

**2015**

# **Royal Mail Delivery Services**



**A report by the  
Croydon Council  
Scrutiny and Overview  
Committee**

# **ROYAL MAIL DELIVERY SERVICES IN CROYDON**

## **A TOPIC REPORT**

**A Local Action Mini Review commissioned by the  
Scrutiny & Strategic Overview Committee  
*April 2015***

**Updated following responses to recommendations made  
to Cabinet and the Royal Mail  
*November 2015***

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## Introduction

*“This planned relocation and upgrade of our delivery office in Croydon will provide a better working environment for our people and better facilities for our customers. It is also part of Royal Mail’s ongoing modernisation of our operations across the country to ensure we have world-class facilities which provide the most efficient and effective network for delivering the mail.”*

James Mitchell, Public Affairs Manager, Royal Mail Group  
22 October 2013

*“I used to be able to pick up my package on my way home from work. Now I struggle to find time/transport to get me to Factory Lane. It is extremely inconvenient for me to get to.”*

Survey respondent  
February 2015

This scrutiny review of the changes to Royal Mail Delivery Service was undertaken by Councillor Sean Fitzsimons in response to concerns of local residents of the Addiscombe Ward about the closure of the Royal Mail Collection Office at East Croydon and its move to a new site on Factory Lane. In particular, residents were upset by the lack of consultation over the move, and about how difficult the new site was to access, especially by non-car owners. As part of this review the area of Croydon included in this review has grown to cover 7 of the 8 wards of Central Croydon and areas such as Thornton Heath and Croham, all of whom have been materially affected by the move as they fall within the CR0, CR2, CR7 and CR9 postcodes

Sean Fitzsimons said; “In 2012 a number of residents came to Addiscombe Councillors to express their concerns about the possible closure of the Collection Office as part of Royal Mail’s proposals to redevelop their East Croydon site. We launched a petition requesting Royal Mail to reconsider their proposals and consider including a Collection Office within their plans.” Nearly 1000 residents signed this online petition. This showed the extent of the unpopularity of the proposals. What we also found was that a significant number of residents who lived outside the Addiscombe Ward also signed this petition.

With the election of a new administration in May 2014, scrutiny arrangements in Croydon were overhauled, and local councillors were encouraged to pursue topics or concerns, via a mini-review format, that were of interest to them or their community. In October 2014 the main Scrutiny and Overview Committee agreed that the proposed review of the impact of the change of collection sites was suitable to be included in its work programme and agreed to support it.

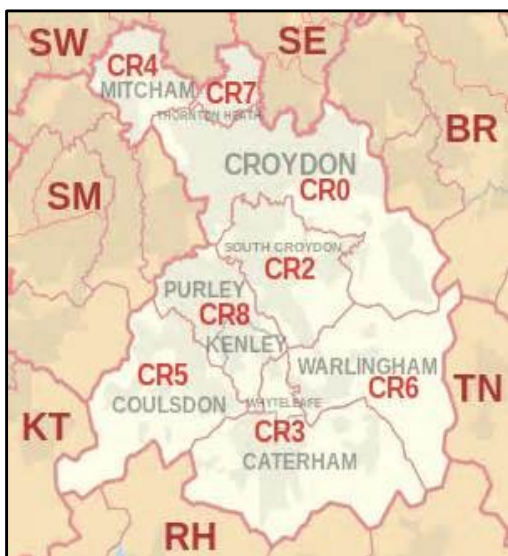
## *Changes to Royal Mail*

In recent years Royal Mail has undergone some of the most significant changes in its six centuries of existence. The early years of the 21<sup>st</sup> century saw the introduction of competition into the industry and the Postal Services Act 2011 authorised the privatisation of Royal Mail. In an historic moment, Royal Mail was formally listed on the stock market on 15<sup>th</sup> October 2013.



These are not the only changes that have affected postal services in the UK. The growth of the internet and e-communication has resulted in a significant drop in letter postage. Whilst the rise of internet shopping has increased postal delivery traffic for parcels, this has coincided with the growth of competition within the collection and delivery market. Large internet shopping companies such as Amazon are choosing other delivery companies over Royal Mail. This increased competition within the market coupled with privatisation forms the backdrop for significant efficiency changes taking place nationally within Royal Mail.

## *The Croydon Context*



Croydon has not been immune to the changing operations of Royal Mail. The sorting office on Addiscombe Road, adjacent to East Croydon station, has been a landmark in the centre of town for many decades.

The site was originally both the sorting office for central Croydon and the mail processing centre for the Borough. In the 1990s, mail processing operations moved from the Addiscombe Road site to a facility on Beddington Farm Road.

The sorting offices of both Thornton Heath and South Croydon were closed and merged into the Addiscombe Road site. The newly consolidated sorting office handled CR0, CR7, CR2 and CR9<sup>1</sup> postcodes.

In 2013 it was announced that the Addiscombe Road site was to be closed and the sorting office moved to a new site within the Wandle Park Industrial Estate on Factory Lane. The Factory Lane site was fully operational by early 2014. The old site on Addiscombe Road was subsequently granted planning permission to be demolished and replaced with residential accommodation.

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<sup>1</sup> Non-geographic postcode for businesses

## **Terms of Reference**

This report is the result of a local action mini review initiated by Councillor Sean Fitzsimons, Chair of the Scrutiny and Overview Committee.

The subjects for review were:

- Changes to the Royal Mail delivery service across the Borough
- Relocation of the delivery office from East Croydon to Factory Lane

The scope of the review was:

- To hold Royal Mail to account over the changes
- To assess the impact of changes on local residents and businesses
- To assess whether the consultation process was meaningful or not

The review commenced in December 2014 with a stated goal of producing conclusions and recommendations for Cabinet by April 2015.

## **Methodology**

### *Desktop Research*

Research regarding the background to Royal Mail's efficiency changes and consultations was accumulated through standard desktop research. This method was also employed to gain information on the broader postal market and emerging competition in collection services.

### *Meetings*

Formal meetings were held with senior Royal Mail operations managers and Factory Lane staff. These meetings were held both at Factory Lane and off-site. Additionally, consultation was undertaken with local councillors in the Addiscombe and New Addington wards.

### *Site visits*

A tour by Royal Mail staff of the Factory Lane facility was undertaken, with another site visit on a Sunday to witness the site at peak time for collections. The leased Factory Lane Car Park was also visited.

### *Questionnaire*

A nine-question online survey was produced, aimed at residents in the sorting office catchment area. The content and results of the questionnaire can be found at APPENDIX A of the original mini review report. This survey was sent to local residents' associations, some of which published the survey on their websites. In addition, local councillors and the MP for Croydon Central promoted the questionnaire through contact databases.

