



Office of Utility Regulation

Guernsey Post Ltd

Investigation in the closure of the Arcade Post
Office

Summary of Finding in Dispute D01/02

Document No: OUR 03/10

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Summary

In December 2002 a complaint was received by the Office of Utility Regulation (“OUR”) in the form of a request for dispute resolution, concerning the closure of the Arcade Post Office (“Arcade”) by Guernsey Post Ltd (“GPL”). The complainant, Deputy Brian Gabriel, was of the opinion that the Arcade facility was heavily used by the elderly and disabled members of society and consequently, the absence of this facility within St Peter Port would be of serious detriment to these customers. This was the case because it was claimed that the Post Office on Smith Street is difficult for certain members of the community to access due to the steep gradient of the hill and the lack of parking facilities. The complainant also commented on the availability of services for business users in the vicinity of the Arcade post office.

Whilst the Director General of Utility Regulation (“Director General”) recognised that GPL’s universal service obligation does not oblige it to maintain a specific number of postal outlets in Guernsey, she considered that the concerns raised about the closure of the Arcade warranted further investigation in terms of the alleged effect that the closure might have on vulnerable members of society, including the elderly and less mobile postal users and the alleged effect that the closure might have in relation to the availability of services and ease of access for business and residential users generally.

The OUR investigated the complaint, affording both parties a number of opportunities to comment and provide any additional information. Proposed findings were presented to both parties for comment. Both parties accepted the finding although the complainant continued to have concerns as to the social aspects of the availability of the Arcade post office.

Closure of the Arcade

Having reviewed the information available, the Director General concluded that in closing the Arcade, GPL was not in breach of its Licence Conditions and not in breach of its Universal Service Obligation as there is no requirement in States Directions for GPL to provide retail facilities within a defined area. The Director General noted that the closure of the Arcade does not contravene GPL’s commitment that all Guernsey residents should live within 2 miles of a GPL retail outlet.

In investigating the services available at the Arcade, it transpired that many of the services provided by the Arcade were not exclusive to the post office and were available elsewhere. In addition, of the limited number of services offered at the Arcade that were exclusively limited to GPL retail outlets, these continue to be available to users at the Smith Street outlet and other outlets. The proximity of the Smith Street outlet to the Arcade site meant that postal users without mobility difficulties would continue to be able to access these facilities in Town, thus the availability of postal services in the town of St Peter Port was not impaired for these users. In addition all services formerly provided at the Arcade are available at the additional outlet at Envoy House where dedicated parking facilities and disabled access provide access for mobility impaired customers.

The Director General noted the comments of the complainant on the social aspects of visiting the post office at the Arcade, but considers that these are matters of social policy rather than regulation of postal services.

Provision of Information

During the course of this investigation it became clear that:

- GPL did not collect accurate and reliable data to track the provision of Licensed Services at the Arcade, and consequently,
- GPL did not provide the OUR with the information requested and required in order to enable a full investigation into this complaint.

The Director General finds that GPL has failed to provide the Director General with the information requested in accordance with condition 4 of its licence to enable a thorough investigation of this matter.

GPL acknowledges and recognises the need for gathering customer statistics and stated that as part of the company's retail development planned for 2003/4, it is intended to address this information gap.

While the Director General welcomes this development and agrees with GPL that it is necessary for the company to place a greater focus on customers needs, she considers that there is not sufficient urgency in gathering such information. Furthermore she considers that customer affecting decisions such as the closure of the Arcade should not be taken without adequate consideration of the effects on customers, which in turn cannot be determined without comprehensive information of the kind that was missing to inform this investigation.

Direction

Therefore, in accordance with condition 31(2) of the Post Office (Bailiwick of Guernsey) Law, 2001, the Director General hereby Directs GPL to provide the OUR with a project plan and timetable for the development of a customer statistic compilation programme, including inter alia:

- What information will be collected;
- How it will be collected and at what frequency intervals;
- The milestones and responsibilities for implementing the programme; and
- The reports that will be available from the information gathering

These plans shall be submitted to the OUR by 12th May 2003. The Director General may direct that GPL adjust the project plan, the information it will collect, or the timetable for the collation of information and GPL shall comply with any such direction. The Direction shall come into immediate effect.

**/ENDS
April 2003**