



Department for
Business, Energy
& Industrial Strategy

BEIS Hot Topics Pack: March 2017

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Post Office Ltd

Top Lines

There are **over 11,600 post office branches** in the UK, the largest retail network in the country. The Post Office network is at its **most stable in over two decades**.

Government will have **provided nearly £2 billion** during the period 2010 to 2018 to maintain a network that meets nationwide access criteria and to invest in transformation of the business.

Government has **committed to secure the future of 3,000 rural post offices**, recognising the important role post offices play in service their communities.

Around 18 million customers & a third of SMEs visit post offices every week.

Post Office Ltd was separated from Royal Mail in April 2012, and is an independent company. It remains in public ownership.

The Government consultation on the Post Office network closed on 21st December. The responses will help us to understand what the public and businesses expect from the Post Office and to understand more fully what subsidy is needed and what it should be used for. Government will provide a response to its consultation in due course.

Attack: Why is Government supporting more franchising of the directly run Crowns when this leads to worse service and poorer pay for staff at those branches?

- Almost all services currently provided at a Crown branch can be offered at a franchise.
- Service quality is not reduced - customer satisfaction for franchised branches is as high as when they were Crowns.
- WHSmith and all other businesses operating post offices must comply fully with UK employment law on paying their staff.
- Through the current franchising and crown transformation programme, crown offices have moved to a position of financial break even compared to annual losses of £40m per annum.

Allegations about the Post Office Horizon IT system

- This is an operational matter for Post Office Limited. As legal proceedings have been announced, we are unable to comment further.

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