



Department for
Business, Energy
& Industrial Strategy

BEIS Hot Topics Pack: May 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 has **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.

In its 2015 manifesto, the Government **committed to secure the future of 3,000 rural post offices**, recognising the important role post offices play in serving 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.

At the end of last year **Government ran a consultation on the Post Office network**.. No changes were proposed to the network. Government was seeking to reaffirm views with stakeholders and what the public and businesses expect from the Post Office.. A response will be provided in due course.

Attack: Why did Government support 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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