

Green Paper Member Crib Sheet:

Future of Post Office Green Paper

This crib sheet provides guiding notes and useful context to help Postmasters respond to the Government's Green Paper survey. The text in red reflects key issues raised by NFSP members. Please find the link to the survey here: [Green Paper: Future of Post Office](#)

To what extent do you agree with each of the government's policy objectives for Post Office?

[1-5 scale: 1 = Strongly agree, 2 = somewhat agree, 3 = neither agree nor disagree, 4 = somewhat disagree, 5 = strongly disagree]

1. For the Post Office network to provide critical postal, banking, government and utility bill-payment services to those who cannot or will not get them elsewhere.

What are critical postal and banking services? Many customers have requested extended banking services. These services help the digitally-excluded and other vulnerable groups.

The NFSP has called for more national government services, and the introduction of local council services.

2. For the Post Office network to be made up mostly of permanent and 'full hours' branches offering a wide range of services alongside a retail offering as these branches provide the most benefit to communities

Clarity over what "full hours" are is needed. Full hours branches offer greater stability, are seen as a local community hub and are preferred by the local community. They offer a trusted presence in the community, whereas outreach provision can be unclear. However do full hours service suit everyone, such as paying for staff to cover the hours? Meeting the needs of the local community is the priority, as is financial support for rural and isolated offices.

3. For the Post Office network to support high streets, acting as a stimulant and visible sign of incremental economic activity.

Post offices have been found to be anchors on the high street, driving footfall and bringing in money for the local economy and communities. Policies in support of post offices and regeneration would benefit the local community.

4. For Post Office to be an organisation with a positive culture; that is run in an accountable and transparent way; and delivers benefits for and represents the interests of postmasters, partners, their customers, employees and communities.

Many postmasters will agree with a positive change in Post Office culture, however this needs to be earned and proven. This includes decision-making processes and ensuring that postmasters are always represented. Structural change is needed.

The NFSP believes that key to culture change is to introduce external oversight i.e., the Oversight Committee.

We also need to ensure that the vision for the network for PO and Postmasters are aligned.

5. For Post Office to become an organisation that adapts to changing markets with lower reliance on government funding.

Postmasters are aware of low remuneration, therefore less government funding needs to be offset by a clear plan and strategy for the years ahead.

What does “changing markets” mean? Is it an umbrella for digital, ID, postal?

We support any innovation and ask that postmasters are involved from the outset, as it must drive down the cost to the postmaster if the service is to be reduced.

PO need to be faster at adapting to changes in the market. For example, 70% of labels are now completed online, yet PO has done little to innovate and bring down the cost to the Postmaster.

6. Please explain why you agree or disagree with each of the government’s policy objectives for Post Office [free text box]

Context and explanations given under each question.

In addition, what is a post office, and does this include D&Cs, PCDs and Payzones?

These questions (Q7-8) refer to Chapter 3. A Post Office fit for the modern age.

7. In this Green Paper, government assesses that Post Office's role will change in the following ways over the next five to ten years:
- For postal services, government expects Post Office to continue on its journey to enable branches to become multi-carrier hubs while working closely with the new ownership of Royal Mail on any proposals to increase collaboration between these two national institutions

Increased footfall is very much supported, especially if alongside fair remuneration, equipment and support.

Further collaboration with RM is welcome, though we are aware the relationship comes as a risk as it is still a significant part of PO's income.

Is the Restrictions Policy hindering entrepreneurial spirit by limiting the choice to the consumer?

- For cash and banking, Banking Framework 4 secures Post Office's important role in providing services to the end of the decade. The government would welcome continued collaboration between Post Office and the banking sector, on a commercial basis and will look to host joint discussions with Post Office and the banking sector in the coming months

Banking Framework 4 (BF4) assumes that banking hubs should always be the priority, whereas many Postmasters believe the current infrastructure should be used and developed. Enhanced post offices make use of existing offices, therefore if cash access and banking services are promoted, this helps ensure the viability of the whole network.