# Findings, Conclusions and Recommendations

## 1. Site comparisons

### Addiscombe Road

- Located next to East Croydon rail, tram and bus stops, and a busy taxi rank
- No on-site parking, local residential roads nearby
- Underground car park able to accommodate a fleet of approximately 100 Royal Mail vans
- Close to Town Centre shops, cafes and offices.



### Factory Lane

- Nearest tramlink stop approx. 0.4 miles
- Nearest bus stop approx. 0.3 miles
- Limited on-site parking (unavailable before 10.30am)
- Street parking bays (pay and display)
- Limited parking for van fleet (60 bays leased at Factory Lane Car Park to accommodate)



The report heard from Royal Mail management that the move of sorting facilities from town centre sites to out of town industrial estates was a common strategy being undertaken throughout the country. During the process of the report, a number of issues were identified.

#### ➤ Access

It was clear from site visits and comments from the public, that public transport links to the new facility are significantly less convenient than the old site. The report heard that this affected both staff and customers. Commuting by staff is a challenge and many are parking in nearby residential streets to accommodate for the lack of onsite parking facilities. During peak hours, long queues of customers can form outside the facility. The report heard that this could be further exacerbated by out-spilling traffic waiting to use the Factory Lane waste and recycle centre close to the site. This is linked to a general lack of parking facilities for the site, dealt with as a separate issue below.



Royal Mail ignored the needs of non-car owning customers when deciding on the location of this site. A high proportion of residents affected by this change do not have access to a car. 2011 Census figures show that around a third of New Addington households do not have access to a car. This lack of car ownership increases to around 40% of households in Addiscombe and over 50% in Fairfield Ward. The old site was by a major bus and tram interchange and most residents only needed to take one bus or tram to reach the site. Now for many it involves a change of buses and a significant walk. For tram users there is at least a 12 minute walk from Church Street tramstop to the site. For bus users the new site has added between 10 - 20 minutes per trip. It is also clear that the environmental costs of all these extra trips were not taken into account when deciding location.

It was clear from Royal Mail comments that when deciding on a new venue the ease of picking up parcels and letters from the site was not a major factor in determining the location. The new site is a significant walk from the Town Centre and for pedestrians a visit to the site is not easy to include with other tasks such as shopping, or picking up items on the way to or from work. On a Sunday Councillor Fitzsimons heard from one person who said their mother used to come from New Addington and combine their weekly visit to shopping areas of the Town Centre with a visit to pick up letters and parcels from the East Croydon site. The new site is now too far for them.

Royal Mail management submitted that they were aware of the inconvenience to customers and IT software was being utilised to track footfall into the facility. Opening hours were configured in an attempt to reduce traffic during the busiest periods.

#### ➤ *Working Conditions*

The report witnessed first-hand the Factory Lane facilities during a tour of the new site. The report was informed that the old site was built in an era where Royal Mail's predominant postage handling consisted of letters, with limited parcel usage. By contrast, the new facility reflected the changed reality of the industry, better equipped to deal with a high volume of parcels.

Some staff at the new facility voiced a differing opinion on the matter. They questioned whether the new site was flexible enough to cope with matters such as the introduction of new parcel sorting machinery, which had reportedly not been introduced to the Factory Lane facility yet. Staff were of the opinion that the old site was large enough to have accommodated such equipment.

A further issue raised by staff was the lack of canteen facilities in the new premises. The report heard that a compromise was reached whereby hot meals are delivered to staff from the nearby Beddington Farm Road mail centre. This is an improvement from the original proposal of no canteen facilities, but is a significant change from the set-up at the Addiscombe Road site, where staff had both a full canteen, and were close to shops and cafes in the Town Centre.

➤ *Parking*

Parking capacity was a key issue identified as part of the review. The new site holds parking bays for approximately 20 vehicles. However, these bays are not available to the public until 10.30am due to their use by Royal Mail vans loading for delivery. This becomes an even larger problem on Sundays, witnessed on a Sunday site visit, when much of the fleet are not out on deliveries and therefore onsite customer parking becomes restricted for most of the day.



As such, many customers park on pay and display bays located on Factory Lane, maintained by the Council. The report heard complaints that this was adding an additional financial burden on customers.

Councillor Fitzsimons was told of reports of customers racing back to their cars parked on Factory Lane from the first floor of the Customer Service Point, after seeing from its windows parking wardens patrolling Factory Lane on their mopeds, to avoid being ticketed.



The report was further informed that the parking facilities were inadequate for the fleet of vans Royal Mail utilises for deliveries. A portion of the vehicles were stored at the onsite parking facilities. The rest of the fleet were stored in Factory Lane Car Park, with 60 bays from that facility leased from the Council.

Both Royal Mail management and staff stated that this arrangement was unsatisfactory as the car park was unsecured, resulting in vehicles being vandalised on a regular basis. The report was informed that the management's preferred solution would be to lease the entire car park from the Council and thereby secure the area. Staff were keen for the area to be made more secure with better fencing.

A solution to this problem appeared all the more urgent since the report heard that Royal Mail had changed the way the way it carried out its deliveries. Rather than a person setting out on foot alone, with just a bag of letters, all deliveries are now undertaken in a van – with two delivery staff assigned to every vehicle. This reflects the change of business from delivering mostly letters, to dealing with high volumes of parcels.

## RECOMMENDATIONS:

- Cabinet to negotiate leasing the entirety of Factory Lane Car Park to Royal Mail
- To upgrade security of the Factory Lane Car Park to ensure safety of the vehicles
- Cabinet to amend the parking bay restrictions on Factory Lane to enable a 15-minute relief period prior to charges applying.

