# Post Office consultation and citizen engagement

Research findings from the public consultation on the future of Post Office

November 2025

# Contents

# Executive summary

Between 14 July and 6 October 2025, the Department for Business and Trade (DBT) conducted a public consultation on the Green Paper about the future of Post Office. This consultation sought views on the services provided, the structure and governance of the network, and how Post Office can evolve to meet future needs. The Social Agency, in partnership with TONIC, analysed responses and conducted supplementary discussion groups with postmasters and members of the public.

A total of 2,527 responses were received. 74% of responses came from members of the public, 14% from postmasters, and the remainder from Post Office Ltd, Businesses, and Other Stakeholders. Additionally, 8 discussion groups were held with a total of 64 public participants, and 2 discussion groups were held with a total of 16 postmasters.

## Government's vision for Post Office

There was very strong agreement with the core policy aims of: maintaining access to critical services for those who cannot or will not obtain them elsewhere (98% agree); prioritising a network mostly of permanent, full-hours branches (89%); supporting high streets (89%); and ensuring an accountable, transparent, positive-culture organisation (97%). Views were more mixed on reducing reliance on government funding (50% agree; 29% disagree; 21% unsure). Respondents widely rejected privatisation narratives and stressed social value alongside commercial viability. Postmasters involved in the group discussions were also supportive of the vision, particularly concerning developing a positive culture and providing critical services. Postmaster support was qualified by concerns about implementation, delivery, and whether the vision adequately reflected the realities of running Post Office branches.

## A Post Office fit for the modern age

The majority of respondents across the respondent groups agreed with the government's assessment of how Post Office's role would change over the next 5 to10 years (65% fully agreed and a further 27% somewhat agreed). Some respondents felt there should be a longer planning horizon beyond 2030, accelerated modernisation of core systems (including external procurement where appropriate), and a stronger role for Post Office in digital identity and assisted digital support. Some raised concerns about the trajectory of the relationship with Royal Mail and suggested government intervention to secure closer alignment. Branch hosts reported rising operating pressures and emphasised the contribution of Travel Money to footfall and income. Several responses supported expanding government services, with some advocating exclusivity for Post Office.

### Banking

Consultation respondents supported retaining branches and in-person services, stressing the needs of older, vulnerable and digitally excluded customers, particularly in rural and remote areas. Banking Framework 4 was viewed as a crucial step forward but that it needed to go further, with some calling for higher withdrawal and deposit limits, a wider range of services, and stronger, long-term arrangements with banks. Proposals for further development included making bank

participation in the framework compulsory, mandating a larger Post Office role to secure sustainable income, prohibiting removal of key services without ministerial approval, and preventing higher fees for customers depositing cash at post offices. Concerns were raised about the balance of the relationship between banks and Post Office, with calls for banks to bear greater compliance responsibilities and for better training and remuneration for postmasters. Evidence provided by some stakeholders highlighted the importance of counters for financial inclusion; some favoured plural access-to-cash delivery rather than a single mandated provider, while others argued that Banking Hubs should not displace full-service branches. A number of respondents cautioned that proposals needed specific protections and support for rural and small premises. There was qualified support for multi-carrier parcel hubs, paired with concerns about limited space, low margins and the need for streamlined technology and consistent branch participation. A number of stakeholders called for a publicly owned Post Bank to ensure accessibility to all and to diversify revenue streams.

Postmasters involved in the group discussions expressed qualified support for the multi-carrier hub concept, conditional on commercial terms that reflected true costs, streamlined systems, comprehensive training and consistent nationwide availability. They highlighted low parcel margins, the need for standardised banking processes and limits across institutions, and investment in infrastructure such as counters and teller cash recyclers. They viewed current banking remuneration as insufficient relative to volumes and responsibilities and questioned long-term viability without stronger bank contributions and clearer, longer-term agreements. They supported a wider in-branch role for government services but noted that time spent helping customers was often unpaid.

Members of the public involved in group discussions were broadly supportive of multi-carrier hubs but questioned whether this represented a significant change without modernisation of systems, space and opening hours. Awareness of Post Office banking services was low, though face-to-face transactions were valued for reassurance; participants suggested in-branch cash machines capable of handling deposits and withdrawals to improve speed and convenience.

## How to operate Post Office's branch network to best deliver the policy objectives

### Network structure

Preferences were mixed about the future Post Office network structure across the various engagement methods that were part of the consultation. 50% of those who responded to the consultation survey preferred maintaining the current minimum branch requirement and geographical access criteria. Postmasters involved in the group discussions preferred maintaining the access rules but removing the minimum branch rules. In contrast, public participants involved in the group discussions rejected the idea of maintaining any of the current requirements and identified setting new requirements for areas with little service provision as their preferred option.

### Customer service and standards

Views were mixed on introducing customer-service targets (39% agree; 31% unsure; 31% disagree). Supporters saw targets as a route to consistency while critics warned that uniform targets could risk unintended consequences, given the varied branch contexts and current operational pressures. The main views expressed included the need to resolve foundational issues

(such as IT, staffing, remuneration and training) and focus on support and coaching of postmasters before, or instead of, using more punitive metrics. Public and postmasters involved in the group discussions had limited support for introducing customer-service targets, believing the network was too diverse to set meaningful targets.

### Review postcode access criteria

Overall, views were fairly mixed on whether to review the postcode access criteria (46% agree; 31% unsure; 23% disagree), however nearly two thirds (65%) of Post Office Ltd and postmasters were in favour of a review. Those who wanted the postcode access criteria review viewed the current system as arbitrary and inadequate. They argued that relying solely on postcodes ignores key factors like rural versus urban differences, accessibility, transport options, parking, opening hours, and local conditions. Those who were unsure expressed concerns that this could represent a cost-cutting exercise to reduce branch numbers. This was echoed by those who disagreed, who felt that less profitable branches and outreach services could be removed through this process.

### Review what counts as a Post Office branch

Over half of respondents (52%) agreed there should be a review of what counts as a Post Office branch. Supporters of this proposal felt the review would further define a branch as a full-time location with a dedicated counter and trained staff, while smaller or non-dedicated sites could be labelled differently (for example, 'outlets') to avoid confusion. Some advocated for a flexible model tailored to local needs, noting that service requirements vary by community (for example, business banking in commercial areas, basic outlets in online-focused communities). They emphasised that not all branches need every specialist service and that flexibility supports accessibility and financial viability.

## Reforming the governance and long-term ownership arrangements

### Culture, governance and trust

There was no clear consensus on whether current governance for Post Office is sufficient (20% sufficient; 27% somewhat sufficient; 23% not sufficient; and 30% don't know). Reasons respondents gave for their views highlighted mistrust of leadership following the Horizon IT scandal, a desire for visible accountability, and stronger, more independent routes for the inclusion of the postmaster voice. Clear majorities agreed with future governance incorporating permanent engagement bodies (68%) with a clear remit (78%) and greater independence (65%), with diverse membership (65%), freedom to consult a wide range of postmaster representative groups (74%) and representation not funded by Post Office Ltd (65%), alongside greater scope for postmasters to input into government decisions (88%). However, there was some caution urged about implementing these changes, with just under half (49%) stating that governance measures should not slow down the current Transformation Plan.

Additionally, postmasters involved in the group discussions were critical of how the current governance structure operated in practice. Postmasters believed the arms-length governance model had contributed to the Horizon scandal and had allowed Post Office Ltd to operate without adequate accountability.

## Long-term ownership and independence

No single long-term governance option commanded a majority, with the largest group (37%) preferring a mutual, 32% wishing to keep current arrangements, and 18% supporting a charter model. If mutualisation were to be pursued, most agreed postmasters should not bear overall financial liabilities (72%). 51% agreed Post Office should be given more independence once its cultural and financial objectives are met.

Views were split on full independence from government under a mutual (41% agree; 36% disagree; 23% unsure), and on restricting membership to postmasters and strategic partners (43% agree; 24% disagree; 33% unsure). Views expressed about financial sustainability showed that some respondents had concerns about the risk of future privatisation and the impact on rural and vulnerable communities.

Some respondents urged that decisions on governance reforms should await the Horizon Inquiry's final report, stating that any transition should be timed to protect service continuity and trust. Government has stated it will not make immediate decisions on governance or ownership until the Horizon Inquiry's final report is published.

Postmasters involved in the group discussions identified a mutual governance model as attractive in principle but had significant concerns regarding whether Post Office could ever be financially viable to enable mutualisation. Postmasters expressed limited support for a charter model.

## Cross-cutting messages

Across the questions on governance, respondents consistently raised the following themes:

- the value of Post Office's role as part of civic infrastructure

- the importance of maintaining in-person services, especially for those who are digitally excluded, rural and vulnerable users

- fair and sustainable postmaster remuneration was vital for sustainability of branches

- the need to provide clarity over what 'counts' as a branch

- widespread support for expanding banking and government services in branches, with calls for an improved banking offer and cash access alongside stronger partnerships with financial institutions

- a call for transparent, accountable governance that ensures meaningful inclusion of postmaster and customer voices

# Chapter 1: Introduction

## Background to the consultation

Between 14 July and 6 October 2025, the DBT ran a public consultation that sought views on the future of Post Office, including the services it provides, how they modernise and strengthen the network, and how they change the culture and the way in which Post Office is managed.

Responses to this consultation will be used to better understand what customers, communities and postmasters would like to see from a modern Post Office, to help shape the company's future. This report sets out the findings from analysis of responses to this consultation.

DBT commissioned The Social Agency, in partnership with TONIC, to analyse findings from the consultation and conduct discussion groups with postmasters and members of the public to complement the written consultation responses. This report mirrors the structure of the Green Paper on 'Future of Post Office' and covers:

- government's vision for Post Office

- a Post Office fit for the modern age

- how to operate Post Office's branch network to best deliver the policy objectives

- reforming the governance and long-term ownership arrangements for Post Office

## Synthesis of the consultation and discussion group findings

The Social Agency and TONIC worked in close partnership to synthesise all analytical outputs from the consultation into a single, coherent evidence base. This brought together three strands of data:

- TONIC's quantitative and qualitative analysis of consultation responses (including both open and closed questions)

- TONIC's review and coding of non-standard submissions such as reports and position statements

- The Social Agency's qualitative analysis of focus groups conducted with members of the public and postmasters

## Disclaimer

This report conveys the key messages arising from the analysis of the consultation responses and the group discussions with members of the public and postmasters. The report utilises the language and terminology used by respondents in order to provide the most reliable summary of these responses. We have illustrated some themes identified through the analysis with direct quotations from the response data. It intentionally does not provide challenge or critique on the key messages, for example by checking of links to published data as part of responses provided.

Therefore, the views expressed, and language used in the report, do not represent the views of The Social Agency, TONIC nor DBT, but are a faithful analysis of the response data.

# Chapter 2: Methodology

## Consultation respondent details

A total of 2,527 consultation responses were received.

Participants were asked in which capacity they were responding. The majority (74%) of responses came from members of the public, 14% from postmasters, 5% stating they were from Post Office Ltd, and 3% from businesses. The demographic breakdown of respondents to the consultation is available in Annex D.

**Chart A: Respondents by type (n=2,527)**



Some respondents indicated that their responses were submitted on behalf of an organisation or business and also provided the name of their organisation or business. We have compiled these names in Annex A of this report. A small number of responses (4) were identified as duplicates and removed from the data set for analysis.

## Consultation response analysis methods

TONIC, an independent social research organisation specialising in public consultations, produced a summary of responses to the consultation. To achieve this, TONIC conducted a quantitative

analysis for all responses to the closed (multiple choice) questions and used thematic analysis[1] to summarise the written responses to the open (free text) questions.

## Notes on reading the consultation analysis findings

Participation in the consultation was on a self-selecting basis. The findings in the report, therefore, carry the unavoidable risk of self-selection bias and are, therefore, not generalisable to the overall population. The consultation survey asked 25 closed questions and 8 open questions, which allowed respondents to both state and explain their views.

In some cases, qualitative analysis of a respondent's answers to the open-ended consultation questions resulted in multiple references to the same theme. This was particularly the case for longer responses. The qualitative analysis drew on all references coded to a theme. The structure of this report mirrors the way questions were asked in the Green Paper and consultation materials.

It is worth noting that the quantitative results presented in this report should be considered in the context of the accompanying qualitative response themes and explanations, and that the figures, in and of themselves, do not provide a complete picture. We have provided summary graphs setting out the results of closed questions. For ease of reading, we have combined response categories – for example, those who strongly agree and somewhat agree are combined into an 'agree' category. Unless displayed otherwise, percentage figures are rounded to the nearest whole number and therefore may not always add up to 100%. To aid understanding of the views of different stakeholders, these graphs show the data analysed by the following respondent groups as well as the overall total of all responses received:

- public – those responding as a member of the public

- Post Office – those responding as a postmaster, from Post Office Ltd or as a postmaster group[2]

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[1] Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

[2] We have grouped these respondents into one type, as they are involved in the delivery of the Post Office

- business – those responding on behalf of a business

- other stakeholders – those responding on behalf of other stakeholder groups, including local government, charities, trade unions, business associations, trade bodies, think tanks, banks, building societies, financial organisations, consumer organisations, researchers, and academics; this category also included those who did not state in which capacity they were responding to the consultation and those who selected the 'other' option.

Further methodological details for the analysis are set out in Annex C.

## Discussion groups

Discussion groups were undertaken to understand public and postmaster views on the future of Post Office in greater depth. In total, 8 discussion groups were held with a total of 64 public participants, and 2 discussion groups held with a total of 16 postmasters.

### Public discussion groups

Public discussion groups were held face-to-face in each of the 4 UK nations, in the following rural and urban locations:

- England: Norfolk and Birmingham

- Northern Ireland: Dungannon and Belfast

- Scotland: Falkirk and Glasgow

- Wales: Pontypridd and Swansea

Public participants were recruited through free-find to include a mix of demographics, as well as users and non-users of Post Office, and people who are digitally excluded. Public discussion groups were held as reconvened sessions, with the same participants meeting on two occasions. Each session lasted 2.5 hours. The public were provided with background information on Post Office, including details on its commercial performance and social value, as well as trends affecting service use. The public groups focused on 2 issues from the consultation green paper:

- ensuring Post Office is fit for the modern age (session 1): government assessment of how Post Office's role will change regarding postal services, banking services and government services

- policy options for what a future Post Office network could look like (session 2): options to either maintain or change rules concerning the minimum branch number and access criteria

### Postmaster discussion groups

Postmasters were recruited through a range of channels, including via Post Office Ltd email and newsletters, and other communications distributed via the National Federation of Sub Postmasters, the Communication Workers Union and the Voice of the Postmaster. Postmasters were invited to express an interest in taking part in the research and 16 were selected to join the sessions. Selection was based on a mix of Post Office branch types, locations, and length of time as a postmaster.

As discussion groups were held in the wake of the Horizon IT scandal, a trauma informed research design was adopted. This involved signposting postmasters to additional support before the group discussion and ensuring the group facilitators were trained to recognise and manage signs of trauma during the group discussion. Postmaster discussion groups were held online as single sessions, which lasted 2.5 hours. Postmasters discussed all the questions in the consultation Green Paper.

Methodological details for the public and postmaster discussion groups are provided in Annex C.

# Chapter 3: Government's vision for Post Office

The public consultation document 'Future of Post Office' sets out the government's overarching ambition for Post Office to remain a vital part of the UK's social and economic fabric – delivering essential services, supporting communities, and operating as a modern, financially sustainable organisation. The government identifies Post Office's central purpose as providing postal, banking and other key services to those who cannot, or choose not to, access them elsewhere. Maintaining a widespread network of accessible, face-to-face branches is seen as essential for social inclusion, community resilience and convenience, particularly for rural areas, small businesses and vulnerable individuals.

To achieve these aims, the government proposes that the network should consist predominantly of permanent, full-hours branches offering a wide range of services alongside retail activity, as these provide the greatest value to local communities and economies. The Post Office is also viewed as an anchor for high streets, helping to stimulate local trade and footfall – with consumer spending linked to Post Office visits estimated at over £3 billion each year.

Alongside these network objectives, the consultation highlights the need for Post Office Ltd to operate with stronger accountability, transparency and a positive organisational culture, following the failings exposed by the Horizon scandal. The government also emphasises the importance of reducing reliance on public funding over time by ensuring the organisation adapts to changing markets, modernises its systems, and becomes financially self-sustaining.
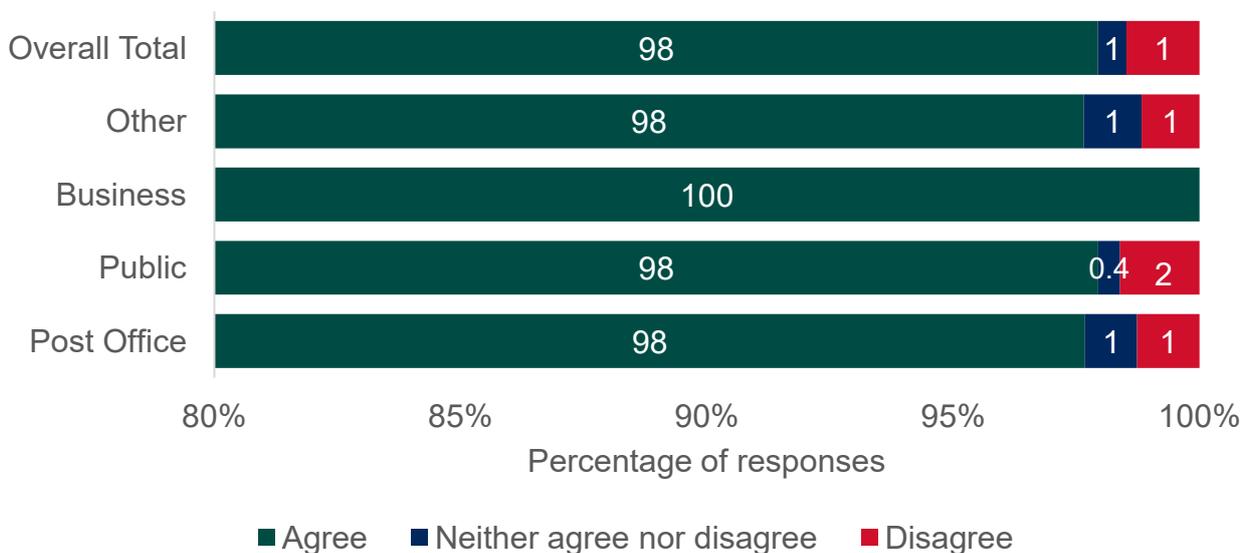
These themes provided the context for the consultation questions that followed, which sought views on how Post Office can best deliver accessible services, support communities and businesses, and secure a sustainable, trusted future for the network.

## Question 1. To what extent do you agree with policy objective 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?

The clear majority (98%) of respondents agreed with the policy objective that the Post Office network should provide critical postal, banking, government and utility bill-payment services to those who cannot or will not get them elsewhere.

Similar majorities agreed with this policy objective across all respondent groups: Post Office Ltd and postmasters (98%), members of the public (98%), business (100%) and other stakeholders (98%).

**Chart B: To what extent do you agree with policy objective 1 (n=2,428)**



A horizontal stacked bar chart showing percentage of responses by category:

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 98 | 1 | 1 |
| Other | 98 | 1 | 1 |
| Business | 100 | | |
| Public | 98 | 0.4 | 2 |
| Post Office | 98 | 1 | 1 |

Percentage of responses

Legend: ■ Agree ■ Neither agree nor disagree ■ Disagree

## Summary of themes

### The importance of post offices in the community
More than half of respondents stated their belief that a post office branch is a vital part of every community, and especially in rural and remote communities, as well as those where many local banks and shops have closed. Respondents believed that post offices play an important role in wellbeing, welfare and social connection, offering a safe face-to-face service at a time of digital take over and rising online fraud. Many concerns were raised that post office closures would severely impact vulnerable customers – especially the elderly and disabled, people with mobility issues, people in deprived areas and areas with poor transport links, as well as those who are unable or choose not to use online services.

### Support for the need for post offices to continue to provide essential services
Many respondents also stated that post offices were extremely important in providing vital core services, such as banking, access to cash, bill paying, pensions, assistance with government forms, as well as postal services seen as crucial for both individuals and SMEs. In particular, many respondents mentioned that they saw Post Office's role in banking as being especially important in light of recent and increasing bank closures.

