



Standard Subpostmasters Contract – key obligations document

Introduction

As a Postmaster, whether you intend to apply as an individual or through a limited company, partnership, or limited liability partnership, you will enter into a contract with Post Office for the operation of a branch you are applying for. This contract will set the obligations on you as Postmaster, as well as the duties of Post Office Limited. It is important that you (and any party to the contract) understand these obligations. However you decide to manage your branch, whether providing personal service or not, with Post Office's support you are responsible for meeting these obligations.

This guide is designed to give you a high level overview of the contract. This guide is not legal advice and will not form part of the contract. It is not intended to replace you reading fully, and understanding, the contract. You will receive a copy of the contract that you will be asked to sign. The contract will be a legally binding document, and it is strongly recommended that you seek your own independent advice, which may include legal support.

Contract Breakdown

The contract is broken down into 25 sections, which set out the obligations in the running of a branch. This is supported by an Operations Manual, which is your main guide to day-to-day branch operation and is designed to help you manage your branch, and a Remuneration Booklet which sets out the remuneration structure for your branch. Both these documents form part of your contract.

It's worth noting that whereas we may refer to you as Postmaster (or Subpostmaster), in some of our contracts the term 'Operator' is used. Any reference to Operator means Postmaster.

| Standard Subpostmasters Contract - Sections | |
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| Section 1 – Subpostmasters' Contract and Status | |
| This section covers some general obligations for the operation of the branch, including the opening hours for the branch, a Postmaster being an agent and not employee of Post Office Ltd, the clauses in respect of resignation and termination as well as the overarching duties that both parties need to perform. | |
| Section 2 – Remuneration | |
| Sets out information in connection to remuneration (payments in respect of running the branch). This information is supplemented by the Remuneration Booklet, which you will also receive a copy of. | |
| Sections 3, 4, 5, 6 & 7 – Subpostmasters Absence from Office | |
| These sections cover absence from the branch setting out that as postmaster there is no requirement to offer personal service but whether absent or not a postmaster is still responsible for the proper running of the office. The sections also cover the availability, in certain circumstances, of holiday and sick substitution allowances. | |
| Section 8 – Statutory Sick Pay Scheme | |
| This sets out the rules surrounding statutory sick pay (noting that a postmaster is not an employee of Post Office Ltd). | |

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Section 9 – Resignation and Retirement

This section explains that a postmaster needs to give three calendar months' notice if they wish to resign their appointment.

Section 10 – National Insurance

Sets out the rules in connection to National Insurance contributions.

Section 11 – Injury Resulting from Criminal Attack

This section explains the criminal injury compensation scheme that is applicable where a postmaster or an assistant unfortunately sustain permanent physical injury during the theft/attempted theft of Post Office Ltd property on the premises.

Section 12 – Responsibility for Post Office Limited Stock and Cash

This sets out a postmaster's responsibility in respect of cash & stock and its safekeeping. It explains that

- A postmaster's liability for losses caused through their own carelessness, negligence or error or through carelessness, negligence or error of an Assistant
- That where Post Office Ltd needs to carry out an investigation into the cause of any financial shortfall in the branch that this must be reasonable and fair
- The need for Post Office Ltd to provide a Horizon system that is fit for purpose.
- The need to account accurately and that Post Office funds cannot be used for any purpose other than the operation of the Post Office Branch.
- The need to follow all physical and procedural security requirements required.

Section 12a – Responsibility for the Safeguarding of the Mail

This sets out a postmaster's responsibility in respect of mail and its safekeeping.

Section 13 – Premises

This section explains the need for a postmaster to hold the branch premises either as owner or on a tenancy subject to at least one quarter's notice. It also explains that, in certain circumstances, exceptions are sometimes allowed as to tenancy where the premises are owned or held on a suitable tenancy by the spouse of the postmaster or where the Post Office branch is transferred to a near relative of a subpostmaster of long service, who holds the premises on a suitable tenancy.

Section 14 – Hours of Business

This section sets out the contracted hours for the branch.

Section 15 – Assistants

Sets out the need for a postmaster to register any employees ('Assistants') that have any access or involvement in the operation of the Post Office to ensure they have been vetted through Post Office's robust processes.

Section 16 – Divulgence of Official Information, Correspondence & Interviews

This section explains how official information should be handled.

Section 17 – Subpostmasters' Private Business

Sets out that there is a restriction on being able to undertake private business activities in the Branch premises for certain products and services, including (but not limited to) the following services:

- Mails services

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- Bill payment services
- Banking (including ATMs)
- Financial Services

Section 18 – Non-observance of Rules: Appeals Procedure & Section 19 - Offences:

Suspension: Enquiries by Officers of the Investigation Division

There may be occasions where things aren't working quite as they should, and these obligations are not being met. If this is the case, Post Office will take steps to ensure performance of the contract, while also supporting the Postmaster in this process. This may lead to the suspension or termination of the contract and these sections set out the contractual basis for this.

Section 20 – Infectious (Including Contagious) Diseases

This sets out the position to be taken should the postmaster have an infectious disease.

Section 21 – Telephone Facilities at Sub Post Offices

This explains how the provision of a telephone line at the branch should be handled.

Section 22 – Quality Standards

Explains the need to maintain the highest standards in all matters connected with the branch,

Section 23 – Redemption of Telephone, Television, Motor Vehicle and Other Savings Stamps

This section is no longer relevant

Section 24 – Mailwork

If the branch offers 'Mailwork' a separate 'Mailwork Requirements Manual' will be provided for its operation

Section 25 – General Data Protection Regulation Schedule

Rules in connection to Data Protection

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