## 2. The Resident Impact

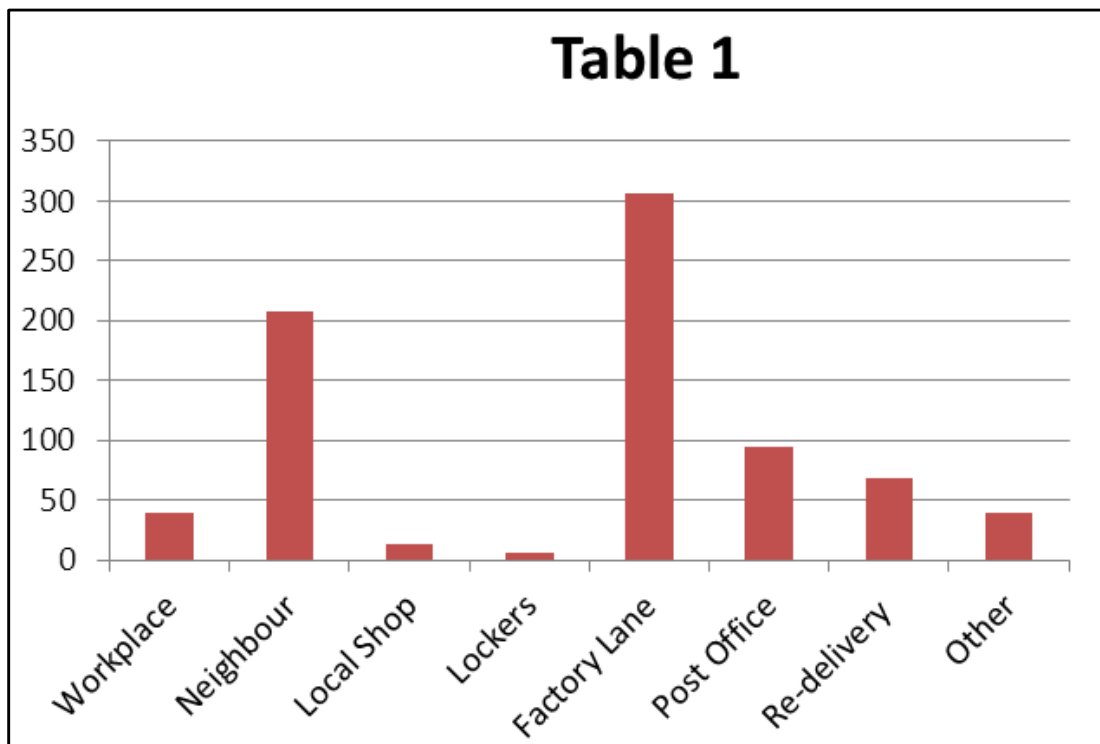
A questionnaire was launched in February 2015 open to all members of the public affected by the Royal Mail move to Factory Lane. The purpose was to measure the impact the changes had made to local residents and businesses. The full content and results of the survey can be found at **Appendix A**.

### ➤ *The Respondent Demographic*

Sum of Number	
Ward	Total
Addiscombe	163
Ashburton	147
Fairfield	60
Heathfield	44
Shirley	32
Fieldway	32
New Addington	24
CRO	12
Croham	6
Selhurst	6
Purley	5
Selsdon and Ballards	5
CR2	4
Broad Green	3
Waddon	3
Bensham Manor	2
West Thornton	2
Woodside	2
CR7	1
Thornton Heath	1
Kenley	1
Coulsdon West	1
SE25	1
INVALID	1
<b>Grand Total</b>	<b>558</b>

- A total of **566** residents completed the survey.
- Approximately **97%** of respondents stated they used the sorting office at the old site, however only **60%** confirmed that they had since visited the Factory Lane facility
- Over **four fifths** of respondents indicated living in a house, with the remainder residing in a flat or maisonette.
- The breakdown of respondents' geographical spread is itemised in the list (*below*). As can be seen, the vast majority of respondents reside in homes located in the central or eastern wards of the Borough.

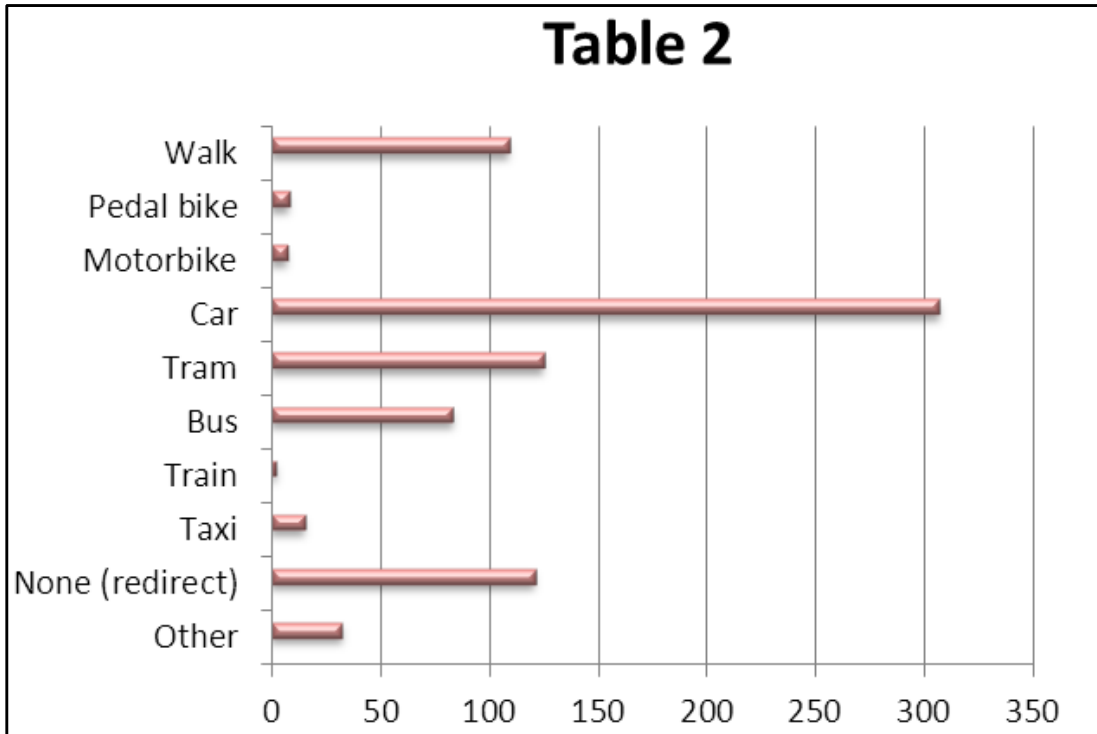
Respondents were asked what method they employed to collect a parcel when the first-time delivery had been missed, **TABLE 1** displays the results.



As can be seen, the vast majority either collected at the Factory Lane facility or adopted the leave-with-a-neighbour option. A popular choice indicated in the “other” section was delivery of the parcel to a designated area outside the property such as an unlocked porch, shed or recycling box.

➤ *Factory Lane*

Those residents who had used the Factory Lane collection office were asked to indicate what forms of transport were used to get there. The chart on **TABLE 2** displays the results.



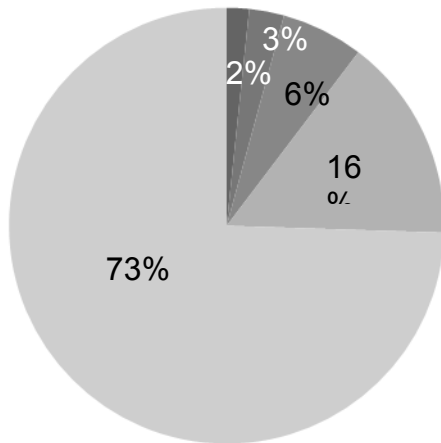
Perhaps unsurprisingly, use of a car was by far the most utilised form of transport to travel to Factory Lane. This corresponds with a common theme of feedback received through the survey of residents unhappy with the parking arrangements at the site and reports of traffic congestion at peak times, particularly at weekends.