### Especially important in rural and remote areas
Many respondents believed that a post office presence was indispensable in rural, village, island and remote areas where banks, ATMs, broadband and mobile coverage was limited, and where many past businesses and services had already closed. The loss of Post Office services in such areas was predicted to be 'catastrophic', with some whose post offices had already closed stating that their lives had suffered significant negative impact.

Some also expressed concern that the Green Paper was overly focused on towns and cities, and that those in office behind the decisions that would affect these areas would be urban dwellers who would not understand how dramatically they would be affected.

**Interdependence with Royal Mail is pivotal**

Respondents reinforced the network's role as essential civic infrastructure and highlighted the interdependence with Royal Mail. Some felt that providing postal services should remain Post Office's 'number one priority'. Some expressed concern that expansion of alternative networks, such as Collect+, could undermine the viability of the existing Post Office network.

Some respondents referenced the current commercial agreement between Post Office and Royal Mail running to March 2032, urging government to consider this interdependency when planning future service models.
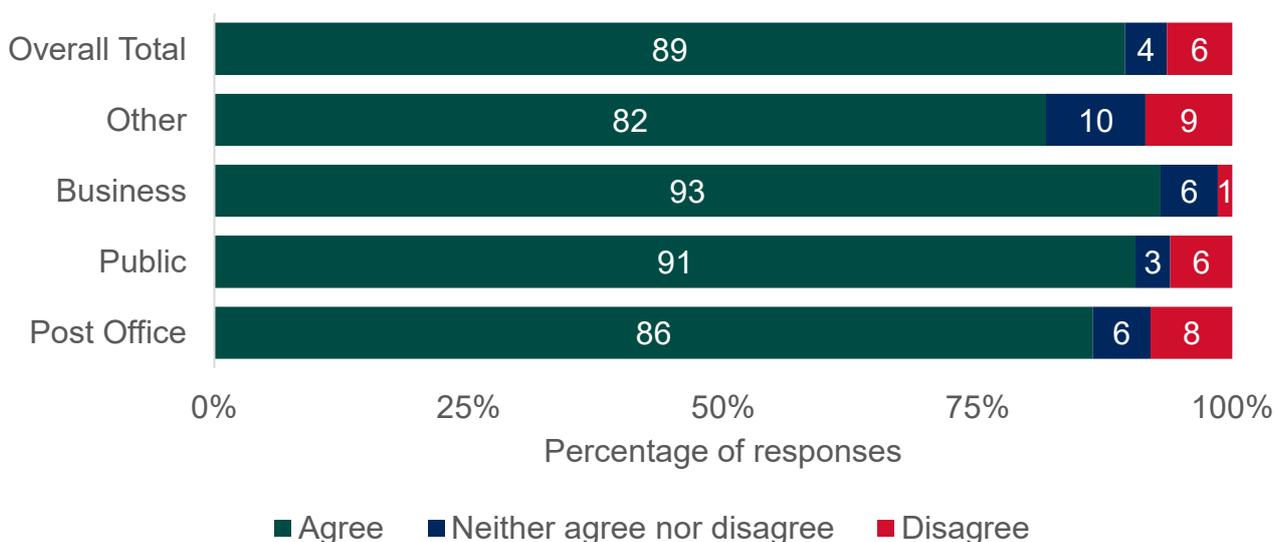
**Other themes raised:**
- there was support from some respondents for expanding government services available at post offices, as well as disapproval of past decisions to remove certain government services

- government services most frequently mentioned as being desirable were DVLA, benefits, passports, HM Revenue and Customs (HMRC) payments, insurance, licensing, disabled badges, and bill payment

- some expressed concerns regarding partnerships with banks due to caps and limits on deposits and withdrawals, calling for these to be removed

- there were some calls for the return of Girobank

## Question 2. To what extent do you agree with policy objective 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?

The clear majority (89%) of respondents agreed with the policy objective that the Post Office network should 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.

Similar majorities agreed with this policy objective across all respondent groups: Post Office Ltd and postmasters (86%), members of the public (91%), business (93%) and other stakeholders (82%).

**Chart C: To what extent do you agree with policy objective 2 (n=2,428)**

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 89 | 4 | 6 |
| Other | 82 | 10 | 9 |
| Business | 93 | 6 | 1 |
| Public | 91 | 3 | 6 |
| Post Office | 86 | 6 | 8 |

Percentage of responses

■ Agree ■ Neither agree nor disagree ■ Disagree

## Summary of themes

### Disagreement that all post offices should be 'full hours' branches

While the vast majority of respondents agreed with policy objective 2, the most mentioned theme among those who explained their answer was that it was neither appropriate nor feasible for all post offices to be 'full hours' branches located in permanent premises. These respondents believed that rural post offices would need to operate flexible opening hours in order to remain economically viable, and that non-full hours branches (including outreach services, mobile vans and post offices located within newsagents and small shops) would better serve rural and remote areas.

Some respondents also felt that a move towards more permanent 'full hours' branches represented an increased focus on urban areas, increasing the feeling that rural and remote communities were being overlooked in favour of towns and cities.

### Support for varied flexible formats

Some respondents felt that, rather than a focus on permanent 'full hours' branches and what they saw as a "one size fits all" approach, Post Office should instead employ varied and flexible formats best suited to each location. Suggestions included a mix of full-time and part-time branches, the implementation of satellite and mobile services, and post office services that could operate within churches, pubs, and other community spaces.

### Support for permanent 'full hours' branches

Some respondents stated that they felt a network made up of permanent full hours branches would be more reliable and more likely to be used – particularly if staff were ensured to be knowledgeable and fully trained. Respondents also encouraged that branches should expand opening hours to accommodate those who are in work during normal working hours, including on weekends, with some stating that they would like to support Post Office more, but are unable to do so because of their work schedule.

**Branches linked to vitality of high streets**

Respondents linked the presence of Post Office branches as essential for high-street vitality, with some providing evidence to back up this assertion, such as Post Office Ltd research showing that visits associated with Post Office generated around 400 million additional visits and £1.1 billion in annual revenue for nearby businesses[3], and an estimated £3.1 billion in additional local spending annually on high streets[4]. Some stated that Travel Money products (cash and card) are integral to branch sustainability and postmaster income.

**Other themes raised:**
- some respondents expressed support for post offices to incorporate increased retail offerings, especially in small villages where shops that previously provided such offerings were no longer in existence

- some felt increased retail offerings would help post offices to remain open, while others felt the implementation of retail offerings was not always necessary and should be branch dependent

- some respondents expressed disapproval of post offices being located within retail stores (such as WHSmith and Asda), complaining of cramped spaces, long queues, untrained staff, and privacy issues, stating these partnerships lessened the quality and trust in Post Office and therefore affected levels of usage

- some stated they felt retail offerings should not be relied upon to subsidise Post Office operations, especially as the product they sell are usually available elsewhere at cheaper prices

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[3] https://postofficeimpact.publicfirst.co.uk/

[4] https://corporate.postoffice.co.uk/en/london-economics/anchoring-economics/driving-footfall-to-our-high-streets/

# Question 3. To what extent do you agree with policy objective 3: For the Post Office network to support high streets, acting as a stimulant and visible sign of incremental economic activity?

The clear majority (89%) of respondents agreed with the policy objective that the Post Office network should support high streets, acting as a stimulant and visible sign of incremental economic activity.

Similar majorities agreed with this policy objective across all respondent groups: Post Office Ltd and postmasters (90%), members of the public (89%), business (94%) and other stakeholders (94%).

**Chart D: To what extent do you agree with policy objective 3 (n=2,424)**
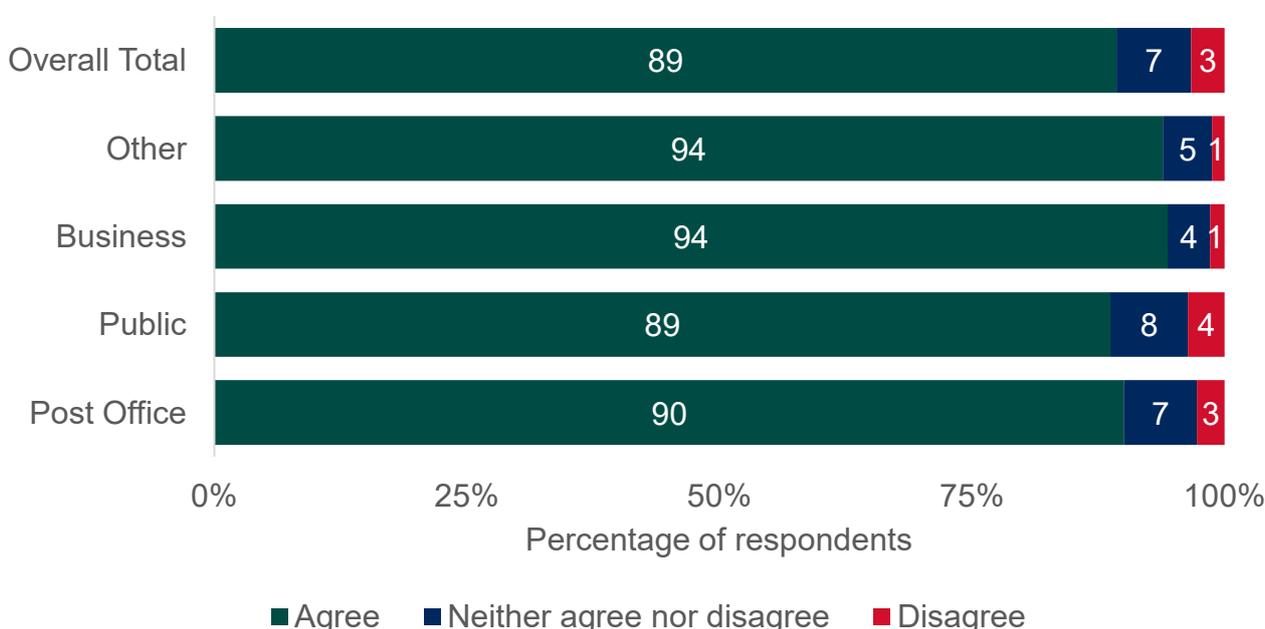


## Summary of themes

### Support for Post Office's role in high street regeneration
Some respondents stated that post offices economically benefitted the high street by encouraging in-person shopping, and that the presence of a known and respected brand helped create an image of a healthy high street. Some also mentioned the importance of post offices that have incorporated other high street businesses that have closed (such as grocers, newsagents and banks), while others felt that the government should introduce policies to help the high street thrive and, in turn, drive footfall to the post office.

### Disagreement with Post Office's role in high street regeneration
While the vast majority of respondents were in support of policy objective 3, there were some who felt that that it was unnecessary, due to:

- believing that post offices are most useful in areas such as villages and rural locations where there is no high street
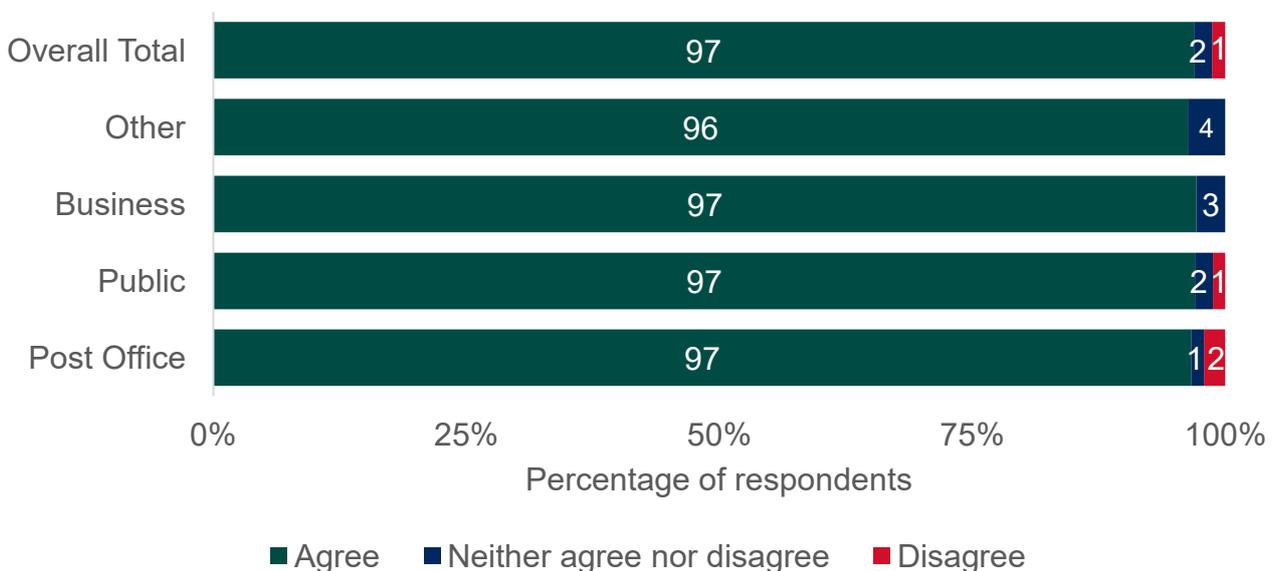
- believing that it was not the role of the post office to stimulate the high street, and that this focus may waste funds and resources

- believing that the high street may not be the best location for post offices due to access issues and limited or expensive parking, with these respondents feeling that there may be better and more convenient locations elsewhere.

## Question 4. To what extent do you agree with policy objective 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?

The clear majority (97%) of respondents agreed with the policy objective that the Post Office network should 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.

Similar majorities agreed with this policy objective across all respondent groups: Post Office Ltd and postmasters (97%), members of the public (97%), business (97%) and other stakeholders (96%).

**Chart E: To what extent do you agree with policy objective 4 (n=2,424)**



Chart showing percentage of respondents by group:

| Group | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 97 | 2 | 1 |
| Other | 96 | 4 | |
| Business | 97 | 3 | |
| Public | 97 | 2 | 1 |
| Post Office | 97 | 1 | 2 |

Legend: ■ Agree ■ Neither agree nor disagree ■ Disagree

X-axis: Percentage of respondents (0% to 100%)

## Summary of themes

### Leadership must be accountable and transparent

Respondents felt that the objective for Post Office to be run in an accountable, transparent and beneficial way was "self-evident", with many feeling that there was much work to be done to regain trust and respect, and that a complete overhaul of leadership and culture was necessary. Some felt

that those culpable for the Horizon scandal had not yet been held accountable, and there were calls for the leadership responsible to face prosecution.

In order to achieve the necessary changes, it was felt that an increased focus on the views and ideas of postmasters would be crucial, ensuring that they are represented and heard at every level of the organisation, and that independent external oversight should be utilised.

**Significant mistrust in Post Office leadership**
Some respondents stated that they felt a complete mistrust in Post Office leadership, describing current senior management as 'toxic', untrustworthy, and in urgent need of replacement. Respondents expressed significant concerns for how postmasters have been treated, as well as the detrimental effects that management have had on a trusted and loved brand.

Other issues that fuelled feelings of mistrust included:

- suspicions of insider advantages and conflicts of interest in how branches are awarded

- suggestions that the franchise model is attractive to management because it reduces costs

- criticism of a pay structure in which senior management receive large salaries and bonuses while some postmasters are said to earn the equivalent of below minimum wage

Some postmasters stated they did not feel supported or valued by management, often reporting that they felt they were being worked 'against' rather than 'with'.
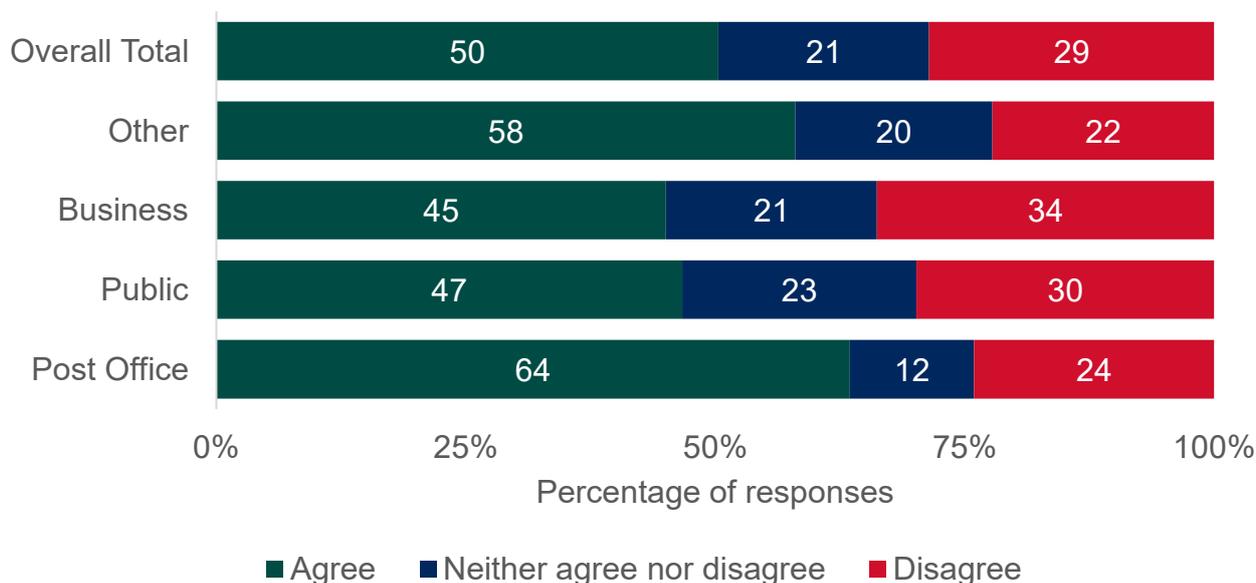
## Question 5. To what extent do you agree with policy objective 5: For Post Office to become an organisation that adapts to changing markets with lower reliance on government funding?

There was a more mixed picture of responses regarding the policy objective on whether the Post Office network should become an organisation that adapts to changing markets with lower reliance on government funding. Overall, 50% of respondents agreed with this objective, with 29% disagreeing and 21% unsure.

Amongst the respondent groups, there was majority support from Post Office Ltd and postmasters (64%) and other stakeholders (58%).

However, support was more mixed among members of the members of the public (47%) and business (45%), with these groups having 30% and 34% respectively disagreeing with this objective.

**Chart F: To what extent do you agree with policy objective 5 (n=2,423)**



| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 50 | 21 | 29 |
| Other | 58 | 20 | 22 |
| Business | 45 | 21 | 34 |
| Public | 47 | 23 | 30 |
| Post Office | 64 | 12 | 24 |

Percentage of responses

■ Agree ■ Neither agree nor disagree ■ Disagree

## Summary of themes

### Post Office should not be privatised

Many respondents expressed strong opposition to privatisation, stating that Post Office is a vital public service and a core part of the country's infrastructure, in the same vein as the NHS and the education system. Respondents believed that the value of Post Office should not be measured in monetary terms alone, and that its strong social value should be taken into account.

Respondents stated that it was not realistic to expect all post offices to operate at a profit and therefore at least some post offices should be subsidised and partly funded in order to keep them open – particularly those in rural areas, which were often seen as the most needed but also the most likely to be able to fully support and sustain themselves. Without government funding, closures would be expected, to the detriment of individuals and communities, as well as Post Office itself.

Some respondents pointed to past privatisations as a warning, such as rail, water, and Royal Mail, believing that services had worsened, costs to customers had disproportionately increased, and employees' conditions had declined.

### Postmaster remuneration

Many respondents raised issues around postmaster remuneration, stating that Post Office-earned income alone does not always cover running costs and provide a reasonable wage – especially considering long hours and the level of complexity and responsibility involved. Some postmasters stated that they often receive the equivalent to below minimum wage (as they are not waged employees), relying on retail business to supplement their income. Respondents stated that core payments should be reintroduced and that remuneration should be fair and realistic, with processes being put in place to ensure that Post Office partners such as banks contribute fairly. Some suggested that postmasters should be direct government employees, while others suggested postmaster-owned co-operative structures.

**Other themes raised:**
- some respondents who expressed support for policy objective 5 believed it would be beneficial to move towards an independent business model that could survive without government funding, freeing up resources for other services and giving Post Office more autonomy

- some believed that Post Office's expansion into banking and the growing parcel delivery market would help support lower reliance on government funding

- some cautioned that a move towards lower reliance on government funding should be undertaken gradually

## Findings from Postmaster discussion groups

### Postmasters support government vision, but have concerns about how it is realised

Overall, postmasters expressed broad support for the government's vision statements, with strong agreement concerning the need for Post Office to be an organisation with a positive culture and for the Post Office network to provide postal and other critical services to those who cannot or will not get them elsewhere.