The BF4, currently helps to secure Post Office's role in providing access to banking services until the end of the decade. However, this work comes with risks and the remuneration does not reflect the work involved. Due to these risks, the NFSP believes that postmasters should have greater protection against money laundering, including training to spot potential fraudulent activity. In addition, the Suspicious Activity Reports (SARs) process needs to be simple and transparent with a response given to the postmaster. The SAR should be available on Horizon and/or Branch Hub. Banks need to take more responsibility for money laundering.

The NFSP has not been involved in BF4 discussions, and feel as the postmaster representative body we should have a seat at the table to highlight the concerns and suggestions of postmasters.

More banking services should be offered, and all services aligned for each bank so that post offices become the “Front Office of Banks”. In addition, the reintroduction of children’s savings accounts and Lifetime ISAs would be welcomed.

- For government services, while many people increasingly prefer to access government services online, Post Office is well placed to continue supporting digitally excluded and vulnerable customers who need or prefer in-person services

This is a valuable public service, and one that often involves additional time, responsibility and a lot of patience — all without fair remuneration.

Action is required to add to these services, such as local government services, and retain those we currently hold. We also request that services available to England, Wales and Scotland should be available to post offices in Northern Ireland, such as driving licenses.

We support the idea of a government aggregate business to collate all Local Authorities, which would bypass duplicate procurement processes, and add to services offered over the counter.

Do you agree with this assessment of how Post Office’s role in postal services, cash and banking services, and government services will change over the next five to ten years?

- a) Yes
- b) Somewhat
- c) No
- d) Don’t know

Based on your answers above, do you agree or not?

8. Please explain your answer and add any further comments [free text box]

There is often a lack of vision and innovation from government and PO towards future plans for the network. What are PO’s plans to become commercially viable?

Government services at post offices should centre around provision for the digitally-excluded and other vulnerable groups, therefore greater access to government services is required, both nationwide and local.

These questions (Q9-15) refer to Chapter 4. How to operate Post Office's branch network to best deliver the policy objectives.

9. Which of the following policy options for what a future Post Office network could look like do you prefer:

- Maintain Government's existing requirements including the 11,500 minimum branch requirement and the geographical Access Criteria

Keep the status quo. This helps maintain trust and ensures nationwide coverage.

- Maintain the geographical Access Criteria but remove the overall minimum branch requirement

Decrease the number of branches to below 11,500. This could come with a risk of a slow decline across the network. Would this come with an offer of compensated closure, and would those who stay open be impacted?

There have been three transformation plans since 2003; Network Change; Network Urban Reinvention; and Network Transformation. All of which cost the taxpayer billions though did not deliver a network fit for purpose.

Does Government want to deliver a viable network? Have previous transformation programmes been value for money to the taxpayer?

- Develop new requirements designed to target local areas with insufficient service provision

How would this work, and would there be a bias towards urban areas? Could this allow for more D&Cs, and open up what is defined as a post office?

- I don't have a preferred option

10. Please explain your preference [free text]

11. If you have any alternative suggestions for how the network requirements should change, please set them out here [free text]

We are interested in your views on the minor options for how the network requirements should change. To what extent do you agree with the following options?

[1-5 scale: Strongly agree, 2 = somewhat agree, 3 = neither agree nor disagree, 4 = somewhat disagree, 5 = strongly disagree]

12. To what extent do you agree with the following options: introduce customer service targets

Targets could standardise and improve the customer experience, however, what would these targets cover and who would set and monitor them? This could be included in Operational Excellence Initiatives, therefore would extra money be included with this, and how do you feel about the added pressure?

13. To what extent do you agree with the following options: Review the postcode access criteria

The access criteria is based on postcodes, therefore a review could be a chance to update this. However, there is also the risk that this could have a bias towards urban areas and lead to relaxed standards. How else could fair access be ensured across the UK? Should government services and couriers be added to the access criteria, as this would enable more key services across the network.

