

Rt Hon Liam Byrne MP Chair of the Business and Trade Committee House of Commons London SW1A 0AA 05 May 2025

Post Office Ltd 100 Wood Street London EC2V 7ER

Dear Mr Byrne,

New Leadership for the Future of Post Office

I have recently been appointed CEO of Post Office and I am greatly honoured to be able to lead this great British institution which plays such a vital role in communities across the country. Under new leadership, my team and I are fully focussed on ensuring Post Office delivers for the millions of customers who rely on the vital services provided by Postmasters.

To succeed as a business means we must better serve the Postmasters at the heart of the high street so they can keep their branches open in the face of unprecedented challenges in the retail sector. Post Office therefore urgently needs a refresh. Since I joined the business last summer, we have already announced a number of changes as part of a transformation plan to secure the viability of the business for years to come. Our five-year Transformation Plan will deliver a 'New Deal for Postmasters' by reducing Post Office's central costs and expanding our offering to see Postmasters receiving an additional quarter of a billion pounds in remuneration every year by 2030; subject to the Government funding needed to fully enact this plan.

However, to achieve the fundamental change needed will require more than ensuring that Postmasters are fairly remunerated—it also requires ensuring that their views are heard at every level of the business. To this end, in addition to strengthening Postmaster representation on the Post Office Board, a Postmaster Consultative Council has also been set up to advise on the strategic direction of the business while a Postmaster Panel has been established to advise on Postmaster policies and related operational matters. Taken together, increased Postmaster remuneration and better representation will help deliver our vision of revived UK high streets with busy Post Offices at their core, where a range of mails, banking and other inperson services enable both consumers and small businesses to drive growth in their community.

Postmasters' offering of in-person services has become increasingly important as bank branch closures continue, leaving Post Offices and the nearly 150 Banking Hubs as the only places where people can do everyday banking in a secure location staffed by knowledgeable Postmasters. I am delighted, then, that the first announcement I have been able to make as CEO has been on the next iteration of our Banking Framework Agreement (Banking Framework 4), which not only renews the ability of both personal and business customers of over 30 UK banks to deposit and withdraw cash from their accounts at Post Offices, but provides for important investments in automation to improve customer experience and reduce Postmasters' cost to serve. I hope these improvements and continued growth of the Banking Hub network over the coming years will cement Postmasters' role as the default providers of free to access banking services for the high street.

At the same time, our growing partnerships with global carriers like Evri, DPD and Amazon, together with our longstanding partnership with Royal Mail, is making post offices the one stop shop for parcel services on the high street, enabling Postmasters to provide a better range of services for customers. Under new leadership, I will ensure that Post Office takes advantage of commercial opportunities like these, to benefit Postmasters and maintain our nationwide network of branches.

As we look to build a growing and sustainable Post Office for the future, I am conscious that our business is, for many, still tainted by scandal and the actions of the past. Post Office cannot truly ensure today's Postmasters can thrive until every victim of the scandal has received the redress that they deserve. Although progress has been made and more than £900 million has been paid in redress, there are still many waiting for the closure that full redress will bring them. I welcome the efforts the Government has recently made to improve redress by opening up an appeals mechanism in the Horizon Shortfall Scheme (HSS) and by taking over Overturned Convictions (OC) from Post Office. However, as I have said to the many victims and campaigners I have met, and as your Committee has noted on numerous occasions, the Government must do all it can to deliver full redress to these victims so that they and their families can get on with the rest of their lives.

Post Office also has its own responsibility to learn from the mistakes of the past and I look to the publication of Sir Wyn Williams' Inquiry report as a significant milestone for both the victims of the scandal and for Post Office. Post Office is changing based on evidence that came out of the Inquiry and is changing to become the business that Postmasters deserve. Sir Wyn's report will help inform how we shape the Post Office of the future; as will the Government's Green Paper on the Future of Post Office due to be published later this year and we are already working closely with colleagues in the Department of Business and Trade on this.

I have a vision for Post Office, where we learn from our past to deliver more representation and remuneration to the Postmasters that are our lifeblood; a vision which allows them to excel at supporting their communities and high streets which make up a vital part of the social fabric of this country.

I am determined to ensure Postmasters have a successful future and, as I take up my new role, I hope you will meet with me to discuss how we can work together to realise it.

Yours sincerely,

Neil Brocklehurst

Chief Executive, Post Office Ltd