However, this support was qualified by concerns about implementation, delivery, and whether the vision adequately reflected the realities of running Post Office branches as businesses. One group described the vision statements as the 'easy part,' noting that the real challenge lay in translating these aspirations into practical action, and ensure that postmasters are paid a fair wage to deliver a good postal service for communities.

Postmasters raised four main issues regarding the government's vision.

First, postmasters expressed concerns about the breadth and high-level nature of the vision statements. Given the significant differences in the makeup, location, and commercial pressures on individual branches, they felt the government vision would mean very different things operationally to different postmasters:

> "When we look at the vision, because we're such... a wide-ranging group of post offices in different areas, that vision is going to have different ways in which it's interpreted and works, you know, within... even within the same town, depending on where you are. And I run a mains, and it's a busy mains, and it's... and it's doing well. We're open seven days a week; we're open until nine o'clock at night. But that actually is a model that isn't going to work everywhere. So, the vision cannot be about 'you are going to be operating seven days a week.'... We need to be very mindful of when we talk about vision is that we're not a one-franchise-model style here. It's very, very different." (Postmaster discussion group)

Second, postmasters identified a tension between Post Office's role to provide critical services versus its role as a commercial business. Postmasters highlighted that Post Office's historical role as a public service made it extremely difficult to operate profitably as a business, yet government policy increasingly expected commercial viability:

> "And the problem is that the Post Office has never, ever been a business. The Post Office was always set up as a service. They tried to make it into a business, but unfortunately, because of... of the way that it is in its structure, it's... it's never going to be sustainable as a

business. Which is why, obviously, it's been then put into retail, because they understood that it's not sustainable as a business." (Postmaster discussion group)

In this context, certain postmasters questioned whether the vision to become financially sustainable was even appropriate. Some argued that since Royal Mail was privatised (taking the profit-making part of the business), a decision had effectively been made to run many Post Office branches at a loss because of the community value they bring.

Third, postmasters felt unsupported by past government and Post Office decisions, which they saw as actively working against the vision. Postmasters identified the following areas as of particular concern:

- the systematic removal of government services from Post Office branches, such as tax payments and other government transactions, despite significant demand from customers for these services

- the minimum branch rule which can lead to Post Office opening branches in areas where there is already good service provision, and create unnecessary competition between branches

Fourth, and importantly, postmasters believed that achieving the vision would require fundamental changes to how postmasters are remunerated, how Post Office operates, and the level of government support provided. Postmasters identified poor remuneration as the most significant issue to address to provide a sustainable foundation to support the vision.

"by the time you've paid for any staff that you have---if you're a larger office---or even if you're a community office and you're paying for yourself, you're probably earning six pounds an hour." (Postmaster discussion group)

In this context, Postmasters believed that to achieve the vision, the following would need to be in place:

- postmasters should receive a base salary rather than working on commission

- postmasters should be involved in service contract negotiations (for example, with postal carriers and banks) to ensure contracts were commercially viable

- government should commit to ensuring the network's survival and success, including greater levels of funding to enable operational transformation, and greater provision of face-to-face government services

- Post Office Ltd needed better managerial capability to deliver the vision, and provide greater transparency about how money is spent and decisions made

# Chapter 4. A Post Office fit for the modern age

Government's Green Paper 'Future of Post Office' outlined proposals for how Post Office should adapt to changing customer needs and market trends over the next 5 to 10 years. The consultation notes that Post Office has a long history of evolution, with most branches now run by independent postmasters, and that it operates separately from Royal Mail.

The consultation document set out major shifts in the postal sector, including the decline in letter volumes, the growth of parcel services driven by e-commerce, and the increasing competition among delivery providers. The government supports Post Office's plans to expand its role as a multi-carrier hub, enabling customers to send and receive parcels from a range of operators.

In relation to banking, the consultation document acknowledged the ongoing decline in cash usage and the closure of many high-street bank branches. As set out in the consultation, the government intends for Post Office to remain central to providing in-person banking and cash services through its nationwide network and the continuation of the Banking Framework agreement with major banks until it is due for renewal in 2030.

For government services, the consultation recognised the continuing shift towards digital channels but proposed that Post Office should maintain an important role in supporting digitally excluded and vulnerable customers who require in-person access. It also considered how government departments might collaborate more effectively with Post Office to ensure consistent and cost-effective service delivery.
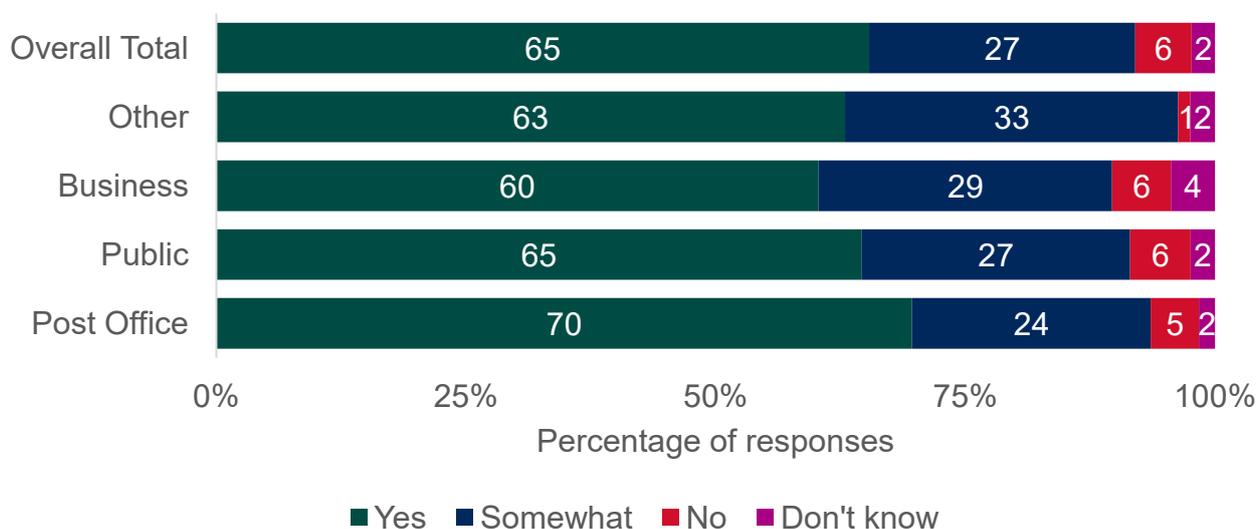
Finally, the consultation document identified key risks and uncertainties to Post Office's long-term stability, including digital transformation, the renewal of key commercial contracts, and the financial sustainability of postmasters. It invited views on whether the government's assessment of how Post Office's role will change in postal, banking, and government services over the next decade is correct, and asked respondents to comment on these proposed directions.

## Question 7. 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 5 to 10 years?

The majority of respondents either fully agreed (65%), and or 'somewhat agreed' (27%), with the government's assessment of how Post Office's role in postal services, cash and banking services, and government services will change over the next 5 to 10 years.

Amongst the respondent groups, there was majority support for this from all groups: Post Office Ltd and postmasters (70% fully agreed and 24% somewhat agreed), members of the public (65% fully agreed and 27% somewhat agreed), business (60% agreed and 29% somewhat agreed) and other stakeholders (63% fully agreed and 33% somewhat agreed).

**Chart G: Agreement with government's assessment of how Post Office's role will change (n=2,293)**



| Category | Yes | Somewhat | No | Don't know |
|----------|-----|----------|-----|------------|
| Overall Total | 65 | 27 | 6 | 2 |
| Other | 63 | 33 | 1 | 2 |
| Business | 60 | 29 | 6 | 4 |
| Public | 65 | 27 | 6 | 2 |
| Post Office | 70 | 24 | 5 | 2 |

Percentage of responses

■ Yes  ■ Somewhat  ■ No  ■ Don't know

# Question 8. Please explain your answer and add any further comments

## Summary of themes

### Support for retention of branches and in-person services

As outlined in the summary of responses to Question 1, many respondents again stressed their belief that post office branches must remain open in order to offer in-person services to elderly, vulnerable and digitally excluded people, especially in remote and rural areas. Respondents expressed concerns that changes to make Post Office suitable 'for a modern age' and the stated 'continuing shift towards digital channels' could mean abandoning those who most needed post offices. Some also challenged the idea that customers prefer online services, arguing that this is not the case for many people and that some have been forced online due to reductions of services rather than by choice.

### Banking Framework 4

While respondents were supportive of Banking Framework 4, labelling it a crucial and positive step, some felt it needed to go further in enabling post office branches to offer better banking services for their customers, and particularly for those who are elderly, disabled, or digitally excluded. There was a widespread belief that bank branch closures would continue and increase, and with it there would be an increased reliance on Post Office to provide these services. Currently, however, respondents believed that the banking provision offered at post offices is not sufficient, with withdrawal and deposit limits set too low and a limited range of services available. Respondents therefore urged an even greater increase in banking provision, with some suggesting that banking hubs move fully into partnership with Post Office (and taking over from Cash Access UK), while others suggested that Post Office should evolve further and move towards becoming a fully-fledged bank.

Some respondents suggested that government should make the joining of the Banking Framework compulsory for banks, and that banks should be mandated to give a bigger role to Post Office to allow for sustainable income. Some also believed that banks should be forbidden from removing key services from Post Office without ministerial approval, as well as being forbidden from charging higher fees to customers who deposit cash at post offices.

There were also concerns about the relationship between banks and Post Office, with banks being seen as too commercially focused and misaligned with Post Office's public service values, which may negatively impact Post Office's image of integrity and public trust. Some respondents believed that banks may be exploiting Post Office to cut their own costs while paying too little for services provided, ultimately boosting their own profits, and that in some cases banks are working against Post Office rather than with it.

Some respondents expressed concerns about financial crime risks, particularly cash-based money laundering, given that post office branches lack sufficient customer information. Stronger protections for postmasters were suggested, with banks retaining primary responsibility for compliance checks. Respondents also stated that post office staff were no longer trained in banking and financial services, and that this capability needed to be restored.

Some reiterated that postmasters should be better remunerated for performing banking duties due to the additional tasks and greater risks involved.

Some stakeholders, who provided evidence on cash and banking, highlighted that Post Office counters are critical to financial inclusion, reporting that many people would have no free access to cash if Post Office counter services were unavailable. Some respondents recommended clearer access definitions and standards (for example, opening-hours expectations and treatment of outreach formats) and noted that some technology services could be delivered by specialist providers. Others welcomed ongoing collaboration but stressed that the Banking Framework remains a commercial relationship and argued for a plural delivery model for access-to-cash services rather than positioning Post Office as a sole or mandated provider. Some stated that they favoured outcomes-based access measures and supported Cash Access UK's continued lead co-ordination role. Some highlighted the need for efficiency and greater automation to avoid costs being passed to Small and Medium-sized Enterprises (SMEs) and consumers, or expressed concern that Banking Hubs, while useful in some contexts, could be duplicative or loss-making. They argued that these hubs should not replace full-service Post Office branches and called for stronger integration and oversight to ensure consistency and value.

**Concern regarding rural and remote locations**
A number of respondents expressed concerns that the proposals may not be realistic or equitable in rural, remote or village settings, pointing out that many rural post offices already operate with limited resources, such as volunteer staff and small premises, which could make it difficult to implement multi-carrier hubs or expanded banking services. There was a fear among rural communities that without specific protections or targeted support the proposals would result in further service cuts or branch closures. Respondents therefore urged that all plans must consider the distinct needs of such areas and that they receive the necessary financial, technical, and operational support to keep pace with the proposed changes.

**Support for post offices becoming multi-carrier hubs**
Some respondents expressed support for Post Office to partner with other parcel carriers (such as DPD, Evri, Yodel, and InPost) and become multi-carrier hubs. Respondents recognised online shopping and parcel delivery as a booming and expanding business and believed that Post Office is perfectly placed to both take advantage of this, as well as provide convenience and choice for consumers.

There were, however, some concerns expressed, such as the balance between the time post office staff take handling other carriers' parcels and the perceived minimal return earned, as well as concerns around limited physical space in small post offices and whether investments to increase storage facilities and provide new equipment would be made.

**Support for increased provision of government services**
As outlined above in the summary of responses to Question 1, respondents again expressed support for Post Office increasing its provision of government services, with some feeling that any such arrangements should go further than currently planned. Some felt that the Green Paper's statement that Post Office should be allowed to bid for government contracts was not strong enough, proposing that government services should be made exclusive to Post Office.

**Proposal for a Post Bank and support for Access to Cash**
Some respondents proposed the creation of a publicly owned 'Post Bank'. This was seen as a way to secure long-term financial sustainability, expand banking services, and support financial inclusion. Some respondents mentioned their support for Access to Cash, also stating that they felt post offices represented a safe and secure place to obtain cash, including from post office ATMs.

**More ambitious, innovative and long-term plans**
Some respondents felt that planning until only 2030 represented 'short-termism', and that, in order to ensure continuation of essential services, plans and guarantees should be put in place for at least a decade beyond this date. Some respondents stated their belief that the world is not changing as quickly as the Green Paper seemed to imply.

Some respondents felt that the plans were too limited and that they were too much in the vein of fine-tuning the past rather than leaping boldly into the future. Some pointed out that as elderly populations and pre-tech generations die out, Post Office's customer base will shrink. Young people are much less inclined to use in-person services, therefore Post Office must be adaptive to change and find new areas to expand into, such as partnering with new online banks and significantly increasing its offering of government services.

Some postmasters also pointed out some of the limitations they face in terms of expansion and innovation, such as not being able to offer postal lockers due to anti-competition rules.

A number of stakeholder submissions supported accelerated modernisation of core systems, with proposals to procure elements of the technology platform externally to improve resilience and speed, alongside stronger roles in identity verification, assisted digital support and participation in emerging payments infrastructure. Some stakeholders emphasised inclusive design, combining self-service with assisted support so changes do not exclude those least served by digital channels.

**Relationship with Royal Mail**

Some respondents expressed concerns that Post Office's relationship with Royal Mail was becoming increasingly distant, with some referencing recent Royal Mail television advertisements promoting buying online and making no mention of post offices. Royal Mail business was felt to be a key component of Post Office income, with some feeling that government should be obligated to step in and legislate the requirement for a close relationship between the two.

**Operating context for branch hosts**

Some respondents highlighted pressures on store operators hosting Post Office counters, including rising labour costs and retail crime, and called for targeted support to protect viability.

**Travel money as a core service**

Some highlighted that Travel Money was a key driver of footfall and local economic activity, recommending that it should be treated as a core service within Post Office's future offer, noting its contribution to both customer engagement and postmaster income.

## Findings from postmaster discussion groups

### Postal services

**Postmasters had qualified support for multi-carrier hub principle**

Overall, postmasters were supportive in principle of Post Office acting as a multi-carrier hub, seeing this as a natural evolution given the growth in e-commerce and parcel services.

Postmasters felt that being able to offer services from multiple carriers could potentially attract more customers and generate additional revenue. However, they emphasised that the success of this approach depended on the commercial terms negotiated with carriers and whether these deals reflected the true cost of providing the service.

Postmasters said they currently make very little money from parcel services, with some describing it as "a race to the bottom." The margins on parcel handling were seen as inadequate given the space required for storage, which could potentially be used for retail and generate higher returns:

> "For me, talking about doing these hubs with Yodel and everything else. All we are doing... we are basically a storage facility for all these people, and this is space which I could use as retail or for other things, which would earn me a lot more money than storing their parcels. It takes time and effort to try and find each person's parcel, then finding their code and everything else... It's a long, drawn-out process... it needs to be streamlined and easy." (Postmaster discussion group)

**Postmasters expressed concern over carrier partnerships and Royal Mail relationship**

Postmasters said that carriers could choose which Post Office branches they wanted to work with, leading to fragmentation across the network. Additionally, postmasters gave examples where Post Office Ltd had restricted which carriers they could work with or had threatened to remove profitable carrier relationships without adequate justification.

> "We actually took on a new service from Evri this year, which... it now contributes, let's see, 25, 20% of our commission revenue, which is about £240 a month. But we've received notification that the Post Office intends to take this off us because it is not performing, which is a ridiculous statement! They have said that Evri has made that decision

themselves, but I don't feel that the Post Office is putting our case forward." (Postmaster discussion group)

The government's intention to increase collaboration with Royal Mail generated considerable concern and frustration among postmasters. Many postmasters felt that Royal Mail was actively undermining Post Office branches by offering significantly cheaper prices online.

> "I think that Royal Mail have basically cherry-picked all our lucrative business. So, basically, whatever we charge over the counter, there's such a big difference. Now, online customers are just bringing stuff in. We might as well be robots... Yeah, scanning barcodes, that's literally 90% of my work now. I'm very lucky; I've got about two or three good Drop & Go customers that I've managed to keep away from Royal Mail. But the price difference is so vast, and I don't even know how they get away with it because they're supposed to offer one price for the whole country - a universal service for everybody, not just for people that can go online. Yet, they're basically taking all our business, and we're getting 30 pence to scan a barcode for them." (Postmaster discussion group)

Since Royal Mail's privatisation, certain postmasters felt the relationship between the two organisations had become increasingly incompatible. Royal Mail was now focused on maximising shareholder returns rather than supporting the Post Office network. However, this was not a universal view and some postmasters depended on Royal Mail services to be commercially viable.

**Postmasters want to see effective contract negotiations and operational improvements**
For the multi-carrier hub model to work effectively, postmasters identified several essential requirements:

- better contract negotiations: deals with carriers needed to be negotiated with postmaster involvement to ensure they reflected the true cost of service delivery and provided adequate margins

- operational efficiency and technology: systems and processes needed to be streamlined to make handling parcels from multiple carriers quicker and easier

- proper training: staff needed comprehensive training on all carrier systems and processes to deliver an effective service

- consistency across the network: ideally, all Post Office branches should offer the same range of carrier services, rather than the current fragmented approach where each carrier selects which branches to work with

Overall, postmasters said Post Office's role in postal services represented continuation of an existing direction rather than a significant change. Without addressing the underlying commercial and relationship issues, it would not deliver the transformation needed to secure Post Office's future.

## Cash and banking services

**Postmasters see banking services as important but want better remuneration**
Postmasters recognised that providing banking services represented a significant opportunity for Post Office, given widespread bank branch closures. Postmasters' main concern about banking services related to remuneration. Despite postmasters handling significant volumes of banking transactions and taking on substantial responsibility, the margins provided under current banking

frameworks were seen as insufficient and banks were perceived to be getting a far better deal. The upcoming Banking Framework 4 negotiations were seen as critical in this context,

> "Banking framework 4 needs to ensure postmasters are remunerated in line with the work they do, rather than banks profiting from branch closures." (Postmaster discussion group)

> "The government is never going to stand up to the banks. The banks walk all over us in these framework negotiations, and it just doesn't... They get to close their branches, save on all their expenses of their staff and all their premises, and we don't get anything out of it." (Postmaster discussion group)

**Lack of standardisation across banking services a concern**
A significant operational challenge was the lack of consistency across different banks' services and requirements. Postmasters working with multiple banks found it difficult to remember the different rules, limits, and procedures for each institution. This lack of standardisation created frustration for both postmasters and customers, as what could be done at one branch or with one bank might not be possible at another. Postmasters called for greater harmonisation across the banking industry to simplify processes and improve the customer experience.

**Postmasters need better infrastructure and support**
Postmasters highlighted that they lacked the proper infrastructure and equipment to deliver banking services effectively. Many branches did not have adequate counters or Teller Cash Recyclers (TCRs), which would make handling large volumes of cash more efficient and secure.

Several postmasters mentioned that transactions were being declined due to money laundering red flags, but they had not received adequate training on how to handle these situations or support customers appropriately. More generally, the limits set for .anti-money laundering purposes were also seen as problematic – with some business customers only able to conduct 2 or 3 months of banking before hitting the limits. One postmaster reported that their branch had gone from banking £1.4 million per week down to £700,000 per week because of money laundering concerns, representing a significant loss of business.

**Postmasters questioned the long-term sustainability of banking services**
While postmasters saw banking services as important in the current landscape, there were concerns about long-term viability. Some questioned whether the continued decline in cash usage would eventually undermine the business case for providing these services. There was also awareness that Post Office's banking role depended entirely on short-term commercial contracts. This lack of long-term certainty made it difficult to plan and invest in developing banking capabilities, and left Post Office vulnerable to banks withdrawing or reducing services.