14. To what extent do you agree with the following options: Review what counts as a Post Office branch

Currently service and opening times vary, therefore a review could either standardise or relax what is defined as a post office branch. Could a review lead to a reduction in the number of branches, and how would this impact on public trust and perception?

Many stakeholders request longer opening hours, however the remuneration does not justify this. "Everyone wants a Post Office but no-one wants to pay for it"

15. Please explain your answers [free text]

These questions (Q16-32) refer to Chapter 5: Reforming the governance and long-term ownership arrangements for Post Office.

16. The existing governance structures have postmaster non-executive directors on the Post Office Board, alongside Post Office's new Consultative Council and Postmaster Panel. Do you believe that these existing governance structures are sufficient for achieving Post Office's cultural transformation?

- a) Yes
- b) Somewhat
- c) No
- a) Don't know

All of these governance functions are set up and controlled by PO, yet PO state they want cultural change.

Are you happy with these structures staying under the remit of PO or should greater external independent oversight of PO be introduced? Postmasters have to question whether the Postmaster Non-Executive Directors, Consultative Council, Postmasters Panel and Postmaster Forums should be under the control of PO.

17. Please explain your answer (free text)

The NFSP has long called for external scrutiny of PO decisions and strategy, especially in light of findings uncovered during the Horizon Inquiry. The NEDS, Postmaster Panel and Consultative Council are all run and controlled by Post Office, therefore, there is still no easy feed in mechanism to scrutinise Post Office. The current structure meets the needs of Post Office, but not those of the postmaster.

We are interested in your views on whether various aspects of the current governance model need to be changed. To what extent do you agree with the following statements about Post Office's governance model

(Strongly dis / dis / neither disagree or agree / agree / strongly agree)

18. To what extent do you agree with the following statement: Postmaster engagement bodies should be set up to be permanent.

This question is looking for views on how PO is governed. These structures are for individual Postmasters and do not function as a collective voice, therefore are they fully transparent, democratic and aligning to PO's intended culture? If not, they should not be made permanent.

19. To what extent do you agree with the following statement: Postmaster engagement bodies should be set up with a clear remit.

Who would set this remit? Is it a case at present, that current remits are set by PO to conform to their own needs and not those of the Postmaster?

20. To what extent do you agree with the following statement: Postmaster engagement bodies should be independent of Post Office.

Is independence financial or strategic control, or both?

Postmaster engagement bodies should have the authority to speak openly and critically. Current structures are a small step forward, however they are still too close to PO management, and have very limited power to drive change.

21. To what extent do you agree with the following statement: Any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan.

What is PO's Transformation Plan or strategy to deliver it? We've heard the goal is to reduce costs, reverse the polarity and offer a new deal for Postmasters, however we do not know the strategy on how this is to be delivered?

How do Postmasters feel about a consultation process that makes it clear there is a plan in place already and cannot be changed? Where is Postmaster inclusion on long term planning?

How do Postmasters feel about the amount of money government provided to PO for NBiT, and how do they feel about the cancellation of this programme, along with the waste of money? Do you feel you were consulted on this, or have you been told and given no option to feed in?

Is PO's Transformation Plan another Network Change (2003), Network Urban Reinvention (2007) and Network Transformation (2012)?

22. To what extent do you agree with the following statement: Postmasters should be able to input more than they currently do into government's decisions on Post Office.

Postmasters should have more input and play a bigger role in shaping government policy.

Do you want multiple representative bodies or a single voice? The NFSP has put forward the Oversight Committee which would offer an external scrutiny function from various audiences.

Does PO use multiple forums under its control to push forward its desired narrative and to deliver its objectives? Postmasters are crucial to the network and have first-hand insight into what works and what doesn't. Government decisions regarding the future of the Post Office should be informed heavily by those who run it day to day.

23. To what extent do you agree with the following statement: Engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters

Agreed, and this is within the NFSP's Oversight Committee proposal as it would offer a greater balance of perspectives, including those of the customer representative, which is key to meeting the social value and purpose of the Post Office.

24. To what extent do you agree with the following statement: Postmasters should be represented by an organisation not funded by Post Office.

