



Professor Christopher Hodges OBE

Horizon Compensation Advisory Board christopher.hodges@csls.ox.ac.uk

By Email

16 January 2024

Dear Professor Hodges

I am writing to you on behalf of the National Federation of SubPostmasters (NFSP), the only Post Office-recognised trade association representing post office operators, responsible for approximately 8,500 post office branches throughout the UK.

I am asking for your help regarding an urgent matter that is seriously affecting 105 subpostmasters.

Following the closure of the Network Transformation (NT) programme in 2018, Post Office now hold a 'Hard to Place' (HtP) register, which covers offices that have not found a Potential New Postmaster (PNP) due to location, declining footfall, and low remuneration etc. The majority of these offices are in rural locations, and many of the HtP postmasters are of retirement age and/or have an underlying health issue. All of us have been looking for a PNP since 2015.

All HtP postmasters receive a small, fixed remuneration from Post Office Ltd and have a yearto-year agreement to continue with this, which the NFSP pushes Post Office to extend every year so that we do not lose our compensation. Within the original offer signed in 2015, is a leaver's payment equivalent to 26 months, which the postmaster would receive when a PNP is willing to take over the office. This leavers payment is a nest egg for retirement for many, covers the cost of staff redundancies, and is a return of their original investment. £640m of taxpayers' funds was provided, but crucially not ring-fenced, to Post Office in 2015 specifically to complete Network Transformation. The NFSP have tried on several occasions, via the Freedom of Information Act, to find out where this money has gone but have been blocked by Post Office on cost grounds.

This year, Post Office decided to close the HtP network, mainly due to the cost of transferring to a new IT system which is being introduced throughout the network. This is despite

receiving £122m in funding from Government to develop and complete this new system, which is set to replace the ageing Horizon system that has been in existence since 1999.

The original offer of 26 months compensation has been revised to 12 months if a PNP has not been found by March 2024. This change has been made without proper consultation with the HtP network. The NFSP have been informed by PO they will now deploy a field team to try and find PNPs up until the end of March 2024. This comes after five years of inactivity, with Post Office admitting they have taken "their foot off the gas". Even though this team will be working to find alternative premises, the events following the ITV drama and the negativity towards Post Office Ltd, will make this virtually impossible as no retailer will want a post office at this current time.

We strongly disagree with this offer as it leaves many postmasters hugely out of pocket after serving their communities for years, and instead benefits Post Office and Government due to the savings made. PO have offered no reasonable compromise.

The average leavers payment to my colleagues if the 26 months remained, is \pm 80,000 which would cost Post Office \pm 8.4m to enable us to retire with dignity. The 12 months that Post Office are imposing would cost \pm 3.9m, saving them \pm 4.5m.

However, the question remains; where has the £640m of funding provided to Post Office in 2015 gone?

At a time when there is public anger due to 'Mr Bates Vs The Post Office', a Statutory Inquiry set up to uncover mistakes made by PO and others in the past, and an additional £150m recently approved to cover additional legal costs for the Inquiry, I find it hard to understand how this unethical practice can occur today. The NFSP has raised the issue with the Government, MPs, and external bodies.

Yet again no one is listening, just like in the past.

I plead with you to contact Treasury and the Postal Minister to request that Post Office enter meaningful negotiations, to agree a leavers' payment. This would enable these 105 to retire with dignity rather than in potential debt after covering costs of closing their post office.

Colleagues have written to their MPs, therefore I would be grateful if a debate on this matter could be raised in Parliament which would highlight how Post Office are treating Postmasters of today.

Cultural attitudes within Post Office which led to mistakes of the past, are still present and in practise today.

As a group we would be more than happy to meet with you for you to hear first-hand our stories and experiences.

Yours sincerely,

Calum Greenhow, CEO NFSP

Co-signed by:

Robert Cockburn Christine Pickles Steve Harrison Depesh Patel Andrew Forrester Amrit Sinah Barbara Poole **Barry Heeks Robert Forster** Phil Dolby Mr Parikh Gillian Greenhow Mohan Chandegra Sheelim McKeaghney Patsie Ford **Brian Arris** Susan Harper Adrian Watts Alan Bedding H Kuni Chris Birchmufg Sharon Hammond Bharat Vada Keith Thrush Manjit Singh Dhaliwal MS Panesar L Davies DK Lehal NB Patel **AN** Stringer Naseem Akhter Alice Harrington Carole Younger Sailesh Patel Paresh L Vakharia Rupa P Vakharia Christine Neale John Duraid Rana Aslam Bella Sood Peter Cattee Charles Gardner Lisa Marcham Steven Binyon Vipul Pabari Neena Kochhar Sittampalam Thillainathan Christine McAloone Susan Bruce Janita Wicks Dilip Patel S Patel

Drumnadrochit Collingham **Ewell Court** Copthorne Bank Brynteg Quinton **Rising Bridge** Adlington Ford Crich 72 Battersea Bridge Road West Linton West Ferry Road Centre Post Office Nayland Kingswell Meriden Coffee Hall Abersvchan The Fold Sentolm Corden Postavogie Princes Ave Hathern Brewery Road Lower Stoke Clvdach Vale Wootton Blaenearan The Holmes Brinsall High Valleyfield Almondbank Shrub End Winshill Winshill St Germans Holme Hall Arden Dalmuir High Lane Trafalgar Place Cullingworth Moorclose Estate Connaught Road Underwood Ladbroke Grove Duncairn Street Hartington Rookley Kew Gardens Shrub End

National Federation of SubPostmasters, Evelyn House, 22 Windlesham Gardens, Shoreham-by-Sea, West Sussex, BN43 5AZ A company limited by guarantee and registered in England • Registered company number: 9771284 Tel: 01273 452324 • email: admin@nfsp.org.uk • website: www.nfsp.org.uk K Dhilon Sukhdev Basra Sanjeev Lakhani Sue Jude Dinesh Tosar Locking Stumps Shefford Bush Hill Park Llandrillo Yn Rhos Camp Hill