**Banking Framework 4 and investment important next steps**
For Post Office to play a meaningful role in banking services, postmasters identified several requirements:

- banks must be required to contribute much more to the costs of Post Office providing banking services

- Banking Framework 4 must ensure proper remuneration that reflects the true cost and responsibility of the work

- services and limits need to be standardised across all banks to reduce complexity

- Post Office branches need proper infrastructure including counters and TCRs

- postmasters need comprehensive training to deliver banking services effectively

- government needs to take a much stronger approach in negotiations with banks rather than allowing banks to dictate terms

## Government services

**Government services are important but need better government backing**

Postmasters recognised that providing face-to-face access to government services was a valuable and important role, particularly for people who cannot or do not want to transact online. Postmasters said they spent considerable time helping customers with government services without receiving adequate payment for this work.

> "We're well-placed to help digitally excluded and vulnerable customers. It's just... we're not paid for the time we spend on this… and there's no plan in place to pay us for it. And as time goes by, more and more Post Offices are closing, and postmasters are walking away. And that's going to continue to happen unless funding's put in place or a proper business plan... because executives of the Post Office over the last decade or so have failed miserably to put any sort of business together." (Postmaster discussion group)

Despite the shift toward online channels, postmasters reported significant ongoing demand from customers for in-person government services. Postmasters saw their role as a 'safety net' and that in-person services offered an important security benefit, helping to protect vulnerable customers from fraud and online scams. Postmasters felt they could play a much greater role in delivering government services if they were enabled to provide a wide range of services over the counter. The demand was clearly there from customers who needed this support.

Postmasters said government had exacerbated Post Office's financial difficulties and left vulnerable customers without adequate support by pushing services online without maintaining an in-person alternative. Postmasters viewed this as a policy choice rather than an inevitable consequence of digitisation.

> "If we had the volume of transactions, it wouldn't decrease... We would have the economies of scale. It's only because the government has forced people down that route and not allowed them the choice." (Postmaster discussion group)

Where alternative provision for government services had been suggested - such as using PayPoint counters in petrol stations - postmasters viewed these as poor substitutes that did not provide adequate support for vulnerable customers. The government's assessment of Post Office's future role in government services was seen as offering no meaningful change from the current unsustainable situation.

**Postmasters want appropriate remuneration and opportunity to provide more government services**

Postmasters felt strongly that they could and should play a greater role in delivering government services, particularly for digitally excluded and vulnerable customers. For government services to be a viable part of Post Office's future role, postmasters identified several essential changes:

- proper payment for the time spent helping customers with complex needs

- expanding the range of government services that can be accessed in-branch, rather than continuing to move everything online

- maintaining choice for citizens to access services face-to-face rather than forcing digital-only provision

- recognition that this is a valuable service function that warrants government investment rather than expecting it to be commercially self-sustaining

# Findings from public discussion groups

### Postal services

Overall, public participants were broadly supportive of Post Office acting as a multi-carrier hub for postal services. Being able to access multiple delivery providers in one place was seen as convenient for customers and aligned with how people increasingly shop and return items from various online retailers. Several participants felt that offering services from all carriers could increase footfall to Post Office branches and generate additional revenue. There was particular enthusiasm for the idea that Post Office staff could provide advice on which carrier to use based on cost, speed, and other factors - leveraging the expertise of postmasters to help customers make informed choices.

However, public participants questioned whether Post Office acting as a multi-carrier hub represented a significant change from current operations, believing many branches offered this service already. Consequently, public participants questioned whether the vision had fully accounted for future pressures Post Office was facing, or simply a continuation of how Post Office operates today – which was deemed insufficient given the scale of change needed. Additionally, participants questioned whether the multi-carrier hub model would generate sufficient revenue to make a meaningful difference to Post Office's financial position.

Public participants found the proposal to increase collaboration between Post Office and Royal Mail unclear and wanted to understand what this would mean in practice, and how Post Office could genuinely offer impartial service to all carriers if it had a special relationship with Royal Mail.

Several public participants suggested that Post Office would need to invest in modernising its infrastructure to make the hub concept work effectively. This included:

- developing a better online presence and mobile app

- installing parcel lockers that could be accessed outside opening hours

- ensuring adequate space in branches to handle increased parcel volumes

- investing in technology to speed up and improve parcel collections

For example, participants wanted Post Office to streamline systems so staff could process parcels from different carriers efficiently rather than using separate scanners and systems for each provider.

"They could streamline things - because in corner shops they often have to use a different system for different carriers – for example, a different scanner for Evri, InPost, DPD etc. If that was all streamlined on one system in one place, maybe it would be easier to pick up

parcels and maybe people would use the Post Office more." (Public discussion group, Glasgow)

Additionally, to be successful, participants believed a multi-carrier hub approach would need to be implemented comprehensively and consistently across all branches, supported by better marketing to raise awareness, and accompanied by improvements to opening hours to make Post Office genuinely competitive with existing alternatives.

## Cash and banking services

Overall, public participants had relatively low awareness of the full range of banking services available at Post Office. While acknowledging the use of cash was declining, participants believed that cash still played an important role in society and was particularly important for rural communities. Given closure of bank branches, public participants identified banking as a potential area of growth for Post Office in the short to medium term. Participants expressed a strong view that Post Office needed to advertise its banking services much more effectively to raise awareness and increase usage.

> "The Post Office don't really, well they don't advertise anything. But if they advertise it, that they could be a bank hub, I think it would probably make people more inclined to use them." (Public discussion group, Dungannon)

> "The Post Office has a fantastic opportunity as banks are closing because older people need cash and rely on the Post Office. They're terrified that the building society is going to close. The Post Office could look at the gaps in the market there. They have an opportunity, but I don't think they will grasp it." (Public discussion group, Pontypridd)

For public participants who used Post Office banking services, they generally found them convenient and valued being able to speak to someone face-to-face for transactions involving money. Some felt this provided reassurance and trust that transactions had been completed correctly.

However, public participants raised concerns about security in Post Office branches, which typically had less security infrastructure than banks – including fewer staff, branches with no screens at the counters, and more limited CCTV.

Public participants identified the slow speed of banking services at Post Office as an issue to address. Participants suggested Post Office should install cash machines within branches that could handle both withdrawals and deposits, allowing customers to complete simple banking transactions without queuing for counter service. This would improve convenience and reduce pressure on staff to process routine transactions.

Longer term, several public participants questioned whether banking services would generate sufficient revenue to make a meaningful contribution to Post Office's financial position. There was a concern that if cash use continues to decline as predicted, the need for these services - and therefore their value - would diminish over time.

> "I'm just worried that when the cash that's getting used is getting less and less, where does that leave them with the banking?" (Public discussion group, Glasgow)

> "I think we'll be getting more and more cashless even if the banks are closing. It's going to affect the Post Office eventually, isn't it as well? Yeah, because nobody's going to want cash, are they?" (Public discussion group, Birmingham)

Some participants felt that banking services - particularly handling small cash transactions - represented low-margin business that banks had essentially offloaded onto Post Office because it was not profitable for them.

In this context, a prominent theme across multiple groups was that banks should be required to pay significantly more to Post Office for providing banking services on their behalf. This was seen as a matter of principle, given the substantial cost savings banks make by closing high street branches and the profits they continue to generate.

> "But if [the banks] are departing, you know, the cost of having a premises in this town here for a particular bank is now gone. But if you take that over a year and put that money into the Post Office for the services that now is providing to that bank, it's obviously saving the bank money. That money should be diverted into improving the [banking] services and making people more aware of the service." (Public discussion group, Dungannon)

Participants expressed a strong view that the government should intervene to ensure banks pay their fair share for Post Office banking services, and that taxpayers should not be subsidising services that primarily benefit profitable banking institutions.

## Government Services

Public participants' awareness and usage of government services available through Post Office was generally lower than for postal or banking services. For participants who did use government services at Post Office, the face-to-face support was highly valued. Government forms and processes could be complex and intimidating and having someone knowledgeable who could provide advice and check that everything was completed correctly provided reassurance. The risk of online scams was mentioned by several participants as a reason why Post Office's in-person service for government transactions felt safer and more trustworthy.

> "I was going to say having the reassurance that is going to go through securely is what makes me go to the Post Office. The option of being scammed online is it's open to everyone." (Public discussion group, Birmingham)

> "I'm 28 and I don't know how to do anything on my phone. I feel like there's probably a lot more people than what you realise that don't really want to go online and do it. It is nice to go and do a shop and get it done properly by somebody professional." (Public discussion group, Belfast)

The significant decline in people using Post Office for government services was seen as unsurprising and inevitable given the move toward digital government services. Most participants felt this trend would continue, with fewer people needing face-to-face support over time. Additionally, participants reflected that while they might not need these services themselves currently, anyone could become vulnerable or digitally excluded at some point in their lives through age, illness, or changing circumstances.

> "Although we might not need that service now, as I say, you know, we'll be old one day, we might have a disability, you might lose sight, anything could happen and then you would be

in a position where you're one of these people that might need that." (Public discussion group, Norfolk)

Public participants believed that supporting vulnerable and digitally excluded customers to access government services face-to-face was important, though there were mixed views on whether Post Office is best positioned to provide this service, and how it should be paid for.

Some participants felt strongly that Post Office had an important social responsibility to support vulnerable customers, and that this justified taxpayer subsidy. Others, particularly younger participants, questioned whether Post Office was the most appropriate or cost-effective way to provide this support. They suggested that help for digitally excluded people could be provided through other venues such as libraries, Citizens Advice, or community centres.

"Is there another function within our community that can do that? Whether it's library, whether it's having something within shops. I don't know, people smarter than you can figure that out but I suppose I'm just not sure the Post Office is the right place to do that. That's all I'm saying. It'd be perhaps best to integrate it in other places that are more used." (Public discussion group, Norfolk)

On balance, public participants broadly agreed with the government's assessment that Post Office should continue supporting vulnerable and digitally excluded customers to access government services. However, there were significant questions about:

- whether this role was sustainable given the costs involved and declining overall usage

- whether Post Office was the most appropriate or efficient way to provide this support compared to other options

- what level of service Post Office should provide (direct support versus signposting)

- whether the number of people needing this service justified the current branch network

- how to balance this social role with commercial viability

# Chapter 5. How to operate Post Office's branch network to best deliver the policy objectives

The consultation document stated that current statutory requirements for the network of post office branches comprise:

- a minimum of 11,500 branches

- six geographical Access Criteria (for example, 99% within three miles; 90% within one mile)

As set out in the consultation document, these requirements have generally been met but maintaining them has become more challenging and costly as footfall changes and labour costs rise.

The consultation document explained the network has evolved through two notable trends: rapid rollout of low-cost 'drop and collect' parcel-focused sites and a marked increase in part-time 'outreach' provision. The consultation document stated that while these formats expand coverage and convenience, they can deliver less community social value than permanent full-service branches and are variably cost-effective. There were 3 options under consideration for future requirements:

The first option is to maintain the existing requirements (keep the 11,500 floor and the Access Criteria). This option is stable and aligns well with the manifesto commitment but may lock in a larger-than-necessary network and drive more lighter-format urban branches.

The second option is keeping the Access Criteria but removing the 11,500 minimum branch requirement. This will likely create a modestly smaller but more fixed or full-time network, with lower cost and greater operational flexibility; however, potential community concerns over reductions mean this is not the government's preferred option.

The third option is replacing the current requirements with targeted, locally assessed requirements. This focuses protection where alternatives are lacking (channel-neutral); potentially more cost-effective but operationally complex and with fewer national safeguards.

As set out in the consultation document, additional, more limited changes are also discussed, including:

- introducing customer-service targets (for example, queue times)

- reviewing the postcode-district rule due to cost-inefficiency

- reconsidering what counts towards the minimum branch requirement (for example, recognising automated or access-point models across services)

The consultation document stated that, if no immediate change is made, government would put in place a clear process to review network requirements in future, with engagement of postmasters, representative bodies and the public on any significant proposed changes.

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

The options provided were:

- option A: maintain government's existing requirements including the 11,500 minimum branch requirement and the geographical Access Criteria

- option B: maintain existing geographical Access Criteria but remove the 11,500 minimum branch requirement

- option C: develop new requirements designed to target local areas with insufficient service provision

- option D: I don't have a preferred option

Half of all respondents (50%) were in favour of maintaining government's existing requirements including the 11,500 minimum branch requirement and the geographical Access Criteria. Around a quarter (26%) favoured developing new requirements and 17% wanted to retain the existing geographical Access Criteria but remove the minimum branch requirement. Over half of respondents from the public (55%) and other stakeholders (52%) and the majority of Business respondents (71%) preferred maintaining existing requirements including the minimum branch requirement and Access Criteria. However, Post Office Ltd and postmasters were less supportive, with 31% selecting this option and 37% preferring maintaining the Access Criteria but removing the minimum branch requirement. A further quarter (24%) of Post Office Ltd and postmaster respondents preferred new requirements to be developed.

**Chart H: Preferred policy options for a future Post Office network (n=2,217)**



Percentage of responses
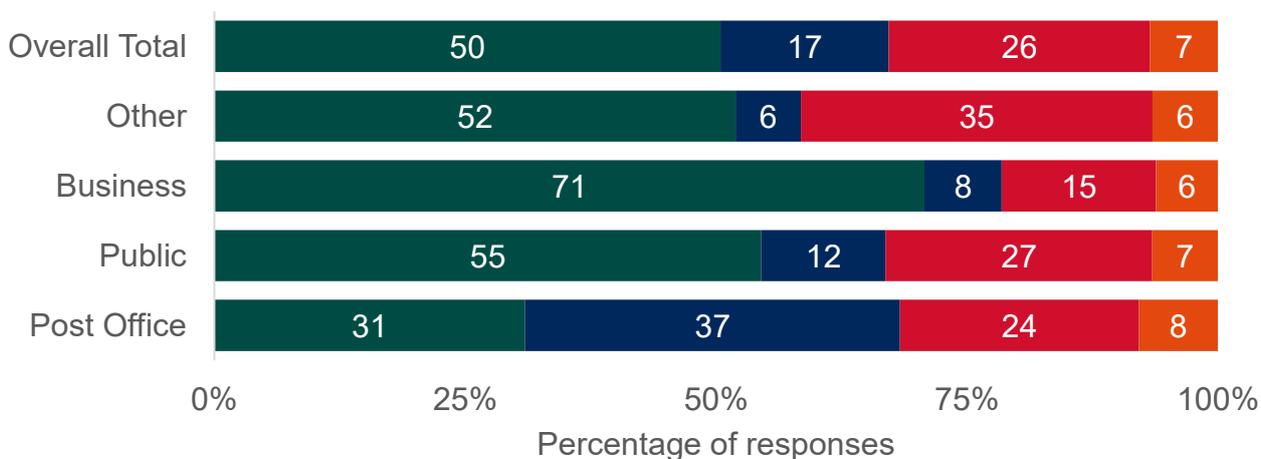
- ■ Maintain Government's existing requirements (inc. min. branch requirement & Access Criteria)
- ■ Maintain Access Criteria but remove min. branch requirement
- ■ Develop new requirements
- ■ No preferred option

# Question 10. Please explain your preference

**Summary of themes for option A: Maintain existing requirements including the minimum branch requirement and geographical Access Criteria**

**There should be no reduction in the number of post offices**
Many respondents who preferred this option viewed Post Office as an essential public service rather than a purely commercial enterprise, believing that any reduction in the number of branches would be detrimental to the service and its customers. They were sceptical of what they saw as a cost cutting exercise designed to maximise profits at the expense of a vulnerable population, believing that closures would disproportionately affect small, remote and rural branches, which were presumed to be the least profitable. Respondents also felt that current post office branches should be protected from closure, believing that any branches that close now would be unlikely to re-open in the future.

**Access Criteria should be maintained**
Some respondents felt that the current criteria are good for people living in rural and remote areas, as well as for elderly and vulnerable people. They believed that all post offices should be easily accessible and, ideally, within walking distance for the large majority of the population.

Stakeholders largely supported retaining both the statutory minimum and Access Criteria to safeguard universal coverage, while encouraging more outcomes-based measurement that reflects real travel times and walkability. Some respondents requested that future access definitions clarify

the recognition of drop-and-collect, outreach and shared hubs and supported 'cold-spot' triggers aligned to LINK and Cash Access UK standards.

## Option B: Maintain existing geographical Access Criteria but remove the 11,500 minimum branch requirement

### Reducing the number of branches will aid sustainability
Some respondents believed that reducing the number of post offices would make Post Office Ltd's overall business more viable, as well as help increase postmaster remuneration for those who remained in service. Maintaining the minimum requirement was felt to put pressure on Post Office to retain branches that may be unnecessary and damaging to its business. These suggestions were framed in the light of declining customer numbers, as well as the perception that the current density of branches in some areas exceeds need.

### Prioritise Access Criteria
Some respondents who stated a preference for this option felt that the minimum branch requirement number was 'arbitrary', and that this had resulted in the existence of too many unprofitable and superfluous urban branches. They felt that these excess branches could be closed in order to prioritise rural coverage, while still ensuring that everyone had access to a post office.

## Option C: Develop new requirements

### Implement strategic distribution
Respondents who preferred the development of new requirements most commonly expressed the desire to address specific community requirements and service gaps based on evidence and needs. They suggested a thorough review that would consider an area's particular demands, including:

- footfall

- public transport

- local service provision

- topography

- demographics

- deprivation

- mobility

- quality of roads

- digital connectivity

Respondents is this group felt that an approach tailored to and aligned with each area's needs would be better suited than arbitrary requirement figures or Access Criteria that may not be suitable or needed for all areas.

**The need for flexibility**
Some respondents pointed out that population changes and new developments in a rapidly changing market are to be expected, therefore more flexibility and less adherence to arbitrary number-based targets would be required and was encouraged, also pointing out that distances on paper can be experienced very differently in reality, depending on travel services and duration.

**Other themes and suggestions mentioned across all preferences:**

- some respondents said that they would rather see a reduced number of high-quality post office branches than 11,500 that were 'average'

- some stated that they felt current service levels and quality were inconsistent across different branch types

- there were calls from some for all branches to offer comprehensive services, rather than limited and varied offerings

- there were calls for transparency about what constitutes a real post office branch, with some respondents expressing scepticism in the quoted number of genuine post office branches, stating that mobile vans, outreach services, and other part-time or reduced operations should not be counted in this figure, whilst others queried whether some closed or severely limited branches had been included in this count

- some felt the UK should have more than 11,500 post offices, stating that one post office for every 6,000 people was too few

- some suggested that many post offices should be closed down, or even that Post Office itself should cease operation, believing that it could no longer be considered relevant in a rapidly evolving modern world

## Question 11. If you have any alternative suggestions for how the network requirements should change, please set them out here

In addition to the suggestions outlined above, respondents provided alternative suggestions for how Post Office's network requirements should change. These have been grouped into six categories:

- network size and structure

- access and geographic criteria

- service delivery models

- co-location and partnerships

- premises and infrastructure

- operational changes

## Network size and structure

Some suggested strategically reducing the network size by at least 50% in order to create financially viable branches and reduce government dependency, with no special provision for rural residents and the expectation that they will travel to their nearest branch.

Others called for clear definitions and approaches that reflect differences in branch types (such as urban full-time, rural outreach, drop-and-collect only) and service levels (such as the range of services available, opening hours, equipment).

Some felt the best way forward was to implement a hub and spoke model, with larger town and city branches acting as specialist hubs offering full range, enhanced services with extended hours and trained staff, and smaller village and community branches providing a clearly defined core range of essential services and removing instances where hubs and post offices are in close proximity.

## Access and geographic criteria

Some stakeholders called for a dedicated rural strategy that acknowledges the unique challenges faced by rural communities, including transport barriers and digital exclusion, and ensure tailored contracts and funding models that reflect the higher social value of rural provision.

