

# Wokingham Post Office

I have received this letter from the Minister regarding the move of Wokingham Post Office. I will be taking up her offer of a further meeting.



Department for  
Business, Energy  
& Industrial Strategy

Rt Hon Sir John Redwood MP  
House of Commons  
London  
SW1A 0AA

10 June 2019

Dear Sir John,

Thank you for coming to see me on 7 May to discuss the franchising of the Wokingham post office, and for presenting me with the results of your petition showing the level of local concern about post office services in your constituency. I appreciate your ongoing interest in post office branches and the impact that they have on your constituents. As Minister for Postal Services, I am keen to ensure that Post Office Limited is providing the best possible service for citizens and responding to their concerns, while operating in a commercially sustainable way.

As I know you understand, while the Post Office is publicly owned, it is a commercial business. The Government sets the strategic direction for the Post Office – to maintain a national network accessible to all and to do so more sustainably for the taxpayer – and allows the company the commercial freedom to deliver this strategy as an independent business.

As we discussed, franchising is not a privatisation or closure programme. Post Office Limited's proposals to franchise or host its Crown branches are part of its plans to ensure a sustainable network in the face of unprecedented change on our high streets and in consumer trends. Franchising has helped the Post Office's Crown branches move from a £46 million loss in 2012 to break even today, thereby reducing the taxpayer funding that the Post Office requires from Government whilst maintaining, and in some instances improving, customer service levels. With over 11,300 branches (almost 98% of the total network) operating successfully on a franchise or agency basis, franchising is a tried and tested way of delivering key services.

Since we met, I have requested and received more information from Post Office Limited on the specific circumstances in Wokingham, as I was keen to understand how the issues that you and your constituents have raised would be addressed. I have also met with Tim Parker, Chairman of the Board of Post Office Limited, and Alisdair Cameron, Interim CEO of Post Office Limited, and raised your concerns with them. I also shared with them the results of your petition.

One of the specific concerns that you raised was about the level of service provision at the new site. You noted that there are sometimes long queues at the current Post Office branch. As you are aware, the new WHSmith branch will have three counter serving positions and two further self-service kiosks. I have asked Post Office Limited how they decided that this is the right level of provision. They have explained that they use a data

modelling system to establish the number of counters required. This system uses data from transaction logs and assumes that existing custom will transfer to the new site. The system is able to model usage down to 15-minute slots and it is on this basis that Post Office Limited are confident that the planned level of provision is appropriate for the level of service required in Wokingham.

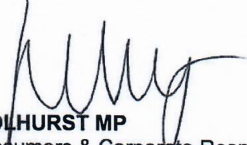
Post Office Limited have also explained that queues at the current Wokingham branch are primarily due to the handling of undelivered mail collections for Royal Mail through one of the counter positions at the current site. That service will not be transferring to the new Post Office and so queueing should be notably reduced. The new branch will also be open an additional 15 hours a week, including all day on Saturday and for four hours on Sunday.

You raised a concern about accessibility for customers with wheelchairs or push chairs. Post Office Limited have assured me that as part of the conditions of appointment, WHSmith are required to maintain one aisle as the designated walkway to the post office. This will be marked by directional signage and the aisle will be wider (1500mm) and will be kept clear of obstructions.

Finally, we discussed how the franchised branch would handle increased footfall in future, as you noted that you expect the population of Wokingham to increase. Post Office Limited have clarified that the franchising plans for Wokingham are based on present customer habits and needs. However, as part of their broader approach to the network, Post Office Limited continually monitor demand and changing requirements in particular locations, taking steps to address these through network growth and other changes as required.

Let me assure you that Post Office Limited is committed to ensuring all branches across its network offer excellent customer service and has a strong history of working with its many franchise partners and agents to achieve this. Overall customer satisfaction levels with Post Offices across the network are good, with levels of satisfaction in relation to service performance and waiting times both consistently very high. Furthermore, a 2017 report by Citizens' Advice indicated that franchised branches are performing in line with or better than traditional branches on service quality and accessibility. Post Office Limited ensures that their franchising partners are experienced retailers who share the common desire to deliver a high level of customer service.

I hope that this letter provides you with some reassurance that you can take back to your constituents that the post office services available to them will be appropriate following franchising, and that Post Office Limited have given due consideration to the concerns that have been raised in this particular case. I am also pleased to note that in my meeting with Tim and Alisdair, they offered to arrange a further meeting for you with senior Post Office Limited officials if it would be helpful to discuss this further. They will be in touch with you separately to arrange this.

yours ever  


**KELLY TOLHURST MP**  
Minister for Small Business, Consumers & Corporate Responsibility

P.S happy to discuss further..

