed to increasing further.

4.9 Lord Young's final message to the group was that he urges everyone one to respond to the consultation. Roger Darlington thanked him for coming.

5. Consultation Discussion

This will be circulated on a separate document.

8. Nigel Woods: Local Collect

Nigel Woods one of Consumer Focus senior policy advocates within the regulated industries team came to speak about local collect.

8.1 Local collect is a service that Royal Mail offer it customers, they give you the option to pick up your parcels from the Post Office if you will not be at home rather than having to go to the sorting office for a fee of 50p.

8.2 last Christmas Royal Mail wavered this charge, which prompted Postcomm to ask for an analysis of the cost, this in turn has lead to Royal Mail intending to put the fee up to £1.50p per item as of February 2010.

8.3 At present Royal Mail offer a yearly license for small businesses for a fee of £300, under the new scheme this will no longer be available but instead businesses will pay a subsidised rate of £1.00 per item.

8.4 Nigel Woods and his team are working hard to try and reduce this cost, but would welcome any comments from the POAG.

8.5 Marie-Claude Hemming asked if there would be a consultation on the price increase. Nigel informed the group that there would be no consultation Consumer Focus was copied into a letter Royal Mail sent to Postcomm informing them of the price increase.

8.6 Tony Herbert asked of there had been any research carried out regarding the extra foot fall people picking up their parcels, Nigel replied no not to his knowledge.

8.7 Paul Hook asked if any of the current 50p charge goes to the Post Office. Nigel replied a small percentage of the charge does go to the specific Post Office used.

9. Any Other Business

9.1 Andy Burrows commented that the tracker mystery shopping had been completed and the findings were: queuing times have gone up, although those branches that have been refurbished were not as high as those that have not. On average only 56% of counters were open. Although once at the counter the service was good, with customer service overall having a very good rating. Andy suggested that the easiest way to cut queuing times would be to have more counters open during peak hours.

9.1 Malcolm Craig asked is there any targets that POL has to meet in terms of queuing times? Andy stated that there is nothing enforceable POL are required to hit.

The next meeting will take place on Wednesday 10th March 2010.

Matt Forde will send round the invitation in the near future.