A small number of respondents proposed a range of measures to strengthen and modernise the framework governing network coverage. Several supported introducing a statutory 'Right to Local Access Guarantee', ensuring that every citizen has in-person access to a post office within a defined distance or travel time. Many felt that geographical access criteria should be reviewed regularly - typically every three to five years - to account for population growth, new developments, and changes in transport connectivity. There was strong support for incorporating cash access indicators into any future Access Criteria, recognising Post Office's central role in maintaining community access to cash. A number of respondents favoured population-based models, suggesting thresholds such as one Post Office for every 20,000 residents in urban areas and one for every 5,000 in rural areas, or alternatively, one branch within a five-mile radius. Others emphasised the importance of protecting essential rural and isolated outlets, calling for a 'last shop in the village' safeguard to prevent closure of branches in areas without other retail provision. Several also proposed that new housing developments should include provision for Post Office services, with developers contributing to associated costs, and that no closure should proceed without a mandatory impact assessment considering effects on cash access, digital exclusion, and community cohesion. Finally, stakeholders urged that access planning should align with wider policy on banking withdrawal, ensuring that Post Office branches remain present where other financial services have declined.

## Service delivery models

Some respondents suggested broadening the concept of 'access' to reflect modern patterns of use, proposing a universal service guarantee that ensures every household can obtain Post Office services either at home through collection, online via an app or website, or in person at branches and community access points. Many favoured regular mobile Post Office visits to rural areas, with bookable weekly slots and dedicated provision for vulnerable residents. Others called for greater flexibility through pop-up branches and digital kiosks in vacant premises, and by adapting underused community buildings such as former libraries or churches into part-time or co-located

branches. There was also support for expanding self-service options in smaller locations to increase convenience and efficiency.

## Co-location and partnerships

Co-location and partnerships were suggested by a number of respondents, to increase collaboration and co-location with libraries, schools, churches, shops, pubs, hotels, coffee shops, GPs, hospitals, pharmacies, railway stations, petrol stations, supermarkets, charities, local councils, and village halls to create community hubs. Some suggested sharing premises with other government functions, such as Jobcentre Plus, HMRC and the Department for Environment, Food and Rural Affairs (DEFRA). Others felt that each Local Authority should be made responsible for providing post office services, with funding from council tax.

Some respondents highlighted the potential of partnership models to sustain and expand local access. Suggestions included providing government incentives for communities without existing shops to establish partnership outlets combining Post Office services with retail and other amenities. Some proposed allowing unprofitable rural branches to register as charities, enabling them to access grants and community funding. Others recommended targeted tax relief for businesses that sponsor or host small branches, alongside incentives for local councils and voluntary groups to collaborate with Post Office in underserved areas. Stakeholders also advocated formalising partnerships with banks to consolidate in-person banking services within selected branches, and some supported the creation or merger of a publicly owned retail bank to guarantee access to basic current and savings accounts.

## Premises and infrastructure

A number of respondents expressed interest in revitalising the physical Post Office estate. Some called for the re-opening of vacant or recently closed Crown Post Offices and the reinstatement of branches in areas that have lost local provision. Respondents advocated restoring a network of directly managed Crown offices to serve as exemplars for service quality and to provide training and support for sub-postmasters. Others proposed increasing the size of high-demand branches to manage growing customer volumes and expanding the network into transport hubs such as bus and coach stations, railway terminals, and airports to improve convenience and visibility. There was also support for removing business rates on Post Office premises to reduce financial pressure on operators and avoid circular subsidy through government support.

## Operational changes

Some respondents raised a range of views about how the network should operate in future. Some suggested targeting resources towards areas with the greatest social or economic benefit, balanced against a competitive place-based strategy. Others proposed prioritising financial sustainability by maintaining only those branches that can be justified commercially, supported by contributions from Royal Mail and banks to sustain services in remote locations where demand is lower. A few respondents argued that Post Office should avoid partnerships with retailers whose main aim is to generate customer footfall for their own products. Other views included calls to close all remaining Crown branches, or to allow non-transformed branches to exit the network voluntarily, supported by a fair compensation scheme to ensure postmasters who wish to leave can do so with dignity.

## Question 12. To what extent do you agree or disagree with the minor option: Introduce customer service targets?

There were mixed views in response to whether new customer service targets should be introduced, with 39% agreeing, 31% unsure and 31% disagreeing.

A similar mixed picture was observed amongst most respondent groups (public, business and other stakeholders), however there was more support for this from the Post Office Ltd and postmasters' group, with just over half (51%) wanting to see new customer service targets introduced.

**Chart I: Extent of agreement with the minor option – introduce customer service targets (n=2,126)**
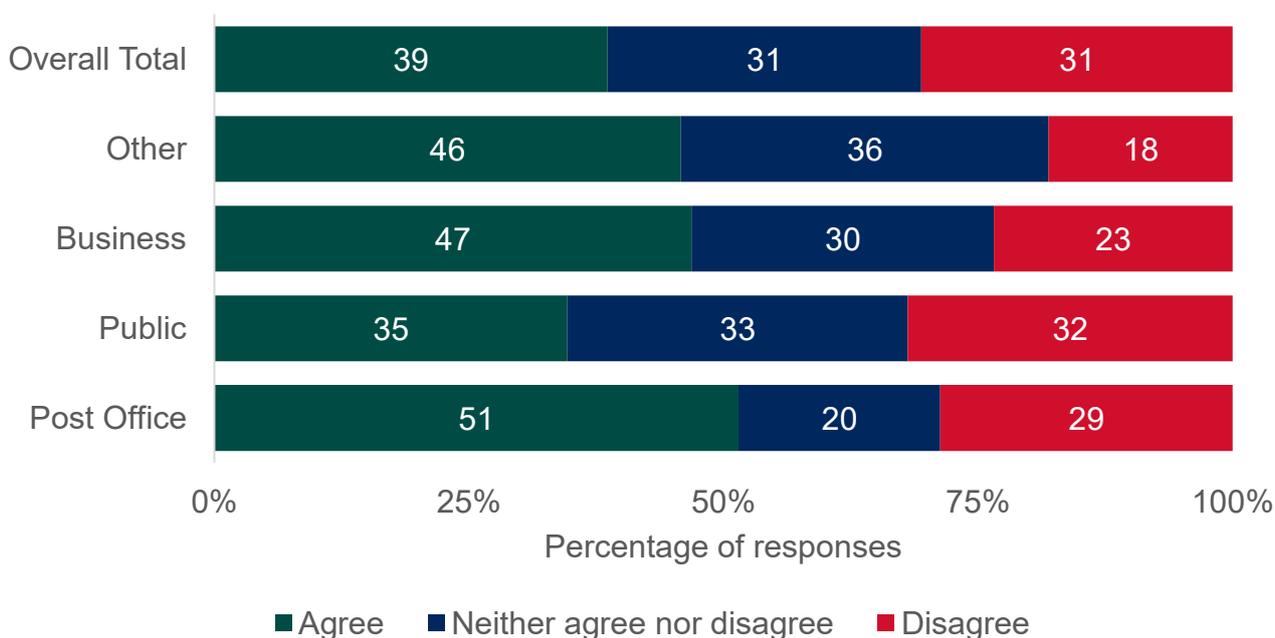


### Summary of themes

Note: Our analysts found that respondents who disagreed or conditionally agreed were much more likely to explain their answers than those who agreed with these proposals. Our analysts also noted that many respondents did not directly address consultation questions 12 to 14 and instead urged government not to close their local post office.

**Respondents who agreed**
Respondents who agreed said that they felt customer service to be a critical component of any customer-oriented business, and that it needed to be improved within Post Office. Some respondents felt that their branches currently delivered poor customer service and that there were big differences in service quality between different branches. To improve this, they suggested rewarding branches with excellent customer service and assessing post offices using professional auditors and mystery shoppers.

Respondents also suggested that postmasters should be required to achieve certain criteria, given that targets are common in most retail businesses, and that they help with accountability and consistency.

**Respondents who conditionally agreed**
Some respondents offered conditional support with the proviso that targets were implemented after fixing underlying issues, such as pay, staffing, and technical problems. They felt that customer service targets could potentially work for standardising service expectations and might help address poor customer service in some branches, provided they focused on coaching rather than penalising.

**Respondents who disagreed**
Some respondents who opposed customer service targets saw them as counterproductive given current operational challenges. Concerns included postmasters already being overstretched and with poor remuneration and staffing issues, and targets creating additional bureaucracy without addressing fundamental problems. Some also stated that different branch types face vastly different challenges, therefore, a one-size-fits-all approach was seen as inappropriate for the diverse network. Some also felt that there was a risk of penalising branches who were already doing their best under difficult circumstances, or whose model of service didn't easily lend itself to meeting externally-created targets - such as rural, community-centred branches with an elderly clientele whose metrics on speed of service would naturally be different to busy, impersonal urban branches.

Some respondents felt that the franchise model made monitoring difficult, and that targets and monitoring could lead to manipulation and 'perverse incentives', such as rushing customers to improve speed of service metrics, avoiding serving difficult customers to maintain satisfaction scores, or manipulating feedback systems rather than genuinely improving service.

Some respondents stated that historical evidence from the NHS, BBC, HMRC and Royal Mail suggest that customer service targets don't work effectively in public services, and that the proportion of any benefits would be extremely limited when measured against the cost of monitoring and ensuring compliance.
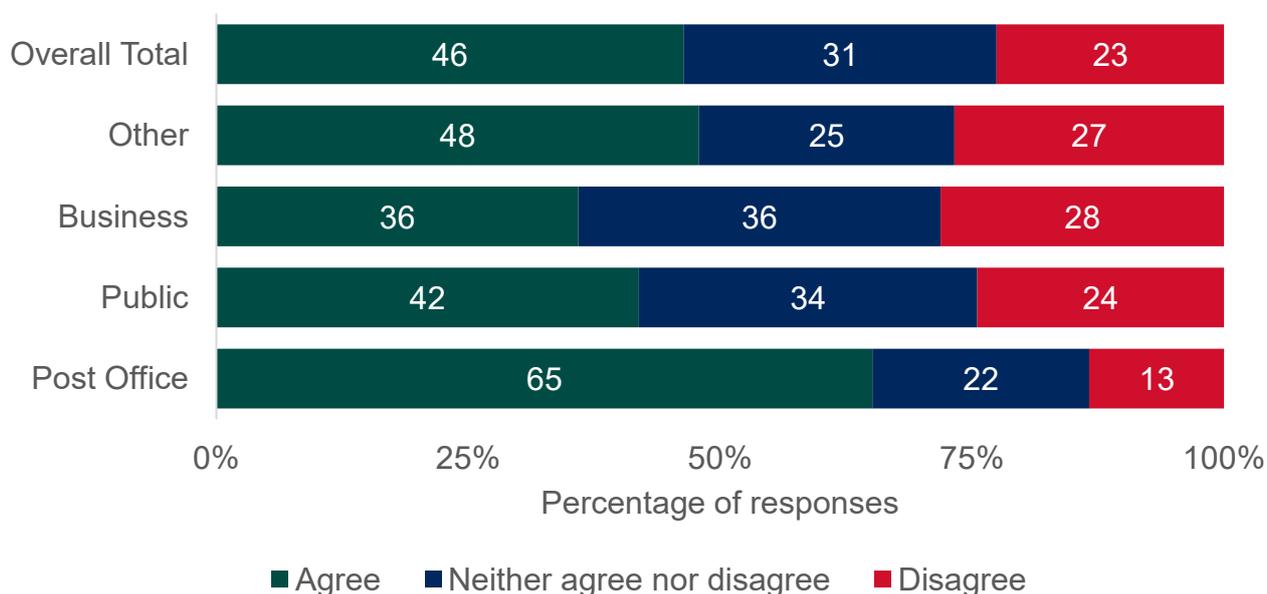
Rather than the introduction of customer service targets, respondents who disagreed therefore felt it would be beneficial to increase support and training in key areas, as well as monitoring and mentoring with constructive individualised feedback. Some also felt that measures such as customer service targets should only be introduced after the network had been modernised and made commercially viable, and after postmaster remuneration had reached a level agreed to be reasonable and fair.

## Question 13. To what extent do you agree or disagree with the minor option: Review the postcode access criteria?

There were mixed views in response to whether to review the postcode access criteria, with 46% agreeing, 31% unsure and 23% disagreeing.

A similar mixed picture was observed amongst the respondent groups, however nearly two thirds (65%) of Post Office Ltd and postmasters wanted to review the postcode access criteria.

**Chart J: Extent of agreement with the minor option – review the postcode access criteria (n=2,115)**

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 46 | 31 | 23 |
| Other | 48 | 25 | 27 |
| Business | 36 | 36 | 28 |
| Public | 42 | 34 | 24 |
| Post Office | 65 | 22 | 13 |

Percentage of responses

■ Agree ■ Neither agree nor disagree ■ Disagree

## Summary of themes

### Respondents who agreed

Many respondents who explained why they agreed with the minor option to review the postcode access criteria did so because they felt that the current access criteria were arbitrary, misleading, and not fit for purpose. Primarily, they highlighted the differences between large rural areas and dense urban areas. Some respondents believed that categorising areas by postcodes alone was inadequate and revealed nothing useful about a population, suggesting Post Office needed to undertake a detailed individualised review of each area in order to assess its needs. This review should look at factors such as accessibility, journey time on foot and by public transport (including frequency and reliability), parking, opening hours, topography, cost to operate, and local environment, as well as the effect superfluous urban post offices can have on unhealthy competition. Respondents urged 'real world research' that considered the unique make-up of individual areas.

### Respondents who cautiously agreed

Respondents who agreed in principle also expressed concerns that it would represent a disguised cost-cutting exercise, and therefore their agreement was presented with the caveat that any such review was with the aim to improve and increase services and provision, rather than to reduce them.
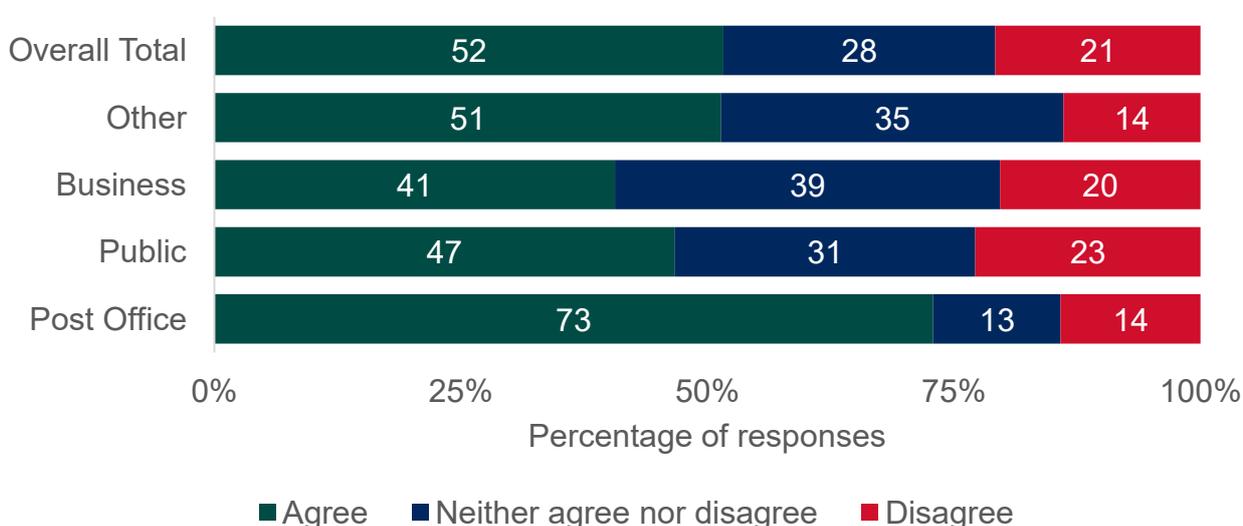
### Respondents who disagreed

Respondents who disagreed expressed concerns that the review would lead to the closure of less profitable branches or defunding outreach services. They felt this would disproportionately impact rural and remote areas with elderly and vulnerable populations and poor digital access.

## Question 14. To what extent do you agree or disagree with the minor option: Review what counts as a Post Office branch?

This question asked about whether there should be a review of what counts towards the minimum branch requirement target. Half of all respondents (52%) agreed there should be a review of what counts as a Post Office branch, with a higher level of support amongst Post Office Ltd and postmasters (73%). The largest response for each of the remaining groups was in support of undertaking a review of what counts as a branch from members of the public (47%), business (41%) and other stakeholders (51%).

**Chart K: Extent of agreement with the minor option – review what counts as a branch (n=2,115)**



Horizontal bar chart showing percentage of responses for Agree, Neither agree nor disagree, and Disagree:

| Group | Agree | Neither agree nor disagree | Disagree |
| --- | --- | --- | --- |
| Overall Total | 52 | 28 | 21 |
| Other | 51 | 35 | 14 |
| Business | 41 | 39 | 20 |
| Public | 47 | 31 | 23 |
| Post Office | 73 | 13 | 14 |

### Summary of themes

**Respondents who agreed**
Respondents who agreed with the minor option to review what counts as a Post Office branch highlighted that they felt there was currently too much inconsistency between branches, in terms of range of offerings, staff knowledge, and quality of service. They felt that it was not clear what each branch type offered, and especially highlighted branches within retail stores, stating that staff in such establishments may not be trained Post Office staff and would therefore be unable to offer the level of service and expertise they might find in other branches. These inconsistencies were felt to damage customer trust and brand image. Respondents urged Post Office to define a branch as one that is full-time, with a stand-alone counter and trained staff providing high quality service. Smaller and non-dedicated branches should be defined differently – as "outlets", for example – and clearly presented as such, so as to differentiate them from full branches offering the full or nearly full range of services.

**Respondents who agreed with caveats**
Some respondents agreed in principle with the proposal to review what counts as a Post Office branch, while at the same time stressing that it must not be used as a method to reduce the number of small or rural branches. They urged that any such review should understand that branches can operate in very different ways in different places, and that the range of services

available, and the way they are provided should be suited to and reflect local needs and sensibilities. For example, areas with many small businesses may need business banking or parcel services; automated or self-service options that may be desirable in some areas may not be appropriate elsewhere; communities that are mostly online might only require a smaller, basic outlet; and not all branches would need to provide every specialist service (such as DVLA, passport forms, and foreign currency). The employment of a flexible model was felt to be more likely to lead to branches remaining open, services remaining accessible, and the business as a whole operating in a financially viable way.

**Respondents who disagreed**

Respondents who disagreed with the minor option to review what counts as a Post Office branch and who explained why they disagreed largely did so due to feeling that such a review would result in downgrading what is classed as a branch. For example, they felt there was a risk that drop-and-collect points and limited hours outreach services would count, on paper, as providing services for rural and remote communities, when in reality the local population of any such area would most likely feel that they had lost their branch and face hardship. Such classifications were predicted to disappoint and confuse the public, and further damage consumer trust.

Some respondents who disagreed with this minor option also felt that a review of what they termed 'real post offices' would reveal a number considerably less than the stated figure of 11,500.

**Dedicated rural strategy**

Some called for a dedicated rural strategy that maintains the core branch guarantee while allowing tailored hours and contracts, with decisions 'rural-proofed' against sparsity, limited transport and connectivity gaps. Community-owned operators described running at a loss to preserve essential services and asked for funding and contracts that recognise social value. Evidence from some stakeholders highlighted wider funding inequities facing rural communities, for example, higher council tax burdens alongside lower per-capita funding. This reinforced the case for a settlement that explicitly accounts for the higher cost and social value of rural provision.

**Other points raised**

Across the full range of responses, respondents were strongly in favour of Post Office providing a clear distinction between full-service branches and limited-service outlets, with the latter clearly labelled and not counted toward network targets.

A significant number of respondents said that they had not been provided with enough information to understand the intention and implication of the proposed changes, or the criteria by which changes would be made, and that they had therefore had to assume what the purpose for each review was – generally concluding that the purpose for each review was to reduce Post Office service and provision.

Some questioned why such reviews were necessary, feeling that no justification had been given for the need for these reviews and that they represented exercises in further pointless bureaucracy.

## Findings from postmaster discussion groups

### Postmasters were opposed to maintaining existing requirements, preferring a smaller, better resourced network

Postmasters were strongly opposed to maintaining the existing network requirements. The minimum branch requirement of 11,500 was seen as anachronistic and out of step with both the realities of running Post Office branches as businesses and the genuine needs of communities.

The fundamental problem with the minimum branch rule was that it focused on an arbitrary number rather than on what services were being provided or the actual needs of different areas. It also meant keeping branches open that were not commercially viable.

Postmasters wanted a smaller network of well-resourced branches offering a full range of services, which would be preferable to maintaining 11,500 branches for the sake of meeting a target. Postmasters believed that, given the trends in consumer behaviour and declining demand for in person services, there was simply not enough business to sustain so many branches. The rules also created incentives for Post Office Ltd to open new branches in areas that already had adequate provision, resulting in unnecessary competition and cannibalising business. Money that could be invested in making remaining branches stronger and better resourced was instead being spread thinly across too many branches.