While financial independence is vital, the main focus should be on transparency and strong governance. A representative organisation can be funded by Post Office if clear safeguards are in place to protect its autonomy.

The NFSP is funded by PO, as are NEDs, PM groups attending the Consultative Council, PM Panel members, and individuals attending the regional forums. Unions are funded by union facilitations provided by the employer.

25. To what extent do you agree with the following statement: Post Office should be free to consult a wide range of groups representing postmasters on issues such as remuneration and contractual issues.

Currently, the PM contract states that PO only consults with the NFSP therefore, do Postmasters see consultation with other groups as a breach of contract.

Do you think the PO would use its ability to consult with a wide range of representative groups as a divide and conquer tactic to further its goal and objectives to the detriment of Postmasters?

What factors would be required to constitute a representative body?

26. Which of the following aspects of the governance model that could be changed is the most important to you? Please select one answer only.

- b) Postmaster engagement bodies should be set up to be permanent.
- c) Postmaster engagement bodies should be set up with a clear remit.
- d) Postmaster engagement bodies should be independent of Post Office.
- e) Any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan.
- f) Postmasters should be able to input more than they currently do into Government's decisions on Post Office.
- g) Engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters.
- h) Postmasters should be represented by an organisation not funded by Post Office.
- i) Post Office should be free to consult more widely on issues such as remuneration and contractual issues.

This question could be intended as a divide and conquer, and to dilute the power of the collective.

What is for the best of postmasters? A collective or an individual voice? Pick the option that aligns with your vision of fair and accountable representation.

27. Which of the following options for managing Post Office in the long term do you think government should pursue:

- a) conversion of Post Office into a mutual
- b) charter model for Post Office
- c) keep the existing governance structures
- d) another option

Please read the Green Paper's synopsis of a mutual and a charter model to fully understand this question (P.56-60).

A mutual would offer equality and equity as everybody who is part of it would own it.

We are interested in your views on longer-term governance options. To what extent do you agree or disagree with the following statements:

28. To what extent do you agree with the following statement: In a potential mutual model postmasters should not take on overall financial liabilities for the organisation.

Postmasters should be protected from risk and not be financially liable, however they should have a share in the profits.

Who would be responsible for financial losses and previous liabilities, such as the cost of the GLO, pension deficits, redundancies etc?

Postmasters should have a real say in how the Post Office is run – but that shouldn't come at the price of putting their homes or finances on the line if something goes wrong nationally.

29. To what extent do you agree with the following statement: Under mutualisation Post Office should be completely independent from government.

What is meant by independence? There needs to be a strong relationship, where both parties are working together for mutual benefit, though with the freedom to innovate, however this independence should not lose the funding from government.

RM and PO were the same company, whereas now the interests of RM do not benefit PO. Would there be a dominant partner?

30. To what extent do you agree with the following statement: In a potential mutual model, only postmasters and strategic partners should be able to be members.

This excludes employees which seems unfair. Everyone who works in/for a post office should benefit and work towards the same goal. It would bring the two together.

We would welcome strategic partners as members as they would bring in a commercial aspect to decision making.

31. To what extent do you agree with the following statement: Post Office should be given more independence from government once Post Office has achieved its cultural and financial policy objectives.

Achieving the cultural objectives are paramount, however who decides if these have been met and what measures are being used?

Financial independence from government should be in long term planning and not short term to ensure the new model is fully embedded and functioning.

32. Apart from the changes and options suggested in questions 12-15, do you have any other suggestions for how governance arrangements for Post Office should change in the short or longer term? [free text box]

We need a governance model where postmasters have been granted real power and not just in an advisory capacity. Transparency in decision making is key, therefore access to board minutes and less commercial information restrictions could be considered.

33. Do you have any other views on the points raised in this consultation that you feel the government should consider regarding the future of Post Office? [free text box]

How were past decisions made e.g., NT and the financial scrutiny afterwards? Have these decisions helped in the future and left the business more stable? If not, have lessons been learned?