This data additionally correlates with prevalent survey feedback that travel by car is the only realistic option, in particular for elderly or disabled residents. Some respondents commented that the walk from public transport points to the site can be dangerous, involving negotiation of a busy A-road (the A236) and walking through the industrial estate. This was corroborated by the report's site visit.

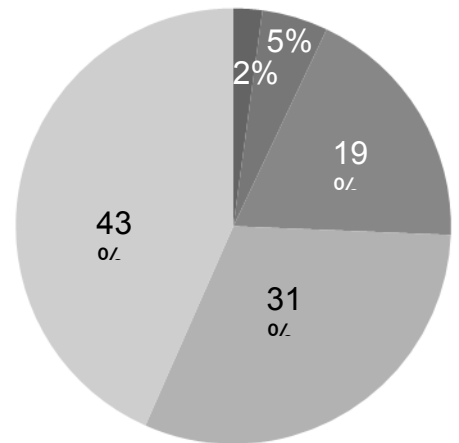
Respondents were asked to rate key features of the new collection office, within a scope of "Very bad" to "Very good". The pie charts in **TABLES 3, 4, 5** and **6** display the results.

Very good
  Good
  Average
  Bad
  Very bad

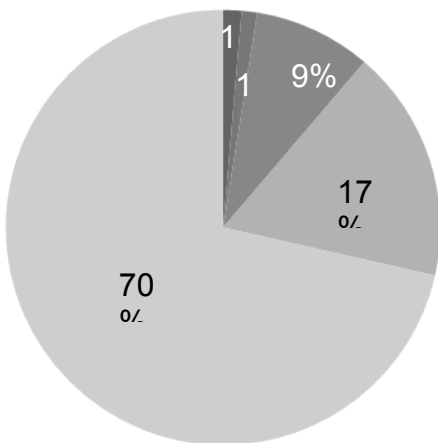
**Table 3: Location**



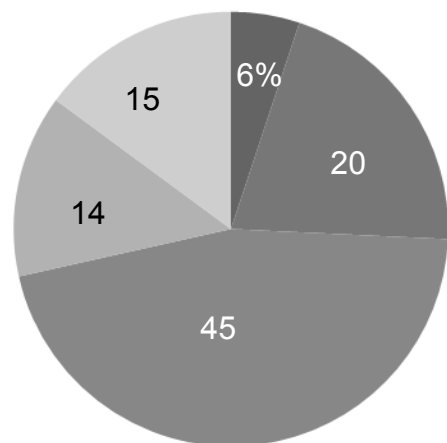
**Table 4: Parking**



**Table 5: Public transport**



**Table 6: Opening Times**

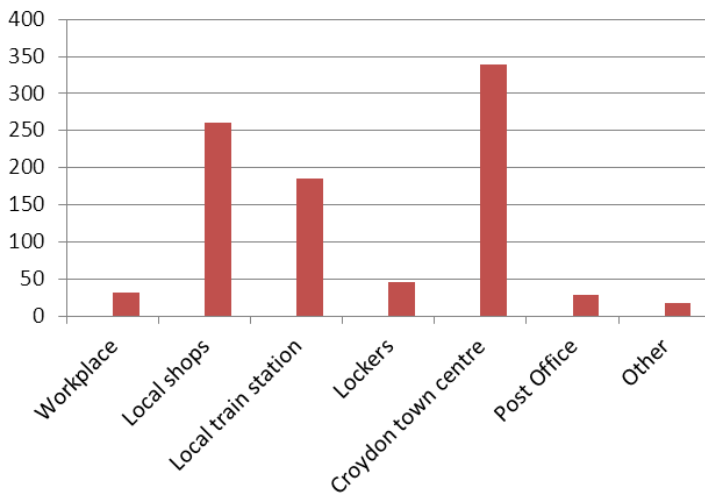


The location, parking facilities and public transport links were overwhelmingly rated negatively. However, it should be noted that the opening times fared significantly more favourably, with over a quarter of respondents rating the provision as good or very good.

➤ *Alternatives*

Respondents were asked to state a preferred alternative collection pick up point for undelivered parcels, displayed at **TABLE 7**.

**Table 7**



Croydon town centre was the single most preferred option however over half of the votes cast were for a local alternative (shops, train station, Post Office).

➤ *Conclusions*

The results of the survey identify three clear issues prevalent throughout the results and comments:

- The Factory Lane site is inaccessible to many people, particularly the elderly, disabled, and those without a car. Furthermore, travel to the facility by public transport involves a not insubstantial walk through the industrial estate, with inherent safety concerns therefrom.
- Accessing the facility by car can be affected by traffic congestion and limited parking facilities. Some feedback expressed anger at having to pay for parking when the limited onsite parking was full.
- A large proportion of residents would like to see a collection facility in their local area or Croydon town centre.

That less than two thirds of respondents had used Factory Lane, when nearly all the respondents had previously used the Addiscombe Road site, suggests a number of residents are using alternative methods to collect undelivered parcels. However, of concern is the high car-usage for the majority using the collection office in Factory Lane, and the environmental impact this is likely to have on Croydon.

## RECOMMENDATIONS:

- Royal Mail to open a collection facility for customers within Croydon town centre or alternatively to utilise the central Croydon Post Office for such a service.

### 3. The Royal Mail Perspective

As part of the review a meeting was held with Royal Mail, attended by the Head of Delivery Performance (Home Counties West) and the Public Affairs Manager.

#### ➤ *Site Relocation*

Royal Mail were of the opinion that the old site was not fit for purpose for the changes to the industry; this was the primary motivation behind the relocation. It was emphasised that, despite the move, the quality of service had not deteriorated. Additionally, Croydon had become a focus for a number of operational trials. An example proffered, referred to as the “M25 Initiative”, involved trialling a free redelivery service on Sundays. As such, Royal Mail stressed that despite the relocation, Croydon had benefitted from a number of new initiatives.

Whilst a consultation had taken place with residents regarding the development of the old Addiscombe Road site, no consultation had been undertaken regarding the move to Factory Lane. The reason submitted for this was the consideration that the relocation was an operational issue.

The report heard that a Post-Implementation Review (PIR) had been undertaken to measure the success of the relocation to Factory Lane. Concerns raised by local residents were put to Royal Mail, who committed to revisiting the PIR with an added focus on customer impact.