> "Money saved could be reinvested to make the remaining network stronger. It would also mean a consistent level of service offer for customers." (Postmaster discussion group)

Despite these concerns, Postmasters believed current rules provided reassurance to communities and acted as a brake on closures. Consequently, with any changes to the rules, *"the public need to be reassured with a meaningful, practical, enforceable commitment that it will not damage access"*.

### Removing the minimum branch rule was the most preferred option, but safeguards needed

Postmasters saw removing the minimum branch rule as a better option but felt it needed to be built upon and refined rather than being the solution. Postmasters believed this option would avoid the problems created by maintaining minimum branch numbers, while still providing geographic protection through the Access Criteria. It would allow the network to contract naturally to a more sustainable size, driven by commercial realities, and not leave postmasters to run branches that were not viable businesses. It would also prevent unnecessary competition and encourage a better culture between Post Office branches.

However, postmasters emphasised that the details of implementation would be critical. The Access Criteria themselves might need to be examined and adjusted, and there needed to be clarity about what constituted a 'branch' and what services should be offered:

> "And the geographical access criteria... the figures could be tweaked, and the percentages could be tweaked, but in principle, you know, that's what we work with." (Postmaster discussion group)

Some postmasters questioned whether the existing Access Criteria were appropriate, particularly for rural areas where the percentage of people within a given distance might be met while still leaving significant numbers without realistic access.

While postmasters recognised that network reduction was necessary, they acknowledged that closures would still have real impacts on the communities and postmasters. This needed to be managed sensitively with appropriate support.

Postmasters emphasised that whatever network emerged under option 2, it must include proper remuneration. There was also concern about pay inconsistency across the network, with different branches receiving different rates for the same work.

> "But everybody is paid differently for doing the same job. I'm the main branch, so I get the wages for everything. For people who are in local branches, they get peanuts for the same job they're doing, and that shouldn't be allowed. Everybody who is doing the same job should get the same pay!" (Postmaster discussion group)

## Creating new requirements was postmasters least preferred option and believed to result in significant branch closures

Postmasters described creating new requirements as 'a can of worms' and said it was their least favourite option. Postmasters saw the option as fundamentally unworkable as it would inevitably lead to the fragmentation of the network and result in a gradual phase out the Post Office network:

> "If I were in charge of this, then I would put a red line through option three right now... It's not workable. You couldn't duplicate the Post Office service on smaller scales. It barely works as it is now because it's been cut to the bone" (Postmaster discussion group)

Postmasters said that assessing whether 'alternative service providers' could meet demand in an area was seen as missing the fundamental point of what Post Office provides – namely, more than a series of transactions that could be replicated through PayPoint machines or parcel boxes:

> "it sounds like a plan to do away with the Post Office completely. I think there's an opportunity with the Post Office to provide a place for vulnerable and technologically disenfranchised people to access banking and access mail. And I think if the government did double down on that and put the Post Office in as the front office of government, then that would work on a community level. But it's not going to be commercial, and any attempt to duplicate the service is... going to result in vastly lowered levels of service." (Postmaster discussion group)

Post Office services often involve handling money, sensitive documents, and supporting vulnerable customers with complex needs. There were significant concerns that if Post Office services were handed over to other providers, the staff delivering these services might not have the necessary training, understanding, or aptitude to support customers properly.

The 'similar service' criteria would have a particularly problematic impact in cities and urban areas. In these locations, it could be argued that banks, PayPoint terminals, and various parcel services provided by different retailers constitute 'alternative service providers'. This could potentially green-light the closure of many urban Post Office branches.

Before even considering whether alternative provision could work in some areas, postmasters felt there needed to be a much clearer definition of what Post Office should be and what services it should provide.

## Other policy options

**Customer service targets important in principle but hard to work in practice**
Postmasters acknowledged that having standards for service quality was important in principle, as customers should receive a certain standard of service regardless of which branch they visited. However, postmasters strongly pushed back against the idea of formal customer service targets. This was because:

- the diversity of Post Office branches meant that it would be meaningless to set the same targets for all locations

- targets could drive the wrong behaviours and undermine quality of service, impacting on vulnerable customers who needed greater support with complex transactions.

Additionally, postmasters were concerned that the monitoring and enforcement of targets could promote a culture of bullying and intimidation.

> "Who watches the watchman? How is it set? How is it done? As I've said, I'm a one-person [shop] now. I run my shop and my Post Office because the rates are so low, business is so low... I'm the one-person operator on both sides... if I'm doing my social bit and I'm helping somebody with their mobile phone who is trying to get credit on, and I'm being timed because I'm not scanning somebody's parcel, is that providing good service? Is that going to help? A bad, bad way to go! Again, bad culture will come into that if we go down that line. It will be the bullying, the intimidation, and all the things that have gone wrong in the past." (Postmaster discussion group)

**Review of postcode access criteria**
Postmasters were open to reviewing the access criteria, recognising that the current rules might not be optimal and not reflect community needs.

> "The rural population is a lot less than that in the town. So, for 95% of them to be within that is... what I'd call a soft option because, you know, a lot of, you know, crucial people will not be close to a post office and will not have transport maybe as well." (Postmaster discussion group)

However, postmasters emphasised that any review of access criteria should be based on genuine community needs and service requirements rather than simply making it easier for Post Office Ltd to close branches. Any savings from changes to access criteria needed to be reinvested in making the network stronger.

**Review what counts as a Post Office branch**
Postmasters believed that a Post Office branch should have certain core characteristics. These included having a Horizon system, offering a substantial range of services across postal, banking, and government transactions, and having appropriately trained staff who could support customers with complex needs. Simply having a Pickup Drop Off service for parcels should not qualify as a Post Office branch.

There was significant concern that allowing 'access points' rather than requiring proper branches would further fragment the network and dilute the Post Office brand. Postmasters felt that maintaining a clear definition of what Post Office branches were and what services they provided was essential for brand integrity and customer confidence.

**Postmaster ideas for other policy options**

Postmasters felt that policy decisions needed to be based on much clearer analysis of what services were genuinely needed in different areas and what would constitute a viable business model.

Related, a Post Office's business model depended entirely on short-term contracts with carriers and banks, creating fundamental uncertainty. Policy needed to address how to create more stable, long-term revenue streams rather than relying on renewals of commercial contracts that might be withdrawn. Postmasters emphasised that no single policy change regarding network structure would solve Post Office's challenges. What was needed was a comprehensive strategy that simultaneously addressed:

- postmaster remuneration and fair pay

- government backing of in-person services

- strong negotiating positions with banks and carriers

- operational capability and systems improvement

- proper governance with postmaster involvement

- clear strategic direction about Post Office's purpose

# Findings from public discussion groups

It is important to note that the public took part in a deliberative process and were given information about Post Office Ltd's commercial performance, including the number of loss-making branches, as well as details about the wider social value the network provides. That the network operates at a loss was a key factor shaping public views on the policy options.

## Public participants were strongly opposed to maintaining the current rules

Across all groups, public participants struggled to identify any meaningful advantages to maintaining the current rules. The minimum branch requirement of 11,500 was seen as arbitrary and outdated and participants questioned where this specific number came from, its rationale given access rules were already in place, and how it kept pace with change in society given the rule had been set in 2010.

> "These were made 15 years ago... that rule, wasn't it? Yeah, 2010, you know, it's outdated. Communities have grown bigger, you know, and you're still going off very old access points as well... I think they all need reviewing and changing." (Public discussion group, Norfolk)

The requirement to open a new branch whenever one closed - regardless of local need - was viewed as absurd and would force Post Office Ltd to make decisions that no sensible commercial organisation would make.

> "To me, that's a cop out. I understand that you've got to close a branch down. I get that right. But you're closing one down and you're opening another one up. And there's two post offices in the same area. There's a cost to that as well. It's a no brainer, close it down. Leave it closed." (Public discussion group, Belfast)

> "They are just playing a numbers game to meet these criteria." (Public group, Falkirk)

Public participants also felt the rules had created unnecessary complexity, leading to a proliferation of different branch types offering different services rather than standardisation.

Public participants thought that maintaining the status quo was not a neutral option - it would actively prevent the changes participants felt were necessary for Post Office to adapt and survive.

> "If we keep the rules the way they are now, you're going to see a natural decline in people wanting to become a postmaster, wanting to start a franchise, anything like that... that would eventually see the death of the Post Office." (Public discussion group, Glasgow)

## Removing the minimum branch rule a better option, though concerns expressed about maintaining access rules

Overall, while public participants felt that maintaining the access rules but removing the minimum branch rule struck a good balance between Post Office commercial needs and customer needs, they still identified several concerns with this option.

The main advantage identified across all groups was that removing the minimum branch requirement would allow Post Office to close loss-making branches without being forced to open unnecessary replacements, while still maintaining geographical coverage through the access rules. Participants also said this option would enable Post Office to streamline its network, concentrating resources on fewer but better-quality branches rather than maintaining multiple loss-making outlets.

> "If they put the money or even a fraction of the money into making the other one a better service, a more expanded service, people might appreciate that." (Public discussion group, Falkirk)

Despite these advantages, participants raised several significant concerns about this option, notably that the access criteria were based on distance rather than customer need.

> "For people who are vulnerable and need the full service, distance isn't actually much of an indicator of how easy it is for them to access the services...it's an interesting metric to use to determine where they should be as it doesn't actually have much bearing on how accessible they are." (Public discussion group, Glasgow)

Additionally, public participants said the access criteria percentages - requiring 99% or 90% of the population to be within a certain distance of a Post Office - seemed unnecessarily high and were not a requirement for other important public services.

Several participants emphasised that any branch closure decisions should be strategic and take account of local circumstances rather than being driven purely by the distance-based access rules.

> "Yeah, I think you need to have an understanding of the different areas... the level of education people have... if they're digitally skilled... how often they use the Post Office... who uses it? I think, based on specific areas, you need to make that decision as to how many post offices you need." (Public discussion group, Birmingham)

**Conditional support for creating new requirements for areas with little service provision**

Most public participants said creating new requirements for areas with little service provision was their most preferred option. However, while participants intuitively liked the principle of local needs-based decision making, they had significant concerns about how this would work in practice and who would make the decisions.

Participants said the main advantage of this option is it that it would allow flexibility to tailor Post Office services to local circumstances rather than applying blanket rules that might not fit every area. Participants also believed the option was most likely to make Post Office sustainable by eliminating unprofitable branches while protecting services where genuinely needed. The option also represented real change rather than simply tinkering with existing arrangements.

> "This option seems to be the most drastic change out of the three options and a drastic change is what's needed to modernise the Post Office. It might be difficult for some to adjust to, but they'll get used to it and it will be worth the pain." (Public discussion group, Pontypridd)

Participants suggested this option would enable Post Office to co-locate with other services or government buildings, making more efficient use of resources.

Despite its appeal, participants identified substantial concerns about this option, particularly around governance, trust, and practical implementation. Participants did not trust Post Office management to make impartial decisions that balanced commercial and social considerations.

Several groups suggested that independent oversight would be necessary - perhaps via an ombudsman or local decision-making body - but then recognised that this would add cost and bureaucracy, potentially undermining the efficiency gains. A group in Northern Ireland, raised particular concerns about local decision-making potentially reopening sectarian tensions.

The concept of 'suitable alternatives' was seen as highly subjective. Participants worried that Post Office might claim alternative services existed when they were not genuinely accessible or appropriate for all customer groups. Several participants questioned what would happen if alternative services that Post Office had relied upon - such as PayPoint or banking hubs in retail stores - subsequently closed. For example, would there be ongoing monitoring to ensure provision remained adequate.

Participants expressed concern that this option would result in customers having to visit different locations for different services, which would be confusing and inconvenient, particularly for elderly or vulnerable people. Participants also said this option would represent irreversible change - once branches closed under this model, they would not reopen.

The Norfolk group worried that this represented too much change too quickly, and that the service could be cut back in ways that would be difficult to reverse.

Consequently, support for this option was conditional on several factors being addressed:

- clear accountability and oversight: participants wanted assurance that decisions would be properly monitored and that there would be consequences if Post Office failed to maintain adequate provision

- meaningful local consultation: communities should be involved in decisions about their local services rather than having changes imposed centrally

- clarity on what the new rules would be: the proposal about what would replace current access criteria was seen as vague; participants wanted more detail about how 'suitable alternatives' would be defined and what protections would exist

- ongoing review: the system would need regular monitoring to adapt to changing circumstances, not set-and-forget for another 15 years

## Other policy options

### Customer service targets

Public participants felt that customer service targets were inappropriate for Post Office's social purpose and could have unintended consequences that may worsen service for vulnerable customers. Participants felt the diversity of Post Office branches and customer needs made it challenging to establish targets that would work across the entire network. Several groups suggested that rather than imposing targets, Post Office should invest in staff, technology and training, which would naturally lead to better service outcomes.

One group suggested that if targets were introduced, they should focus on rewards rather than punishment, with staff receiving incentives for good performance rather than being disciplined for missing targets. They also felt 'measures' would be more appropriate than 'targets' - providing information without creating pressure that could harm service quality.

### Review of postcode access criteria

Public views on reviewing the postcode criteria varied, though most groups saw merit in reconsidering this requirement, provided alternative service provision was maintained. Generally, public participants said that mobile Post Office vans were a sensible solution for very sparsely populated areas, providing service while controlling costs. Similar arguments were made for the greater use of self-service kiosks or lockers.

While less common, certain participants said that access to postal services was a right in a civilised society and that proposals to remove postcode requirements seemed poorly thought through and overly focused on cost-cutting without considering local impact. Others expressed concern that the proposal was vague and unclear about what removing the postcode requirement would mean in practice, and whether it would simply enable closure of branches without adequate replacement provision.

### Review what counts as a branch

Several groups supported the principle of clarifying what constitutes a branch but emphasised that a genuine branch must offer the full range of Post Office services, not just parcel services.

One group felt strongly that a bricks-and-mortar post office providing the full range of services was what defined a branch, and that changing definitions simply to meet targets was unhelpful. They also reported poor experiences with Post Office lockers.

> "A room full of lockers wouldn't really count as a branch, because there's no personal service there." (Public discussion group, Dungannon)

Many groups supported the idea of clear branding to differentiate between full-service branches and limited-service locations, similar to how supermarkets distinguish between full-size stores and local formats.

Public participants also said consistency was essential and the current situation, where customers did not know what services would be available at different branches, was frustrating and undermined confidence in Post Office.

# Chapter 6: Reforming the governance and long-term ownership arrangements for Post Office

The consultation document stated government's two overarching aims for Post Office:

- to be a positive-culture, accountable and transparent organisation that serves postmasters, partners, customers, employees and communities

- to become a financially sustainable organisation with less reliance on public investment

The consultation document set out that Post Office remains an arm's-length public corporation, wholly owned by the appropriate Secretary of State on behalf of the government. As set out in the consultation document, the DBT sets long-term direction, appoints the chair and board, and approves key plans and certain major decisions. UK Government Investments advises DBT and represents the shareholder on the board within a formal governance framework. The board operates commercially under Companies Act duties and currently includes non-executive directors, the government representative, and the Chief Executive.

As stated in the consultation document, recent cultural reform measures include a Transformation Plan and 'New Deal for postmasters', focusing on higher remuneration, stronger partnership and improved operational standards. This also includes a postmaster Experience Director embedded centrally, two postmaster non-executive directors, and 2 new engagement mechanisms, namely the Consultative Council and a Postmaster Panel. These are designed to shape processes from onboarding and training to performance management. The consultation document stated governance improvements to the board are also being implemented.

The consultation document explained that government does not propose fundamental ownership changes now, citing the need for stability during transformation and Horizon replacement. However, as set out in the consultation document, government sought views on further reforms to strengthen governance and voice while avoiding bureaucracy that could slow decision-making. Issues, on which views were invited, include:

- permanency and independence of engagement bodies: making the Consultative Council and Postmaster Panel more independent or time-proofed, while noting trade-offs around information access, cost and complexity

- efficiency and speed: ensuring added structures do not hinder transformation or responsiveness.

- relationship with government: scope for greater stakeholder input into strategic direction, network decisions and key appointments

- membership: whether to broaden beyond postmasters to unions and consumer groups, balancing diversity of views with clarity of purpose

- a strong postmaster voice: ensuring that postmasters and employees feel heard within any future arrangements

The consultation document stated that any new forum would remain consultative and advisory, with decision-making authority staying with the Post Office Board. Government invited respondents to indicate which reform priorities matter most.

## Question 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?

There were mixed views overall on whether the existing governance structures were sufficient to achieve Post Office Ltd's cultural transformation, with 20% feeling these were sufficient and a further 27% saying these were somewhat sufficient. 23% said they were not sufficient and 30% stated they did not know whether they were sufficient or not. There was a similar picture across the respondent groups, however the highest rate of disagreement with this came from the Post Office Ltd and postmaster group (36%).

**Chart L: Do you believe that these existing governance structures are sufficient for achieving Post Office's cultural transformation? (n=2,064)**
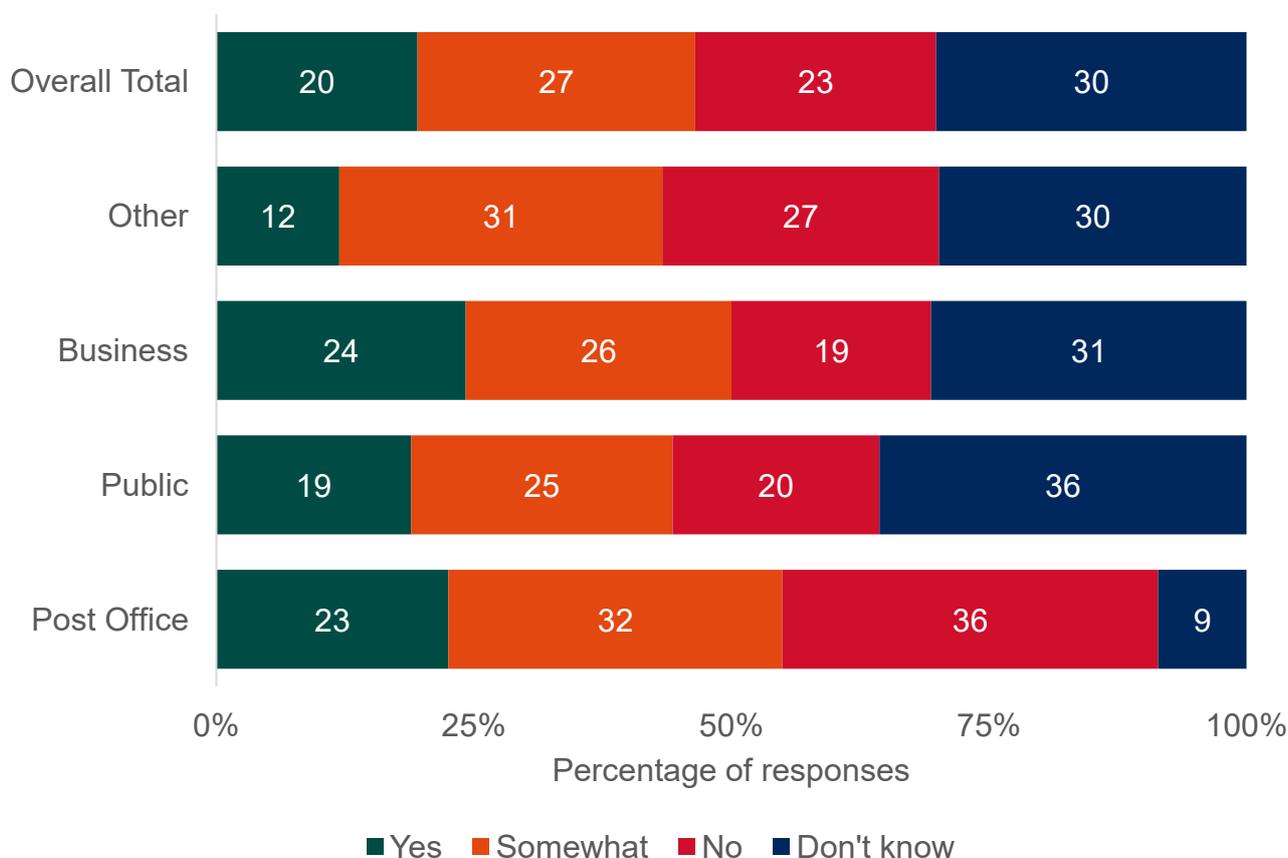
# Question 17. Please explain your answer

## Summary of themes

### Respondents who believed existing governance structures were sufficient for achieving Post Office's cultural transformation

Primarily, those who agreed that Post Office's current governance structures were sufficient stated that they felt this way due to what they saw as the positive aspect of postmaster representation, allowing for decision making to be influenced by working insight and on-the-ground experience and knowledge, while at the same time being balanced by professionals with understanding of operating large-scale commercial business. Some respondents also stated that they felt the current structure was working well and did not require any significant change at this time.

