

Midlothian Libraries – Post Office Co-Location**Report by Alison White, Head of Adult Services****1 Purpose of Report**

This Report summarises the exploration and associated business case for incorporating a post office into Newtongrange Library.

2 Background

- 2.1** A motion was presented to Council in December 2018 by Midlothian Council Conservative Group requesting an exploration into the viability of integrating a fully operational post office into Newtongrange Library. A further paper presented in March 2019 outlined a summary of preliminary investigations and provided details of the background and report implications. This report outlines some of the key challenges that have arisen.

3. Key Issues

- 3.1** The Medium Term Financial Strategy contains a proposal to work with communities to investigate the CAT of non-hub library services which includes Newtongrange Library.
- 3.2** Further work has taken place to explore options for community facilities with local anchor organisations.
- 3.3** The available opportunities are to apply for a Post Office franchise which would require the provision of a council building to provide the service from and council staff to manage and operate it. Newtongrange Library currently operates on two members of staff – one Customer Service Team Leader and one Library Assistant. Although training would be provided for staff from the Post Office Ltd as part of implementation there would be an impact on training in the future. Midlothian Council Library Assistants work across all libraries in Midlothian therefore consideration would need to be given as to how any potential training would be carried out and implemented for staff required to work in Newtongrange. The Casual Library Staff scheme has a bank of staff who can be called upon in case of absence and it may limit the number of staff who could work in that location. If staff have not had training this could risk Post Office services not being provided. Provision and payment of extra staff would also need to be considered once the Post Office was established and busy times were identified.
- 3.4** Post Office Ltd provide funding for any internal refurbishment works required within the building to support the delivery of post office services but in light of the developing position, Midlothian Council would need to consider any additional costs, which may be presented in relation to wider remedial works required, in or

around the building and the need to meet these costs from council funds in addition to the potential costs for the relocation of Post Office services.

- 3.5** As noted in the initial report, there are formal processes in place with regards a Post Office franchise and there are currently opportunities advertised for options across Scotland including an option in Newtongrange. These opportunities are advertised on the open market and may result in the Council taking business away from local companies who may be interested in delivering the service.
- 3.6** There are few examples of co-located libraries and post offices. Council officers made contact with colleagues in Hertfordshire where a post office opened in Hoddesdon Library in May 2018. Information from staff on-site demonstrates that this has been a successful venture however, in Hoddesdon, the post office and the library, share a building, but do not share staffing. This means that the post office is co-located but not co-staffed. The franchise model which is being offered across Midlothian would require a building and staffing to be provided by Midlothian Council in order to deliver the post office service.
- 3.7** Early investigation, through Post Office Ltd data, has demonstrated that the level of post office business may lead to fees of around £3,100 - £3,500 per annum being paid to Midlothian Council. During an initial discussion with a representative from Post Office Ltd, it was confirmed that they could not guarantee any initial fees as it may be a slow start, especially in light of the previous Post Office having shut in March 2017 therefore members of the community would be making use of Post Office facilities elsewhere in Midlothian. It is unlikely that the lower level estimated fees would be able to negate the impacts of additional training or resource requirements on the revenue budget.

Report Implications

4.1 Risk

There is currently not enough financial information which would allow adequate assessment of the viability of this potential service. Areas of concerns would be around the level of estimated fees which are calculated and paid per post office transaction and whether these fees would be able to off-set any additional revenue spend required to address staff training or increased level of staffing resource which may be required.

It would be prudent to wait on the outcome of the Medium Term Financial Strategy and re-assess at this time.

4.2 Key Priorities from the Single Midlothian Plan

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☐ Getting it right for every Midlothian child
- X Improving opportunities in Midlothian
- X Sustainable growth
- X Business transformation and Best Value

☐ None of the above

4.3 Impact on Performance and Outcomes

It is not possible at this stage to assess the impacts on performance or outcomes.

4.4 Adopting a Preventative Approach

It is not possible at this stage to assess the impact that this new service model, if introduced, will have on prevention within local communities.

4.5 Involving Communities and Other Stakeholders

No direct consultation has been undertaken on this report. It is noted, however, that this report has been developed in response to recognised community interest and feedback which led to the Conservative Group motion being presented to Council in December 2018.

4.6 Ensuring Equalities

An Integrated Impact Assessment will be completed at a future stage as this potential new service model is developed.

4.7 Supporting Sustainable Development

There are no direct sustainability issues arising from this report.

4.8 IT Issues

None

5 Recommendation

It is recommended that Council review the option of a Post Office franchise in Newtongrange once the financial position for 2020/21 is clearer, the Medium Term Financial Strategy and master-planning outcomes are embedded.

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