

## **Post Office facts (for MP Drop In Session, 18<sup>th</sup> October 2017)**

- Manifesto Commitment 2017: *“We will also take steps to enhance the provision of public services in rural areas. We will safeguard the post office network, to protect existing rural services and work with the Post Office to extend the availability of business and banking services to families and small businesses in rural areas. A third of all SMEs in rural areas use their post office weekly and our ambition is that all routine small business and consumer banking services should be available in rural post offices. We will support pharmacies and village schools in rural areas.”*
- While the Post Office is publicly owned, it is a commercial business operating in competitive markets.
- 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
- There are over **11,600** post office branches in the UK, the **largest retail network** in the country.
- **93%** of the population **live within 1 mile of a post office**.
- **98.7%** of the **rural population live within 3 miles**.
- Government will have provided nearly **£2 billion during the period 2010 to 2018** to maintain and modernise a branch network that meets nationwide access criteria and to invest in transformation of the business.
- Since 2010, the number of branches has been at its **most stable for decades**.
- Over the last four years Post Office **has modernised more than 7,000 post offices**, improving branch environments and extending opening hours during the week and at weekends
- Almost a **million extra opening hours** every month have been added across the country and more than **4,400 branches are now open on Sundays**.
- Customer satisfaction has remained high in modernised branches, at **over 95%**.
- **Subsidy** required to support the network has **reduced by two thirds** due to Government’s investment (peak of £210m in 2012 to £70m this year)
- Post Office **made an operating profit for the first time in 16 years** last year.
- It has **eradicated £120m of annual losses** since 2012

## Briefing on Current Issues

### Attack: Government funding for Post Office

- Government **accept the Post Office will require funding in the future**, to continue making important services available to people across the UK.
- Government is in **continuing discussions with Post Office on this**.
- The **best way to secure the Post Office** for the future is to make it financially sustainable in its own right

### Attack: Franchising of the directly run Crown post offices.

- Franchising is a **successful way of sustaining Post Office services** on our high streets. Crown losses reduced from £46m p.a. to a financial break even
- **Branches are not closing**, but are either being franchised on-site or relocating to a nearby location, often on the high street, typically offering the same services.
- **Service quality is not reduced** – customer satisfaction with franchised branches is as high or better than when they were traditional Crowns.

### Attack: Rural post offices continue to close

- The number of branches in the network has been at its most stable for decades
- 98.7% of the rural population live within 3 miles of a post office

### Attack: What is the Government doing about Royal Mail strike action

- Strike action is at Royal Mail, not Post Office, they are separate companies  
Both companies are working together to mitigate the strikes impact on customers\_

### Attack: Allegations about the Post Office's Horizon IT system

- This is an operational matter for Post Office Limited. **As legal proceedings are underway, I am unable to comment further.**

### Attack: Government should give more business to post office

- Post Office already provides a significant number of Government services (e.g. Post Office Card Account, Passport Check & Send, DVLA services)

- But Government must allow customers to access services directly or online for their convenience
- Government cannot just award business to Post Office, that would be illegal