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**[Mrs May's non EU policies](#)**



<https://johnredwoodsdiary.com/>

Mrs May set out a strong vision of a fairer and more prosperous UK in her initial statement of beliefs as she became Prime Minister. It hangs on the wall in 10 Downing Street as a reminder to visitors of what she intended. Unfortunately in office she was unable to make progress with it.

One of her mistakes was to appoint as Chancellor someone who did not buy into her vision, and who had no wish to use more public money to achieve some of the objectives she wished to set where state intervention was seen as part of the answer. The Chancellor did not conceal his wish to dilute and delay Brexit. He used Brexit as an excuse to withhold cash from public services or tax cuts on the grounds he wanted a “war chest” against a possible exit from the EU which he always wrongly thought of as damaging. The PM wanted more money for schools to help raise standards and give people a better start in life. She wanted more money for the NHS, which was eventually extracted after a long battle. She probably wanted or needed more money for social care, though that remains a series of problems in search of a policy.

She saw social care as a major issue. I remember being sounded out by the Downing Street Policy Unit on possible reform prior to the 2017 election. I advised a careful approach and suggested that first the government should issue a general document describing current policy and outlining the problems as they saw them, to invite responses and to trigger a national debate before trying to formulate answers. They said they were interested in how Margaret Thatcher had run things, and I reminded them I had helped Margaret approach welfare reform in this way with a big public conversation and enquiry before offering change. I was very aware from my work as a constituency MP that some people with no direct family experience of care homes did not know that the elderly person’s home had to be sold to pay the bills in many cases, and this needed to be more widely understood to have a conversation on care.

Unfortunately advisers decided they could invent and land a major reform of social care using a General election as a brief period to sell their ideas to the voters. Mrs May accepted a scheme for the 2017 election Manifesto that sounded like the old death tax that Conservatives had rejected under Labour. It turned out to be a predictable disaster which the PM had to reject during the election campaign itself, as criticism of the social care policy drowned out other matters and came from many potential Conservative voters.

She was keen to encourage more housebuilding and put in place various schemes and directions to do so. There was progress in increasing the build rate as she hoped. She saw the need for improved standards in schools, building on the reform work of the previous government. It was not a smooth path given the antipathy of teachers to the Gove reforms, and the shortage of cash for

the lower funded schools around the country. She continued to develop and promote her agenda to curb modern slavery and to tackle discrimination.

The bold aim to narrow the north-south divide, one shared with many previous governments, made some progress with welcome acceleration of investment and modernisation in some of the great northern and Midlands cities.

The aim to develop a modern industrial strategy made little progress. The industrial strategy was damaged by the ever dearer energy which made it difficult to keep or expand energy using industries in the UK. The car industry strategy was damaged by the Chancellor's higher taxes on cars and the general government assault on modern diesel vehicles. The Business Secretary, like the Chancellor, was downbeat throughout about the opportunities and prospects after Brexit. The various car factory closures in the UK and rest of the EU and current state of the UK steel industry shows the failure of their so called industrial strategy.

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## [Nomination day](#)



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Today we will learn which of the many possible candidates have eight MP supporters and the will to contest the leadership. We have seen a long phoney war. There will be fewer candidates than the commonly touted 11.

Esther Mc Vey has come up with the clearest and strongest position on the EU. She has stated we must leave by October 31 with no further delays. She is a good presenter of Conservative views, using language that cuts through well and standing up to the abuse and attacks that come with the job. Like all the candidates so far she voted for the unacceptable Withdrawal Treaty on the third vote.

Several candidates have been diverted by stories of their past drug taking. As someone who did not take drugs because it was a criminal offence, I can say these revelations are not helpful to them, but have not proved to be a bar to high office. Mr Gove should not be supported for his long and futile support of the Withdrawal Treaty, his willingness to delay exit longer and his ill thought through views on VAT and sales taxes.

Boris has said the Withdrawal Treaty is dead and any negotiation with the EU would have to encompass both withdrawal and future relationship matters. This is reasserting the position in the Conservative Manifesto of 2017. Given the attitude of the EU it should mean we just leave with or without free trade talks and a mutual agreement to avoid tariffs and new barriers during the talks. He has rightly stressed we must leave the EU with no further delays by 31 October.

