

Post Office News - April 2020

Post offices stay open during coronavirus pandemic

Post offices are one of the few outlets <u>permitted to remain open</u>, despite strict curbs placed on shops by the government to slow the pandemic's spread. Other outlets that are permitted to trade include supermarkets, banks, pharmacies, newsagents and garages.

Many post offices have reduced their <u>opening hours</u>. Crown and WHSmith branches are open 9am-3pm Monday - Friday, 9am-12.30pm Saturday. All other post offices are open at hours decided by the postmaster.

Post Office Ltd (POL) is advising customers to follow public health guidance for social distancing. Post offices may have floor markers and other reminders to help customers stay 2 metres apart. POL says it is also providing branches with protective screens, gloves and perspex screens.

POL has announced that all independent postmasters will receive 100% guaranteed remuneration in April and 90% in May. The guarantee is based on an average of monthly remuneration for the previous quarter.

Royal Mail says it is seeking to deliver <u>as comprehensive service as possible</u>, however warns that the company is experiencing growing levels of employee absence due to illness and self-isolation. Some next day services have been suspended, and there are changes to delivery procedures to include social distancing measures protecting both staff and customers.

Government assurances on Post Office oversight

Earlier in the month, a <u>Westminster Hall debate</u> saw MPs expressing concerns about the future of the post office network. Referencing <u>Citizens Advice research</u>, MPs described the "crucial economic and social role" played by post offices. MPs focused on the provision of services to people who are not online

and the banking and cash services provided by post offices.

Many MPs were worried about the financial pressures on postmasters, and feared that low pay could result in post office closures. Several stressed the importance of government funding, and called for the government to play a greater role in shaping the future of the network.

Business Energy and Industrial Strategy (BEIS) minister, Amanda Solloway MP, highlighted the government's £2bn investment over the last decade and said the network is more sustainable today than 10 years ago. Ms Solloway assured MPs that POL is committed to maintaining the branch network, and emphasised Citizens Advice's role in tracking the impact of post office changes on consumers. She said the government will continue to monitor and proactively challenge the Post Office leadership. BEIS is "looking at what more needs to be done, and it will outline the next steps in due course".

Concerns over Post Office governance were also raised during a <u>Commons</u> <u>debate on the Horizon</u> Post Office accounting system. The recently appointed postal affairs minister, Paul Scully MP, said a <u>new framework document</u> clearly defines the responsibilities and accountabilities of the Post Office, BEIS and UK Government Investments (UKGI).

BEIS Committee launches Horizon inquiry

The BEIS committee launched an <u>inquiry on issues emerging from the Horizon</u> IT court cases, looking at the impact on postmasters and its effect on the future viability of the Post Office. The committee's chair, Rachel Reeves, said "it's right to examine what [POL] and the government have learned from this scandal and establish what steps they are taking to ensure something similar never happens again".

The inquiry focuses on damage Horizon caused to the relationship between POL and subpostmasters, whether the costs of the Horizon case have adversely affected Post Office services, POL's transparency in decision making, and the role played by BEIS and UKGI.

Separately, dozens of former subpostmasters are due to have Horizon-related convictions of fraud, theft and false accounting sent to the <u>Court of Appeal</u>. The Criminal Cases Review Commission found their prosecutions had been an abuse of process. At the end of March, 39 out of 61 cases were to be referred, with the remainder still under scrutiny. However, POL's planned launch of a <u>scheme to independently assess applications</u> from current and former postmasters who

believe they have experienced shortfalls related to Horizon has been postponed due to the coronavirus outbreak.

'Post Office in a Box' trials

The new 'Post Office in a Box' is designed to quickly set up Post Office services when a post office has temporarily closed. The Post Office in a Box measures 845mm by 845mm, operates on 4G technology and provides a range of services including cash withdrawals and deposits, bill payment services, sending and collection of mail and parcels.

POL says the concept is designed to get Post Office services quickly to local communities, for instance where a branch has been damaged due to adverse weather or whilst a new postmaster is waiting for a permanent counter to be installed. Trials have been taking place in 5 locations across the UK.

Postal workers 'additional emergency service' offer

The Communication Workers Union (CWU) says postal workers should expand their current role and become an <u>additional emergency service</u>, delivering medical aid, checking on older and vulnerable people, assisting with foodbank collections and delivering food parcels to people most in need.

The CWU's proposal follows a decisive vote for strike action over Royal Mail's heavily disputed restructuring plans. However, the union says the growing health crisis is changing the priorities of its members and the country. Royal Mail has <u>not confirmed</u> whether it is putting its restructuring plans on hold.

The CWU has also called for <u>temporary changes</u> to protect workers. These include reducing daily deliveries to 3 times a week, with only parcels and 1st class mail being delivered on alternate days. The union says all unaddressed advertising mail should be suspended.