Royal Mail accepted that the location of the new site was an inconvenience to customers, however it was highlighted that there were a number of alternative redelivery and collection options:

- Free redelivery service to same address
- Free redelivery to alternate address within postcode
- Collection from Post Office (for a fee of 75p per item)





➤ *First Time Delivery*

Royal Mail informed the report that a key strategic focus was achieving an increase in first time delivery. The current rates for Croydon were approximately 92-3% and the stated goal was to increase this to 95%. The report heard that increasing first time delivery rates was a strategic priority and a key indicator of success for Royal Mail.

A computerised system had been implemented to monitor delivery rates for every address across the Borough and the report was informed that a multi-million pound investment into IT infrastructure was taking place nationally. Royal Mail stated that leaflets were handed to customers when collecting parcels at Factory Lane so that preferred alternate delivery arrangements could be noted and inputted into the computerised system. However, on the report's site visits these leaflets were not available.

As part of the drive to improve first-time delivery, deliver-to-neighbour services were being promoted by Royal Mail. The report heard from staff that deliver-to-neighbour was not creating parity in service; the scheme was more successful in the affluent areas of the Borough such as South Croydon and Shirley, whereas the more deprived wards such as Thornton Heath, New Addington and Scrublands Estates experienced far less success. In areas with a high number of residents living in blocks of flats or converted houses, residents were less keen for Royal Mail staff to leave items with their neighbours, or indeed it was less likely for people to be home to take such items in for their neighbours.

➤ *Post Offices*

It was emphasised that the Post Office were a separate entity to Royal Mail; this was the reason for the charge on redelivery to local Post Offices. The report was told the fee was levied by the Post Office, not Royal Mail.

It was put to Royal Mail representatives that partnerships should be explored with collection companies such as Duddle, which was formed in collaboration with Network Rail. The report heard that a provision of the Postal Services Act 2011 included an exclusivity clause with the Post Office, requiring re-directed parcels to be collected only at Royal Mail or Post Office premises. This ruled out any potential venture with a third party collection service.

It was also put to Royal Mail that better use of Post Office facilities should be utilised, particularly given the large geographic scope of Factory Lane's coverage. Particular emphasis was made of New Addington, at the far east of the Borough. The report considered the significant inefficiency of returning undelivered parcels from New Addington back to Factory Lane, only for the journey to be repeated via the re-delivery service or the customer making the journey. Royal Mail responded that they would consider the possibility of storing undelivered New Addington parcels at the local Post Office. Concern was expressed by Royal Mail whether local Post Offices had the facilities to store that quantity of post, and service quality would be out of the control of Royal Mail.

➤ *Postboxes*

Royal Mail confirmed that the national plan for postboxes had not been implemented in Croydon yet. This plan involves changes to collection of mail from postboxes whereby it will be undertaken as part of the morning delivery rounds. Only postboxes designated low-usage would be affected and Royal Mail committed to there being a late collection postbox within a half mile of any affected.

In addition, Royal Mail are looking to install two thousand new postboxes across the UK. The report was informed that recommendations for new locations should be directed to [postbox.strategy@royalmail.com](mailto:postbox.strategy@royalmail.com).

➤ *Planning, Transport and Environmental Considerations*

In hindsight it is clear that that Croydon Council's planning application process did not consider the needs of its residents when granting permission for Factory Lane and the development of the East Croydon site. The issue of residents accessing the new site at Factory Lane was not a consideration when granting planning permission for the new site, and the request to include a parcel collection office in the new development was also not granted by the Council, despite requests from local councillors.

If Croydon is to get a new Collection Office, Croydon Council – both planning and its economic development teams – will need to work with Royal Mail to identify a potential site and encourage landowners to understand both the commercial and community advantages of a Town Centre Collection Office, and work together to deliver a new Collection Centre.

New Addington has been particularly affected by the change of site, and there is a very strong environmental argument that ferrying large numbers of parcels between the seven miles between Factory Lane and New Addington is not sustainable. Since Royal Mail will try up to three times to deliver some parcels, it is not inconceivable that a parcel may have travelled 50 miles in Croydon alone before being delivered. The redevelopment of New Addington is an opportunity to provide a much needed local service, and also reduce the environmental impact of the current delivery system.

A recent article in *The Times* illustrated the environmental impact that online delivery services are having in central London<sup>2</sup>. A managing director at Transport for London stated that “too many office workers were now making orders to their workplace rather than home to avoid missing a delivery.” It was reported that central London vehicle traffic had been declining for a number of years but since 2013 rates were rising again, due in large part to office redeliveries. This example alone highlights the negative environmental impact that missed deliveries can cause, exacerbated by inaccessible collection offices, and the urgency of finding an environmentally friendly solution to the collection issue.

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<sup>2</sup> Graeme Paton, “Traffic jams grow as Amazon drops goods at your desk”, *The Times*, 26 March 2015.

## **RECOMMENDATIONS:**

- Cabinet to state its support for a Town Centre Collection Office and work with Royal Mail to identify and deliver it
- Cabinet to consider how the planning process and its economic development team can help deliver a Town Centre Collection Office.
- Cabinet to welcome Royal Mail's commitment to trialling new ways of meeting customer demands, such as extended opening hours and Sunday working, and to commit to working with Royal Mail on new initiatives.
- Cabinet to collaborate with Royal Mail on the Central Parade improvements at New Addington and look towards furnishing the Post Office for capacity to become a collection point for missed deliveries.

## **4. Staff Perspective**

As part of the review, Councillor Fitzsimons met members of the Communication Workers' Union (CWU) to listen to their concerns and suggestions for improving the service. They spoke not on an individual basis but expressed concerns on behalf of the membership. They were able to give a fuller history of the old East Croydon site and submitted that, although it was an old building, it was a good location and had ample parking and decent facilities for staff. Through negotiations with Royal Mail some of their initial concerns about staff facilities at Factory Lane had been improved.

They were aware that business was changing and that working practices had to respond to this and to keep up with demands such as the change from delivering letters to delivering parcels. Many had also embraced Sunday working for the new collection centre, but were concerned about making it a core part of their working week without proper recompense. They confirmed that customers appreciated the increase in out-of office hours at the new collection centre, and large numbers came every weekend, especially Sundays. They also said the belated investment in new technology meant that it was easier to track parcels in the new centre, than it has been at East Croydon, which customers and staff appreciated.

Staff also had concerns about the new centre and whether it would meet the long-term needs of the business. The growth in the number of parcels being handled meant the use of cars and vans was essential and a large amount of parking was needed, and their view was that the current site was inadequate. Staff were reluctant to leave vehicles at Factory Lane Car Park for fear of vandalism and they would welcome Royal Mail's area of the car park being secured.