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## Mrs May as a political leader

Mrs May inherited a working majority from her predecessor. She chose to hold an early General election which lost her the majority. Her last series of local elections saw major Conservative losses with the Conservative vote down to just 28%. Her dreadful decision to delay Brexit and hold European elections saw the Conservative party slump to an all time low of 9.1% in a national election. This is a very poor record and explains in itself why the party wanted her to go.

There were few silver linings. It is true she managed to get the Conservative vote back up to 42% in the 2017 election, reuniting Eurosceptics from UKIP with Conservatives under a banner of delivering our exit from the EU in a timely and positive way. That was her high point. She asked the whips to consult the Parliamentary party over whether to hold the 2017 election or not. She had always ruled it out when asked. I was one of those who advised against, but I assume she must have got many saying they wanted to do it. I wanted us to complete Brexit before going to the country, then setting out a post Brexit agenda.

She found it difficult understanding the cross currents of groups and voting blocs within the Parliamentary party. She always seem to exaggerate the numbers and strength of the Remain forces and in her last months in office seemed to delight in opposing the Leave majority on the backbenches, ignoring our advice and offers of support.

The most difficult thing to understand is why she ever thought the Withdrawal Treaty would pass, and why she persevered with the strategy of attrition trying to get more and more MPs to give in to vote for it. As I pointed out to her, even if in the very unlikely event that all Conservative MPs gave in the DUP were never going to accept the provisions on Northern Ireland so the legislation could not pass. Worse still insistence on the legislation threatened her whole government, which needed DUP votes to validate it and keep it in office.

The sorry procession of Ministers leaving office over the same issue would have alerted most politicians to the need to trim. The PM who was always willing to trim for the EU was never willing to trim for the Leave voting majority in the country or for the MPs who sought to represent them. It made

her downfall inevitable. It means her successor has to rescue the country from Brexit delayed, and rescue the Conservative party from its historic 9.1% low in an election. Fortunately both tasks require the same positive action to get us out of the EU and to use the freedoms that brings for a better UK.

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## Dear energy fuels de industrialisation in the UK

Much of industry needs plentiful supplies of low cost energy. Industry is about transforming basic materials taken from the earth into materials, and then cutting, shaping and assembling these into manufactured goods. Transformation of silica into glass or iron ore into steel or oil into plastic requires very large amounts of heat energy. Creating components and final products from materials requires substantial energy to cut, shape, bend, bolt, glue and assemble.

The UK following EU rules and guidance has decided on a dear energy policy. Unsurprisingly this has triggered de industrialisation. The government says it has an industrial strategy, but its energy policy makes it more and more likely that industry will gravitate to cheap energy USA or lower cost China than stay at home. In the name of decarbonising our industry we will end up importing more industrial products from countries that burn as much or more carbon per unit of output but at cheaper prices. We have already lost most of our aluminium industry from this problem, and seen a big reduction in our steel industry and petrochemical capacity.

Let's take the current case of the steel industry.

British Steel made a profit of £92m to March 2017, and a loss of £29m to March 2018. Losses have probably got worse since March 2018. Turnover rose in the year 2017-18. The main problems were

1. The crippling costs of the EU carbon permits scheme. BSC had to find more than 10% of turnover for this item alone, leading to a UK government loan to cover the £120 m carbon tax.
2. Dear energy costs, with UK electricity substantially dearer than US electricity thanks to the EU/UK energy policy
3. Intense competition lowering steel prices in Europe, as countries like China diverted steel away from the US market following tariff impositions there. Prices fell around 15%.
4. High cost of debt finance introduced by rescue company Greycor who took the company over for £1 in 2016

The business is being offered for sale in whole or parts by the Receiver with bids closing 12 June.

## Possible solutions

The business needs cheaper energy one way or another. It needs assistance to counter the high costs of the carbon tax, if we are to use energy here to make steel instead of import it. There will be some kind of refinancing with a probable reduction in debt service costs as a result of the Administration. It can work at more sales of specialist steels with higher value added, as they seek to do, and can ask for more sensible help in gaining UK domestic orders for their rail and construction steel products. Many of the solutions needed to help them require permissions within EU rules over contracts, competition, and subsidies, or are simply illegal.

The single biggest cause of the financial collapse of this business is the huge energy bill from dear energy combined with carbon permits. I have always urged the EU and UK government to understand dear energy means de industrialisation, but they refuse to listen.

The company owns some crucial plants – 4 blast furnaces, a Basic Oxygen facility, 4 casters and 3 mills.

I used to be responsible for Darlington Simpson rolling mills (not a BSC facility)) to make long and flat product so I have past working knowledge of part of the industry.