### Respondents who believed existing governance structures were insufficient for achieving Post Office's cultural transformation

Respondents who were doubtful that the existing governance structures were capable of achieving Post Office's cultural transformation said they felt this way due to the perception that it was overly bureaucratic and top-heavy, with too many layers of management which led to inefficiency and a lack of accountability. Respondents characterised panels, boards and proposed governance reforms as 'tick-box exercises' attempting to mitigate the fallout from the Horizon scandal rather than sincere attempts to implement genuine reform. Some respondents also felt that decision-makers were too far removed from the day-to-day realities of managing post offices, describing postmaster representation as 'tokenistic' rather than genuine. They believed that independent postmasters from diverse backgrounds should be more greatly represented, with particular focus on ethnic minorities and the feeling that small and rural branches have been underrepresented, while city and main branches are overrepresented.

Some respondents suggested that it was not possible for meaningful reform to come from within, implemented and led by a system they felt was 'broken'. Some called for complete structural overhaul and independent oversight to enforce accountability and transparency.

Respondents also raised concerns that non-executive directors were not democratically elected and lacked the ability to exert real influence, being excluded from key decision making and amounting to 'window dressing' rather than meaningful representation. Some respondents called for greater trade union representation and involvement from other relevant consumer bodies, while some suggested that existing National Federation of Sub postmasters (NFSP) should be disbanded or have its funding shifted from Post Office to government due to concerns over conflicts of interest.

Suggestions for ways to improve governance and accountability included calls for performance targets to be set for directors, with consequences if they are not met. Respondents also recommended implementing anonymous staff surveys and reporting systems to gather honest feedback and allow misconduct to be reported safely. In addition, the Consultative Council was criticised as being too heavily influenced and manipulated by Post Office Ltd, limiting their independence and effectiveness. Some respondents felt that the organisation was resistant to change and that new, independent and external leadership with fresh perspectives was necessary to bring real innovation and transformation.

**Other themes raised**

A significant number of respondents stated that they were unable to answer the question as they had not been informed what each group on the Post Office Board do, nor did they know anything about how well or otherwise the existing arrangement was working.

Some stated that they did not know what was meant by 'cultural transformation', while others wondered if there were alternative proposals to the existing governance structure, and what those alternatives would be, given that there are questions about whether it is sufficient for purpose.

## Question 18. To what extent you agree with the following statement: postmaster engagement bodies should be set up to be permanent?

The majority (68%) agreed that postmaster engagement bodies should be set up to be permanent. This was higher among Post Office Ltd and postmaster respondents (83%).

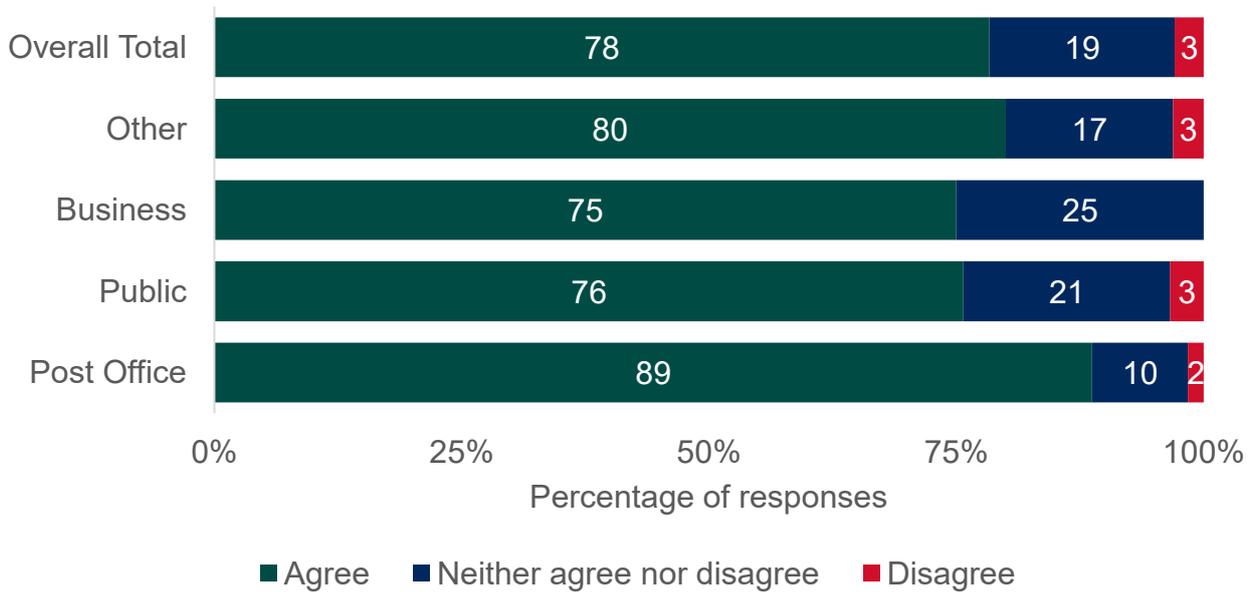**Chart M: Extent of agreement with postmaster engagement bodies being permanent (n=1,981)**
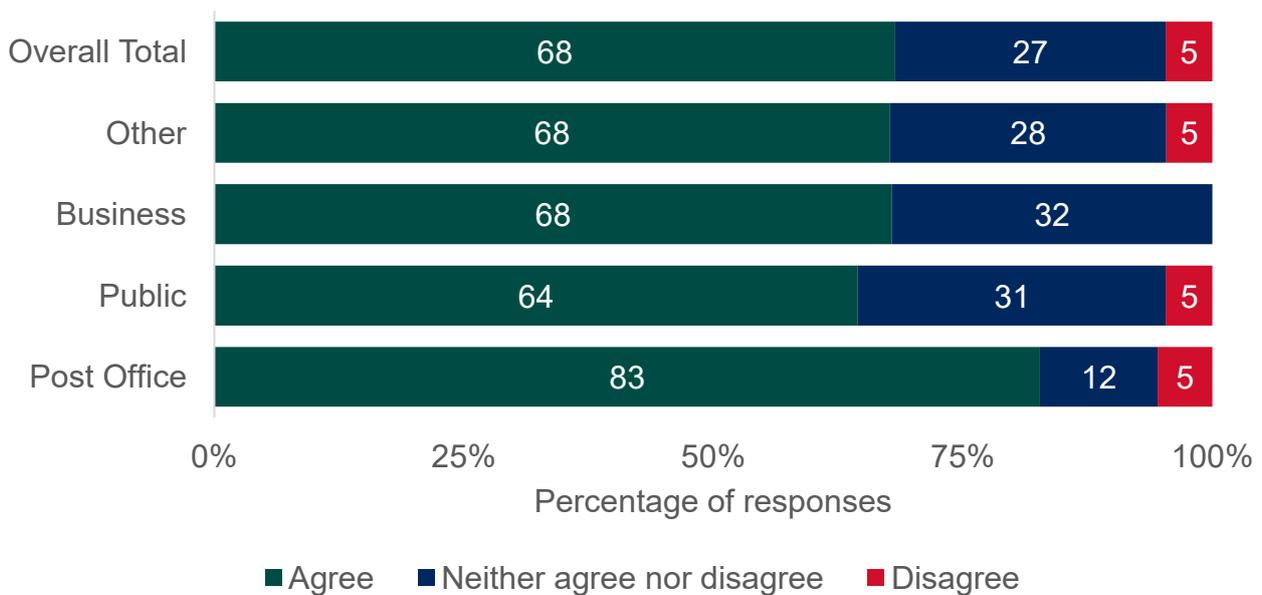


## Question 19. To what extent you agree with the following statement: postmaster engagement bodies should be set up with a clear remit?

The majority (78%) agreed that postmaster engagement bodies should be set up with a clear remit. This was higher among Post Office Ltd staff and postmaster respondents (89%).

**Chart N: Extent of agreement that postmaster engagement bodies should have a clear remit (n=1,981)**



Legend: Agree · Neither agree nor disagree · Disagree

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 78 | 19 | 3 |
| Other | 80 | 17 | 3 |
| Business | 75 | 25 | |
| Public | 76 | 21 | 3 |
| Post Office | 89 | 10 | 2 |

Percentage of responses

## Question 20. To what extent you agree with the following statement: postmaster engagement bodies should be independent of Post Office?

The majority (65%) agreed that postmaster engagement bodies should be independent of Post Office. This was higher among Post Office Ltd staff and postmaster respondents (76%).

**Chart O: Extent of agreement that postmaster engagement bodies should be independent (n=1,979)**



| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 65 | 26 | 9 |
| Other | 74 | 18 | 8 |
| Business | 64 | 27 | 9 |
| Public | 62 | 28 | 10 |
| Post Office | 76 | 15 | 8 |

Percentage of responses

Legend: Agree · Neither agree nor disagree · Disagree
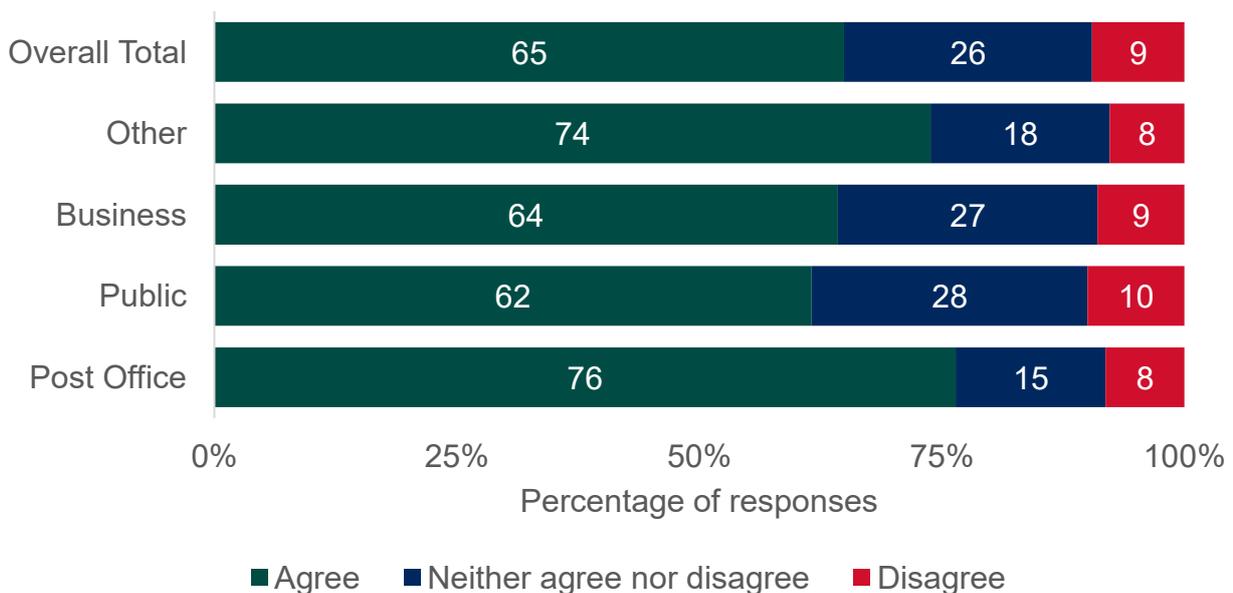
# Question 21. To what extent you agree with the following statement: any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan?

Just under half of respondents (49%) agreed that any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan. This was higher among Post Office Ltd staff and postmaster respondents (67%), business (54%) and other stakeholders (51%).

**Chart P: Extent of agreement that governance measures should not slow down Transformation Plan (n=1,977)**
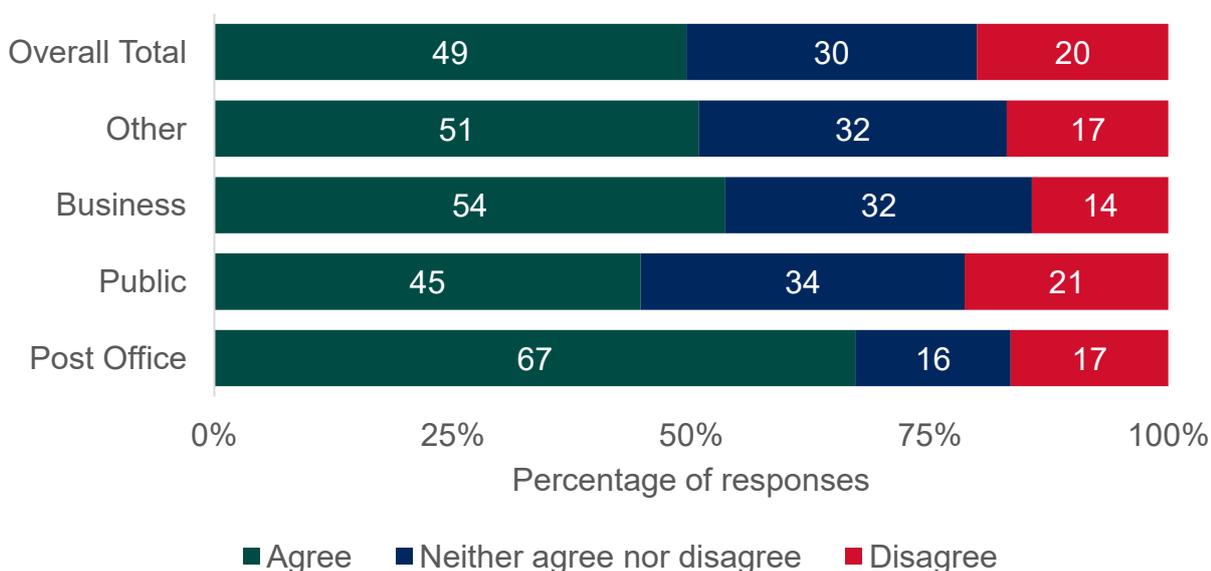


# Question 22. To what extent you agree with the following statement: postmasters should be able to input more than they currently do into government's decisions on Post Office?

The majority (88%) agreed that postmasters should be able to input more than they currently do into government's decisions on Post Office. This was higher among Post Office Ltd staff and postmaster respondents (89%).

**Chart Q: Extent of agreement that postmasters should input more to government decisions (n=1,992)**
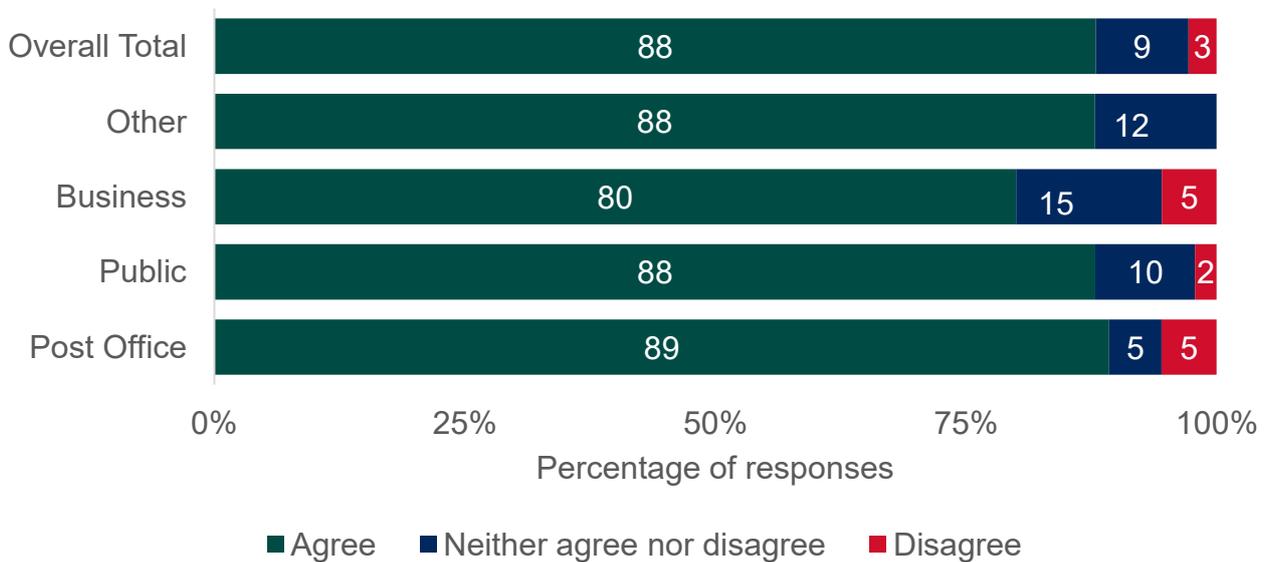


Question 23. To what extent you agree with the following statement: engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters?

The majority (65%) agreed that engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters. This was lower among Post Office Ltd staff and postmaster respondents (59%) and business (55%), but higher among members of the public (67%) and other stakeholders (76%).

**Chart R: Extent of agreement that engagement bodies should have more diverse membership (n=1,985)**



Agree    Neither agree nor disagree    Disagree

| | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 65 | 20 | 15 |
| Other | 76 | 16 | 7 |
| Business | 55 | 36 | 9 |
| Public | 67 | 20 | 13 |
| Post Office | 59 | 19 | 22 |
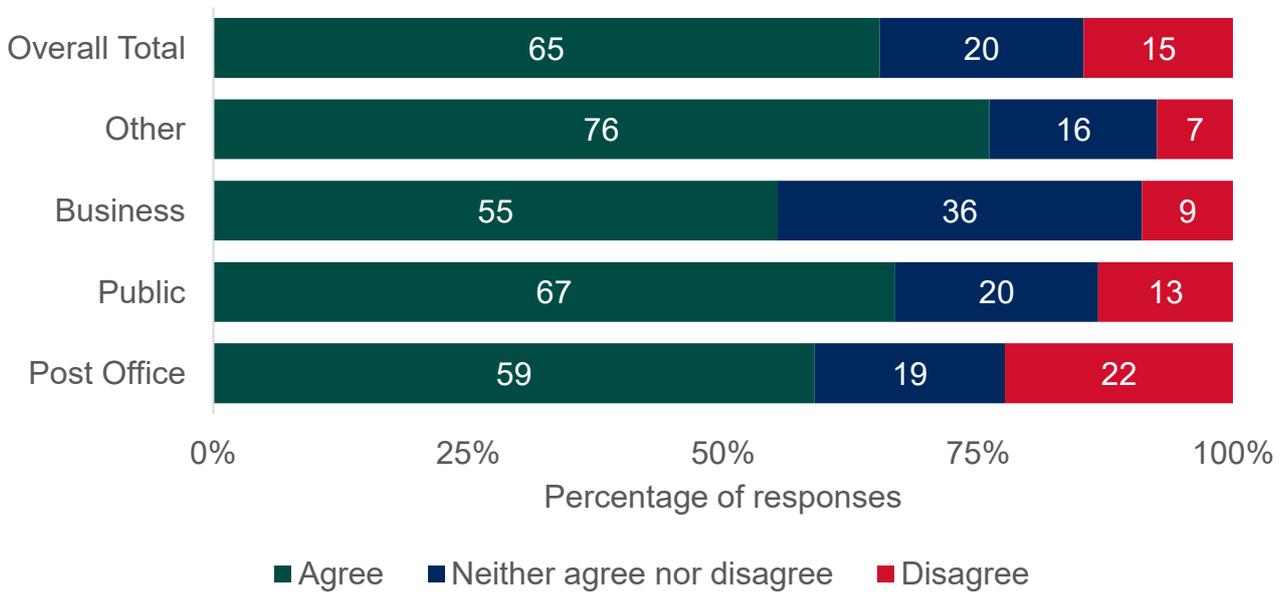
## Question 24. To what extent you agree with the following statement: postmasters should be represented by an organisation not funded by Post Office?