Staff were also supportive of a Town Centre Collection Office being re-instated. They understood Royal Mail's wish to deliver on first delivery but it was clear that this was not successful in large parts of the Borough and wouldn't change any time soon.

Large numbers of parcels were being returned each day from places like New Addington and Scrublands.

#### **RECOMMENDATIONS:**

- Royal Mail to continue working with the CWU and staff at Factory Lane to ensure that adequate resources are available for evening and Sunday opening hours to continue.

## **5. Longer Term Perspective**

### ➤ *Need for a universal service*

Royal Mail is the only company that is currently required by law to provide a universal delivery service to the British public. It has suffered years of under investment, and is facing increased competition, especially in London. The nature of its business is also rapidly changing and as the volume of letters decline, the volume of parcels is increasing in line with the growth of on-line shopping. To maintain the universal service obligation it is important that Royal Mail remains profitable and responds to the needs to British public.

### ➤ *Threat from other providers*

There are a number of other parcel delivering companies, ranging from pure competitors such as DHL, to new competitors such as Amazon, who deliver a large number of their own parcels, to new start-ups such as Doodle, which charge a monthly fee, but provide 24 hour access at many major stations in London. Royal Mail's aim to deliver all parcels and post to a customer's preferred location is laudable but we do not consider it realistic. There is a significant part of the population who will continue to use collection offices for a variety of reasons, including lifestyle, costs of other services, or access issues regarding their housing.

The review has concerns that the current system of making customers pay to redirect parcels to local Post Offices is wrong and in the long-run counterproductive, as it will drive customers to use other services such as Doodle. Removing the charge would also help maintain or increase visits to local post offices, which may increase their overall revenue due to the increase in footfall.

#### **RECOMMENDATIONS:**

- Royal Mail to review its first-time delivery strategy.
- Royal Mail and the Post Office to scrap the redelivery charge and establish free collection points across the Borough.
- Royal Mail to increase publicity of its alternative redelivery options to make sure all customers are aware of the service.

## Final Conclusions and Full Recommendations

- Cabinet to negotiate leasing the entirety of Factory Lane Car Park to Royal Mail.
- To upgrade security of the Factory Lane Car Park to ensure safety of the vehicles.
- Cabinet to amend the parking bay restrictions on Factory Lane to enable a 15 minute relief period prior to charges applying.
- Royal Mail to open a collection facility for customers within Croydon town centre or alternatively to utilise the central Croydon Post Office for such a service.
- Cabinet to state its support for a Town Centre Collection Office and work with Royal Mail to identify and deliver it.
- Cabinet to consider how the planning process and its economic development team can help deliver a Town Centre Collection Office.
- Cabinet to welcome Royal Mail's commitment to trialling new ways of meeting customer demands, such as extended opening hours and Sunday working, and to commit to working with Royal Mail on new initiatives.
- Cabinet to collaborate with Royal Mail on the Central Parade improvements at New Addington and look towards furnishing the Post Office for capacity to become a collection point for missed deliveries.
- Royal Mail to continue working with CWU and staff at Factory Lane to ensure that adequate resources are available to ensure that evening and Sunday opening hours remain.
- Royal Mail to review its first-time delivery strategy.
- Royal Mail and the Post Office to scrap the redelivery charge and establish free collection points across the Borough.
- Royal Mail to increase publicity of its alternative redelivery options to make sure all customers are aware of the service.

## Responses to the Recommendations

At the Scrutiny and Strategic Overview Committee meeting on 14th April 2015, Members made recommendations to Cabinet and the Royal Mail (see Appendix A for a copy of Minute A31/15 from this meeting).

The responses to the recommendations for the council were presented to Cabinet at its meeting on 20th October 2015. The full responses from Cabinet are attached as Appendix B.

A copy of the minute of the Scrutiny and Overview Committee meeting (3 November 2015) and attended by Royal Mail in order to provide its response to the recommendations is provided in Appendix C.

### Recommendations to Cabinet:

#### 1) **To negotiate leasing the entirety of Factory Lane Car Park to Royal Mail.**

ACCEPT: Officers from the Council are in negotiations with the Royal Mail and will progress these provided any agreement is cost neutral for the Council<sup>3</sup>.

NOTE: The Royal Mail Operations Manager stated (at the Scrutiny and Overview Committee meeting on 3 November 2015) that to his knowledge no discussions about leasing car park in its entirety to Royal Mail (Cabinet recommendation 1) had taken place between the Council and the Royal Mail. It has, however, subsequently been confirmed to the Chair of the Scrutiny and Overview Committee that these negotiations have been initiated.

#### 2) **To amend the parking bay restrictions on Factory Lane to enable a 15-minute relief period prior to charges applying.**

REJECT: The Council has recently undertaken a Parking Review which aims to simplify parking tariffs and payment mechanisms for users.

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<sup>3</sup> In an email exchange on 13 November 2015, Michael Fehilly, Head of Delivery Performance, South East Directorate, Royal Mail confirmed that the Royal Mail did not require any more spaces in this car park. He also confirmed that the Royal Mail has two significant issues relating to the car park: 1. Security as vans with vans being damaged and graffiti sprayed onto them; 2. Even though the spaces we leased are clearly marked Royal Mail, if somebody forgets to put a permit in the window we still get a parking ticket. In response, Steve Wingrave, the Council's Head of Asset Management and Estates stated that he drawn the issues to the attention of the parking enforcement team and asked them not to ticket your vehicles, and has asked for their comments regarding the graffiti and damage to Royal Mail vehicles.

- 3) **To state its support for a Town Centre Collection Office and work with Royal Mail to identify and deliver it.**

ACCEPT: Council officers will work with Royal Mail to help explore options on sites for a Town Centre collection office (see also Royal Mail recommendation 2 below)

- 4) **To consider how the planning process and its economic development team can help deliver a Town Centre Collection Office.**

REJECT: The Council has prioritised affordable housing, health and education provision in its planning obligations.

- 5) **To welcome Royal Mail's commitment to trialling new ways of meeting customer demands, such as extended opening hours and Sunday working, and to commit to working with Royal Mail on new initiatives.**

ACCEPT: The Council is working with the Royal Mail on improving Basic Digital Skills among local residents and will include this work within this initiative.

- 6) **To collaborate with Royal Mail on the Central Parade improvements at New Addington and look towards furnishing the Post Office for capacity to become a collection point for missed deliveries.**

ACCEPT: This will be included within the New Addington Regeneration project.

#### **Recommendations to Royal Mail:**

The Public Affairs Manager from Royal Mail stated informed the Committee (at its meeting on 3<sup>rd</sup> November 2015) that the Royal Mail had found the mini review to be helpful and that it had noted its positive and negative comments.

