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Dear Colleague,

Post Office Ltd Litigation

Postmasters are the backbone of the Post Office, and their branches are the backbone of communities across the country. That's why we committed to safeguarding the post office network and protecting existing rural services. The overall number of post offices across the UK remains at its most stable in decades with over 11,500 branches thanks to significant Government investment of over £2 billion.

As you may know a legal case has been brought against Post Office Ltd by a group of mainly former postmasters. It is complex, with some of the cases involved stretching back to 2000, and is due to span over four trials.

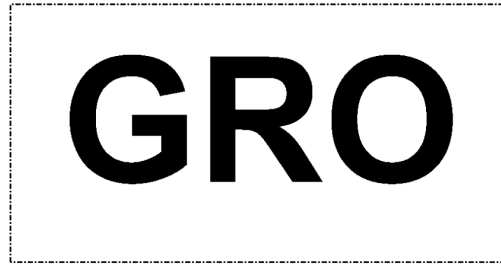
I believe the courts are the right place to hear the issues being raised and hope that the legal case will assist in the resolution of what are long-standing issues between some postmasters and the Post Office so that postmasters with claims can obtain a remedy if the court finds there is validity to those claims.

This first judgment deals with the contractual relationship between the Post Office and postmasters. It is important to note that it does not deal with matters of breach or liability. The judge has, however, been highly critical of the Post Office's handling of the case and finds that over the long period of time addressed by the judgment, there have been times when Post Office's conduct in its dealings with the lead claimant postmasters have been heavy-handed, some of its operations insufficiently transparent, and its procedures and processes lacking in consistency and professionalism.

The judgement is complex and lengthy and the Post Office will need time to consider in detail, including whether it has a case for appeal. However, having spoken over the weekend with the Chairman of POL, I am assured they have acknowledged the criticism, are taking it very seriously, and will be taking appropriate action where necessary.

Legal proceedings in this case are currently scheduled to continue until at least March 2020. While this dispute remains a matter for the courts, it is clearly not appropriate for Government to comment further. However, I will be remaining in close contact with the Post Office over the coming weeks and months as they deliver on their commitments to improve.

I understand that this issue will be of interest and concern to Members of the House and, as this process progresses, I will update Members further.



KELLY TOLHURST MP

Minister for Small Business, Consumers & Corporate Responsibility