

POST OFFICE CLOSURES – THE DEVON APPROACH

The Post Office Network Change programme in 2007-08 saw local councils up and down the country in full cry to challenge the closure proposals. However, once P.O. branches started to close, few councils were able to work positively to reduce the consequences for their local communities. Essex County Council decided to fund a number of Post Office Ltd. branches to keep them open (see Rural Retailer winter 2008 or our website for details). Devon County Council was equally good at recognising the massive social value of their village shop network and equally committed to reducing the impact of the closure programme, but addressed the issue in a different way.

Their approach has been to provide a support package targeted to village shops where their sub-post office has been replaced by a partnered outreach service. Under this model, Post Office Ltd. appoint a core sub postmaster, who then in turn contracts with the local shop owner to actually provide the post office service on their behalf. In this way, the service appears virtually unchanged to customers; indeed, in many cases opening hours for the post office have actually increased. The downside for the shopkeepers actually providing the service is that they do not receive any Post Office salary, merely whatever they have negotiated with the core in terms of transaction payments. For people who used to be sub postmasters, this has meant a reduction in income of £5,000 to £10,000 per annum, enough in some cases to make the whole business unviable.

The Devon scheme is supporting 16 shops in this position. All are the only shop in their village. The ambitious target is to provide a 3-year breathing space to make these shops fully viable and sustainable in the long term. There are three parts to the support package:

1. A grant of £5,000 payable each year for three years
2. Free specialist retail support and advice provided by the Rural Shops Alliance
3. Support from the Community Council of Devon to ensure that these communities rally to support their local shop.

This scheme has a number of big pluses.

1. The fact that the partnership is lasting three years is crucial - it enables us to work over a reasonable period to strengthen the shops and their community links – changes like this do not happen overnight.
2. The clearly defined 3-year grant period does concentrate minds – participants know they need to act in that timeframe.
3. The 3-way partnership between the RSA, Community Council and County Council is groundbreaking, bringing our respective expertise to bear on the problem.

The County Council recently reported, “Already this strategy is paying dividends. Shop owners are reporting that the business support is even more valuable than the grant. Our contracted partners, The Rural Shops Alliance,

have built a rapport with the 16 supported shops and are offering advice about marketing, shop layout, the diversity of goods on offer and other aspects of the business. The Community Council of Devon is working with parish councils and other local activists to encourage local people to use their village shop.”

The RSA is very pleased to be playing a key part in this project. Advising shopkeepers directly is always (well, almost always) a positive experience for us, but this project is addressing more. However good a shop's offer is, its success still depends on the way potential customers view it and the decisions they make about where to shop. Even in villages down remote Devon country lanes, a significant proportion of the population are now commuting out to jobs in town, and increased competition is a fact of life. Already shops in the scheme have been refitting their sales areas, introducing new lines and generally thinking about the way to meet customer needs in the 21st century. For two of them, a new Sainsbury's supermarket in Dartmouth has provided a competitive spur, whilst another couple of shops in the scheme will become community stores.

As part of the project, the partnership has organised a series of evening events for retailers in different parts of the county, giving them the chance to hear the RSA, the Community Council and RSA Partners Bookers and Ginsters on ideas to improve their businesses.

For more information on the Devon Scheme, contact: Keith Brown at Devon County Council on 01271 850366 or at keith.brown@devon.gov.uk

The RSA view

The RSA believes that this type of targeted support can be very effective. It means that limited funds are closely targeted to shops where they can do most good. We believe that county councillors and officers in Devon should be applauded for their determination to address the problem. The RSA is proud to be playing its part in this groundbreaking project.

The RSA would be pleased to hear from any other councils interested in running a similar scheme in partnership with us.