- 1) **To upgrade security of the Factory Lane Car Park to ensure safety of the vehicles.**

RESPONSE: There had been no personal attacks on staff in the car park, although some Royal Mail vehicles had been subject to graffiti vandalism

- 2) **To open a collection facility for customers within Croydon town centre or alternatively to utilise the central Croydon Post Office for such a service.**

RESPONSE: The Royal Mail was reviewing the opportunities for a collection point in the town centre or at East Croydon station as part of a national strategy relating to parcel collections, and locally, in response to local demand. Any decision would be based on commercial viability. However, should a national programme of city centre collection points be introduced, Croydon would be among the first to be considered due to the strength of local feeling on this matter which had been recorded in the mini review report

It was possible that it would be viable to open collection offices in the town centre and a location such as New Addington where there was better access to public transport than at Factory Lane.

Finding sites for parcel collection points was very difficult across London and there were therefore no plans to close or consolidate existing smaller collection offices.

- 3) To continue working with CWU and staff at Factory Lane to ensure that adequate resources are available to ensure that evening and Sunday opening hours remain.**

RESPONSE: The trial relating to Sunday opening hours had been successfully completed and was now a permanent arrangement. Similarly, the longer opening hours of the collection office at Factory Lane had been established and were at the higher end of offering by Royal Mail.

Staffing these hours and Sunday opening was now part of the standard resourcing strategy at the collection office and the staff had accepted these arrangements

- 4) To review its first-time delivery strategy.**

RESPONSE: The Royal Mail aimed to offer customers a number of redelivery options if first time delivery was not possible including deliver to a Post Office although this attracted a 75p charge.

- 5) It (Royal Mail) and the Post Office scrap the redelivery charge and establish free collection points across the Borough.**

RESPONSE: The 75p redelivery charge was made by the Post Office and was a nationally negotiated charge. Although it was not possible to vary this locally it was believed that the Post Office had no plans to increase the charge.

It was not possible for the Royal Mail to impose parcel collections on the Post Office, for example at the Central Post Office in Croydon, for a number of reasons including the space available. All collection points, including the office in South Norwood, were under constant review although there were no plans to close or consolidate collection points

- 6) To increase publicity of its alternative redelivery options to make sure all customers are aware of the service.**

RESPONSE: The number of complaints received by Royal Mail (Factory Lane site) had been reduced by 30% year on year as customers had adapted to the site and as users became more familiar with it.



At the meeting on 3<sup>rd</sup> November 2015, Members concluded that further information on the level of complaints, including comparison data would be useful. Members agreed that a follow-up item should be included on the scrutiny work programme 2016-17.

The Scrutiny and Overview Committee therefore **RESOLVED –**

- 1) To seek an update on the level of complaints about parcel collections in Croydon (including year on year comparison data) from the Royal Mail in 12 months
- 2) To seek an update on the situation relating to parcel collection points in the town centre and in New Addington in 12 months
- 3) To ask the Royal Mail to include Croydon in any pilot scheme for town centre collection points in the future

**SCRUTINY AND STRATEGIC OVERVIEW COMMITTEE MEETING, 14 APRIL 2015**

**MINUTE**

**A31/15 LOCAL ACTION MINI REVIEW: ROYAL MAIL DELIVERY SERVICES IN CROYDON (Agenda Item 7)**

The Vice Chairman took the chair for this item. Councillor Fitzsimons introduced the local action mini review report with a presentation that is available online [here](#).

A local action mini review is a method of allowing ward Councillors to investigate and report to Scrutiny on a matter of pressing concern to their constituents. Councillor Fitzsimons stated that Royal Mail had been invited to the meeting but declined due to adhering to the politically restricted period in the lead up to the general election and thus not appearing in any political meetings during this time.

Councillor Fitzsimons stated that the review encompassed site visits, meeting senior Royal Management, meetings with Factory Lane staff, and a residents' survey which received over 550 responses.

It was clear that Royal Mail had not taken customers into account when deciding to move to the new site on Factory Lane. The new site was not accessible by public transport, requiring travel by car as the only practical way to get there. This issue was further exacerbated by a lack of parking facilities and limited bay parking on Factory Lane that added additional costs to customers. The issue of parking also affected staff – many had to park in residential streets, and most Royal Mail vans were stored in a leased section of Factory Lane Car Park where they were regularly vandalised due to the area being unsecured.

One outcome from the report was a commitment from Royal Mail to undertake a fresh Post-Implementation Review focusing on customers.

In response to questions from the Committee, Councillor Sean Fitzsimons provided the following information:

- It was in Royal Mail's economic interest to provide better collection facilities due to competition from private companies such as Duddle.
- Hopefully there would be no need for the Council to subsidise Royal Mail to encourage the creation of additional collection centres, however the Council could impose planning requirements within the New Addington redevelopment to require such provision.
- The Post Office fee for collection should be scrapped. It would be in the interests of the Post Office to do so since it would encourage more people to collect their parcels from their local Post Office and thus increase footfall. It would also reinvigorate the symbiotic relationship

between the two organisations which used to exist when Royal Mail and the Post Office were one entity.

- Royal Mail staff highlighted the central Croydon Post Office as the most appropriate location for a town centre collection office. If this was not feasible, then a collection office should form part of the redevelopment of the old Addiscombe Lane site. The key consideration should be a position near a major train station or within the town centre.

**RESOLVED** – To approve the report and send it to Cabinet and Royal Mail with the following respective recommendations.

The Committee recommended to Cabinet that it:

- 1) Negotiate leasing the entirety of Factory Lane Car Park to Royal Mail.
- 2) Amend the parking bay restrictions on Factory Lane to enable a 15-minute relief period prior to charges applying.
- 3) State its support for a Town Centre Collection Office and work with Royal Mail to identify and deliver it.
- 4) Investigate how the Council's planning and economic development powers can help deliver a Town Centre Collection Office.
- 5) Welcome Royal Mail's commitment to trialing new ways of meeting customer demands, such as extended opening hours and Sunday working, and to commit to working with Royal Mail on new initiatives.
- 6) Engage and collaborate with Royal Mail and the Post Office on the Central Parade improvements at New Addington and look towards furnishing the Post Office for capacity to become a collection point for missed deliveries.

The Committee recommended to the Royal Mail that it:

- 1) Upgrade security of the Factory Lane Car Park to ensure safety of the vehicles.
- 2) Open a collection facility for customers within Croydon town centre or alternatively to utilise the central Croydon Post Office for such a service.
- 3) Continue working with the Communications Workers Union and staff at Factory Lane to ensure that adequate resources are available to ensure that evening and Sunday opening hours remain.
- 4) Review its first-time delivery strategy.
- 5) It (Royal Mail) and the Post Office scrap the redelivery charge and establish free collection points across the Borough.
- 6) Increase publicity of its alternative redelivery options to make sure all customers are aware of the service.

The Royal Mail and Cabinet are to be given the same timescale for a response to the recommendations.

**APPENDIX B**

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
<p>The Scrutiny and Strategic Overview Committee at its meeting on 14 April 2015 resolved to make recommendations to the Royal Mail and to Cabinet.</p>						
<p>The recommendations to Cabinet (Minute number A31/15 - Local Action Mini Review: Royal Mail Delivery Services in Croydon) were for:</p> <ol style="list-style-type: none"> <li>1. Cabinet to negotiate leasing the entirety of Factory Lane Car Park to Royal Mail</li> </ol>	<p><b>Cllr Hall</b></p>	<p><b>ACCEPT</b> :Officers to contact Royal Mail to fully investigate any opportunities to let further space</p>	<p>Richard Simpson</p>	<p>Any negotiation will be based on ensuring this is cost neutral for the Council</p>		<p>Scrutiny and Overview Committee 3 November 2015</p>
<ol style="list-style-type: none"> <li>2. Cabinet to amend the parking bay restrictions on Factory Lane to enable a 15 minute relief period prior to charges applying</li> </ol>	<p><b>Cllr Bee</b></p>	<p><b>REJECT</b> – Officers and cabinet member have undertaken a review across the borough regarding parking tariffs and simplifying the payment mechanism for users</p>	<p>Steve Iles</p>	<p>Nil</p>		<p>Scrutiny and Overview Committee 3 November 2015</p>
<ol style="list-style-type: none"> <li>3. Cabinet to state its support for a Town Centre Collection Office and work with Royal Mail to identify and deliver it</li> </ol>	<p><b>Cllr Butler</b></p>	<p><b>AGREE</b> – We will work with Royal Mail to help explore options on sites.</p>	<p>Colm Lacey</p>			<p>Scrutiny and Overview Committee 3 November 2015</p>

SCRUTINY RECOMMENDATION	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF SCRUTINY MEETING TO REPORT BACK
4. Cabinet to consider how the planning process and its economic development team could help deliver a Town Centre Collection Office	<b>Cllr Butler</b>	<b>REJECT</b> – The clear priority for planning obligations is affordable housing, health and education provision.	Colm Lacey			Scrutiny and Overview Committee 3 November 2015
5. Cabinet to welcome Royal Mail's commitment to trialing new ways of meeting customer demands, such as extended opening hours and Sunday working, and to commit to working with Royal Mail on new initiatives	<b>Cllr Hall</b>	<b>AGREE</b> – We will include this in the specific work we are currently progressing with Royal Mail around improving Basic Digital Skills to local residents.	Graham Cadle			Scrutiny and Overview Committee 3 November 2015
6. Cabinet to collaborate with Royal Mail on the Central Parade improvements at New Addington and look towards furnishing the Post Office with capacity to become a collection point for missed deliveries.	<b>Cllr Butler</b>	<b>AGREE</b> – will be picked up as part of the New Addington Regeneration project.	Stephen Tate			Scrutiny and Overview Committee 3 November 2015

SCRUTINY AND OVERVIEW COMMITTEE MEETING, 3 NOVEMBER 2015

MINUTE  
A25/15

**CABINET RESPONSES TO SCRUTINY RECOMMENDATIONS  
(Agenda item 6)**

Present for this item:

Michael Fehilly, Operations Manager, Royal Mail

James Mitchell, Senior Public Affairs Manager, Royal Mail

Councillor Sean Fitzsimons introduced the report stating that it provided Cabinet responses to:

- The Royal Mail mini review
- Transparency Agenda
- Data and Freedom of Information

In addition to a number of recommendations made to Cabinet in the Royal Mail mini review, further recommendations were made to the Royal Mail. Representatives from the Royal Mail were in attendance in order to respond to the recommendations made to the Royal Mail and to answer questions from Members.

The Public Affairs Manager from Royal Mail stated that:

- The Royal Mail had found the mini review to be helpful and that it had noted its positive and negative comments
- The Royal Mail was reviewing the opportunities for a collection point in the town centre or at East Croydon station as part of a national strategy relating to parcel collections, and locally, in response to local demand
- Should a national programme of city centre collection points be introduced, Croydon would be among the first to be considered due to the strength of local feeling on this matter which had been recorded in the mini review report
- The Royal Mail aimed to offer customers a number of redelivery options if first time delivery was not possible including deliver to a Post Office although this attracted a 75p charge
- This 75p charge was made by the Post Office and was a nationally negotiated charge and although it was not possible to vary this locally there were no plans to increase the charge
- It was not possible for the Royal Mail to impose parcel collections on the Post Office, for example at the Central Post Office in Croydon, for a number of reasons including the space available
- As part of the city centre collection point review, the Royal Mail would consider opening one or more offices and decisions would be based on commercial viability

- It was possible that it would be viable to open collection offices in the town centre and a location such as New Addington where there was better access to public transport than at Factory Lane
- All collection points, including the office in South Norwood, were under constant review although there were no plans to close or consolidate collection points
- The number of complaints received by Royal Mail (Factory Lane site) had been reduced by 30% year on year as customers had adapted to the site

Royal Mail's Operations Manager added that:

- Finding sites for parcel collection points was very difficult across London and there were therefore no plans to close or consolidate existing smaller collection offices
- The trial relating to Sunday opening hours had been successfully completed and was now a permanent arrangement
- Similarly, the longer opening hours of the collection office at Factory Lane had been established and were at the higher end of offering by Royal Mail
- Staffing these hours and Sunday opening was now part of the standard resourcing strategy at the collection office and the staff had accepted these arrangements
- There had been no personal attacks on staff in the car park, although some Royal Mail vehicles had been subject to graffiti vandalism

The Royal Mail Operations Manager confirmed to his knowledge that no discussions about leasing car park in its entirety to Royal Mail (Cabinet recommendation 1) had taken place between the Council and the Royal Mail.

Members concluded that further information on the level of complaints, including comparison data would be useful. Members agreed that a follow-up item should be included on the scrutiny work programme 2016-17.

#### **RESOLVED –**

- 4) To seek an update on the level of complaints about parcel collections in Croydon (including year on year comparison data) from the Royal Mail in 12 months
- 5) To seek an update on the situation relating to parcel collection points in the town centre and in New Addington in 12 months
- 6) To ask the Royal Mail to include Croydon in any pilot scheme for town centre collection points in the future

The Committee **RESOLVED** to note the Cabinet response to scrutiny recommendations regarding the Transparency agenda and Data and Freedom of Information. Councillor Sean Fitzsimons thanked Mr Fehilly and Mr Mitchell for attending the meeting and for their answers to questions from the committee