The majority (65%) agreed that postmasters should be represented by an organisation not funded by Post Office. This was higher among Post Office Ltd staff and postmaster respondents (74%).

**Chart S: Extent of agreement that a postmaster representative organisation should not be Post Office funded (n=1,980)**



Agree    Neither agree nor disagree    Disagree

| | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 65 | 25 | 10 |
| Other | 55 | 40 | 5 |
| Business | 55 | 25 | 20 |
| Public | 63 | 27 | 10 |
| Post Office | 74 | 15 | 11 |
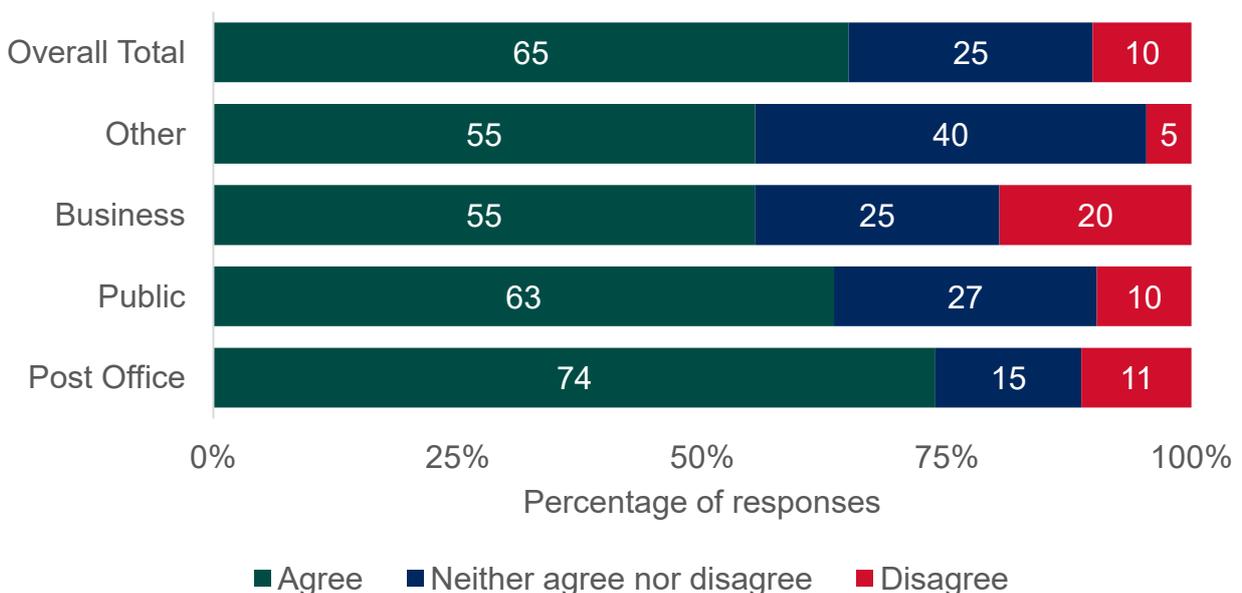
## Question 25. To what extent you agree with the following statement: Post Office should be free to consult a wide range of groups representing postmasters on issues such as remuneration and contractual issues?

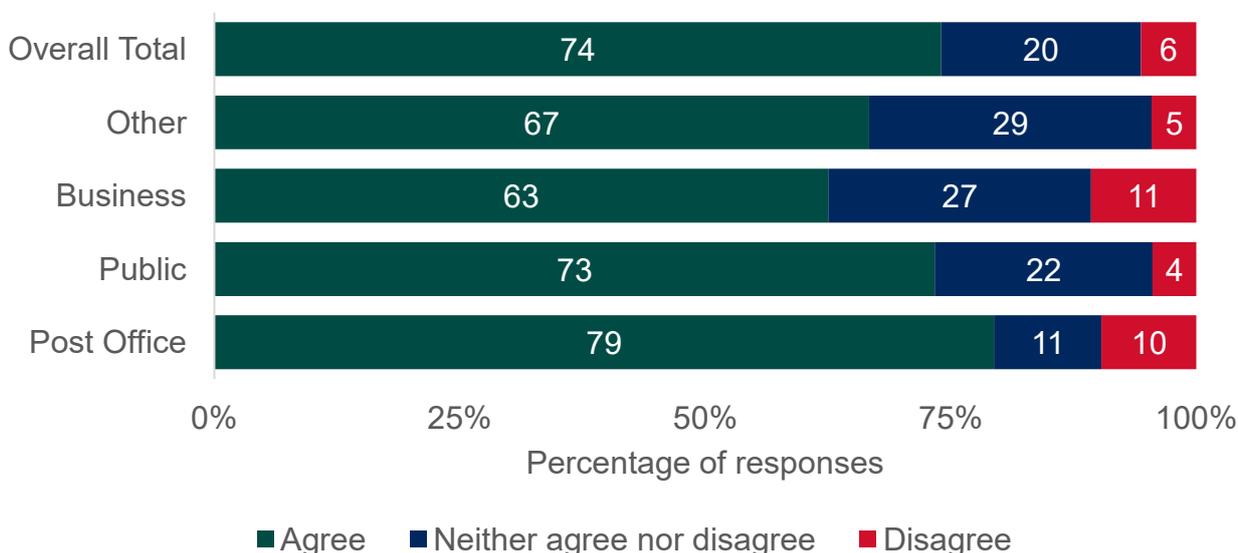The majority (74%) agreed that Post Office should be free to consult a wide range of groups representing postmasters on issues such as remuneration and contractual issues. This was higher among Post Office Ltd staff and postmaster respondents (79%).

**Chart T: Extent of agreement that Post Office should consult a wide range of postmaster groups (n=1,981)**



## Question 26. Which of the following aspects of the governance model that could be changed is the most important to you?

The consultation asked respondents to consider several different aspects of a future governance model and identify which one would be their priority for change. The results of this were:

- 34% prioritised that postmasters should be able to input more than they currently do into government's decisions on Post Office

- 16% prioritised that postmaster engagement bodies should be independent of Post Office

- 10% prioritised that postmaster engagement bodies should be set up with a clear remit

- 10% prioritised that engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters

- 10% prioritised that postmaster engagement bodies should be set up to be permanent

- 9% prioritised postmasters being represented by an organisation not funded by Post Office

- 6% prioritised that Post Office should be free to consult more widely on issues such as remuneration and contractual issues

- 5% prioritised that any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan

**Chart U: Most important aspect of possible changes to the governance model (n=1870)**
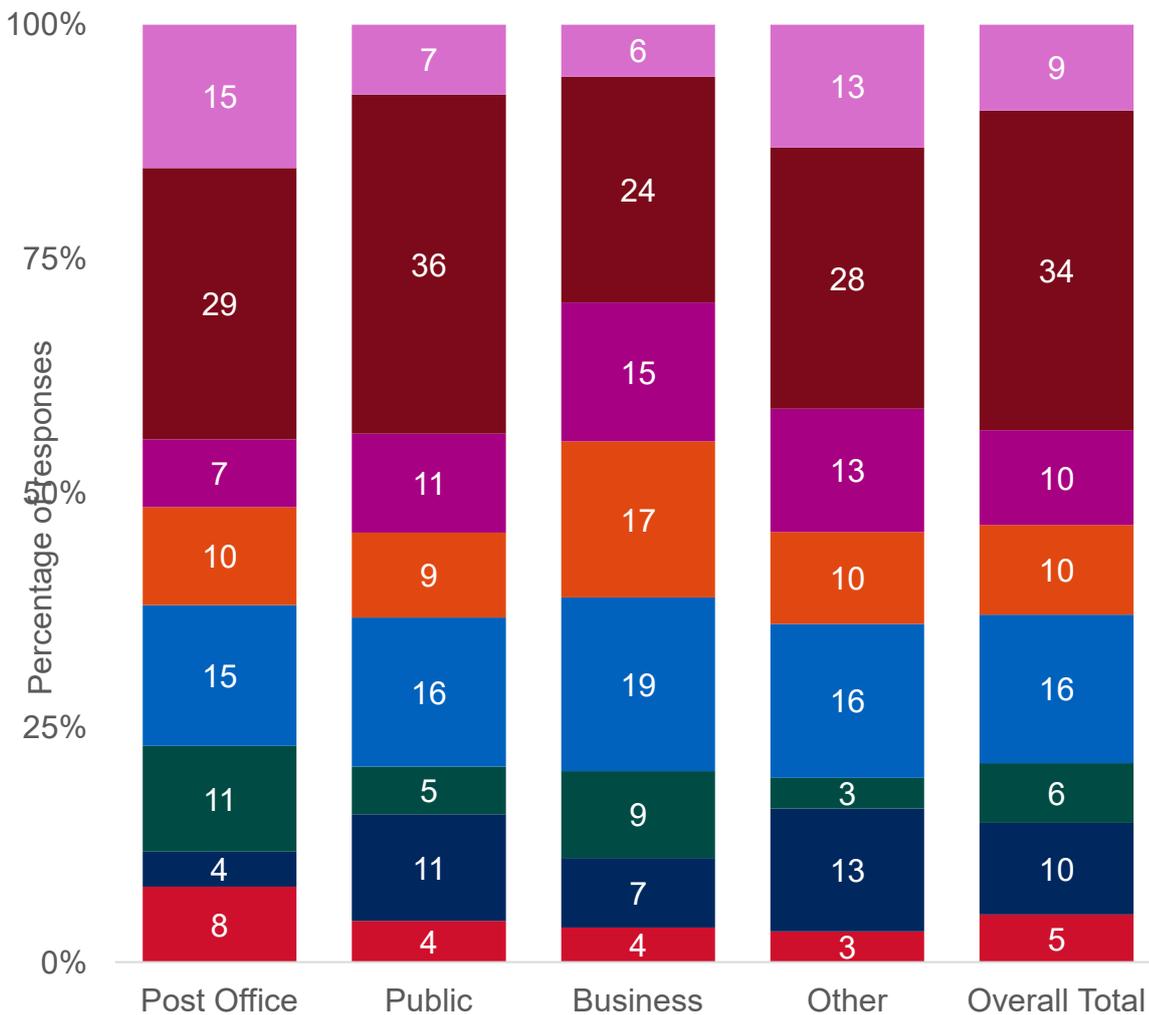


Postmasters should be represented by an organisation not funded by Post Office

Postmasters should be able to input more than they currently do into Government's decisions on Post Office

Postmaster engagement bodies should be set up with a clear remit

Postmaster engagement bodies should be set up to be permanent

Postmaster engagement bodies should be independent of Post Office

Post Office should be free to consult more widely on issues such as remuneration and contractual issues

Engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters

Any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan

## Next steps for short term reforms and longer-term options

Government explained in the consultation document that it will not make any immediate decisions about changes to the governance or ownership of Post Office until the final report of the Post Office Horizon IT Inquiry is published. The consultation document stated that this is to ensure that any reforms are informed by the Inquiry's findings and recommendations, especially regarding the relationship between government, Post Office, and postmasters.

The consultation document set out that government considers the current governance model remains appropriate in the short-to-medium term while Post Office continues to depend on taxpayer funding and works to demonstrate financial stability and cultural transformation. Looking further ahead, the consultation document identified two potential long-term options for reform:

- conversion into a mutual: owned collectively by postmasters and potentially other stakeholders, such as employees, customers, and community groups. This model could give postmasters greater control and accountability, while maintaining public benefit. The Green Paper outlined key design questions around membership, funding and liabilities, and ownership structure. It also noted that mutualisation would only be viable once Post Office is financially stable and less reliant on public subsidy and would be complex, time-consuming, and costly to implement.

- a charter model: similar to the BBC or certain universities, under which a formal charter would define Post Office's public purpose and governance rules. This model was said to reduce direct government ownership and oversight, granting Post Office greater operational autonomy and long-term strategic freedom. Funding would remain a mix of commercial income and agreed public subsidy. The document noted, however, that this approach might introduce new bureaucratic layers or prove unnecessary once Post Office achieves stability and reforms its culture following the Horizon Inquiry.

Overall, the consultation document stated that while both models could enhance independence and local accountability in the longer term, neither is proposed for immediate implementation.

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

Respondents were asked which option they preferred for managing Post Office in the long term:

- 37% supported conversion of Post Office into a mutual

- 32% wanted to keep the existing governance structures

- 18% preferred a charter model for Post Office

- 12% wanted to see another option

Although there was no clear majority preference amongst stakeholder groups, the largest area of support for each group was also to see the conversion of Post Office into a mutual, with support from 45% of Post Office Ltd staff and postmasters, 35% of members of the public, 37% of business and 35% of other stakeholders.

**Chart V: Preferred option for managing Post Office long term (n=1,807)**

| Category | Conversion of Post Office into a mutual | Charter model for Post Office | Keep the existing governance structures | Another option |
|---|---|---|---|---|
| Overall Total | 37 | 18 | 32 | 12 |
| Other | 36 | 28 | 24 | 12 |
| Business | 37 | 25 | 31 | 6 |
| Public | 35 | 19 | 34 | 12 |
| Post Office | 45 | 13 | 28 | 13 |

Percentage of respondents

- ■ Conversion of Post Office into a mutual
- ■ Charter model for Post Office
- ■ Keep the existing governance structures
- ■ Another option

## Summary of themes

Although an open-ended question was not directly asked in the consultation about Q27, a number of stakeholder responses submitted by email mentioned these options and gave a wide variety of views. While some stakeholders supported mutualisation, others expressed caution. Some warned that mutualisation could reduce accountability or impose financial liabilities on postmasters. They stressed that any ownership reform must follow operational and financial stability and include safeguards to protect public service duties.

Some financial services stakeholders cautioned against premature ownership change, emphasising the need to stabilise governance and funding first, urging that any move toward mutualisation be carefully sequenced and designed to preserve stability. Some said that collaboration between banks and Post Office must not undermine commercial independence. They suggested this could be achieved by ensuring plurality and competition in access-to-cash delivery. Some voiced their opposition to the introduction of statutory mandates that would designate Post Office as the exclusive provider.

Some stakeholder responses submitted by email criticised the franchise model and called for a return to directly managed Crown offices. They argued that franchising had led to inconsistent service quality and diminished public trust and proposed that local authorities be enabled to host or manage branches.

A recurring theme across stakeholder submissions was the need for deeper, independent oversight and permanent engagement mechanisms with clear remits, while avoiding bureaucracy that could slow down transformation. Proposals ranged from reinforced arm's-length oversight to multi-stakeholder and outcomes-audited models, with calls for clearer data transparency and external auditing of reform progress.

## Question 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?

The majority (72%) agreed that in a potential mutual model postmasters should not take on overall financial liabilities for the organisation. This was higher among Post Office Ltd staff and postmasters (76%) and business (76%) respondents.

**Chart W: Extent of agreement that in a potential mutual model, postmasters should have overall financial liability (n=1,855)**
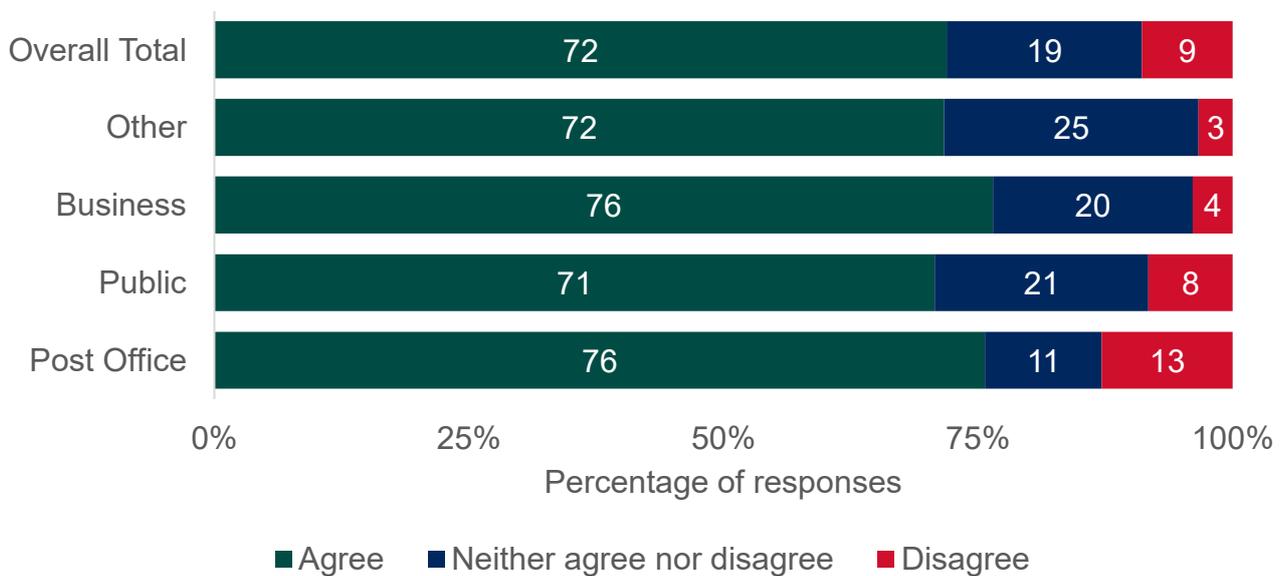


## Question 29. To what extent do you agree with the following statement: under mutualisation Post Office should be completely independent from government?

There were mixed views on whether, under mutualisation, Post Office should be completely independent from government. 41% agreed, 36% disagreed and 23% were unsure. A similar mixed picture was also evident for each of the respondent groups.

**Chart X: Extent of agreement that under mutualisation, Post Office should be independent from government (n=1,862)**

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 41 | 23 | 36 |
| Other | 37 | 27 | 36 |
| Business | 39 | 24 | 37 |
| Public | 42 | 24 | 34 |
| Post Office | 40 | 18 | 41 |

Percentage of responses

■ Agree ■ Neither agree nor disagree ■ Disagree
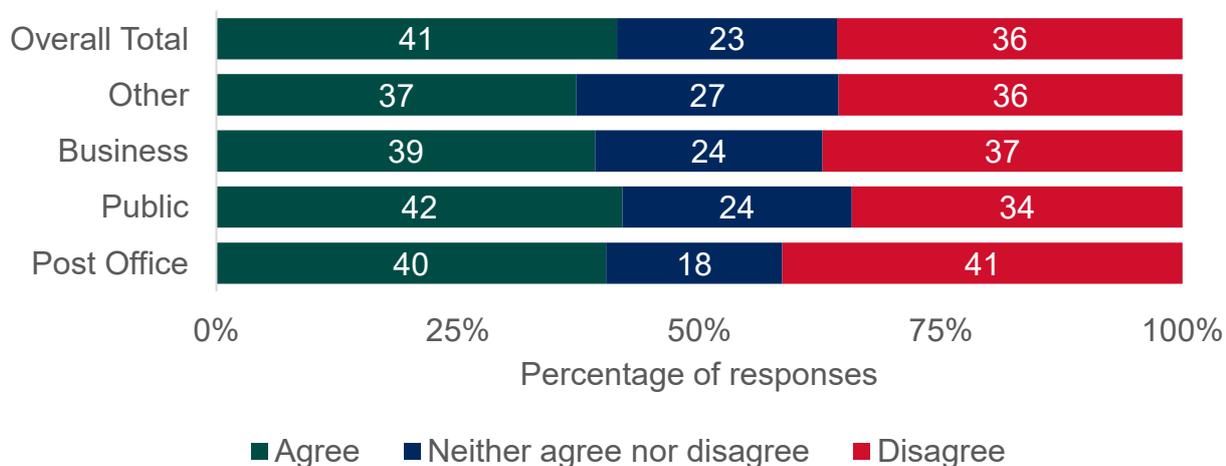
## Question 30. To what extent do you agree with the following statement: in a potential mutual model, only postmasters and strategic partners should be able to be members?

There were mixed views on whether, in a potential mutual model, only postmasters and strategic partners should be able to be members. 43% agreed, 24% disagreed and 33% were unsure. A similar mixed picture was also evident for each of the stakeholder groups, with the exception of Post Office Ltd staff and postmasters where 64% expressed support for this.

**Chart Y: Extent of agreement that in a mutual model, only postmasters and strategic partners should be members (n=1,851)**

| Category | Agree | Neither agree nor disagree | Disagree |
|---|---|---|---|
| Overall Total | 43 | 33 | 24 |
| Other | 46 | 28 | 26 |
| Business | 37 | 43 | 20 |
| Public | 37 | 38 | 25 |
| Post Office | 64 | 17 | 19 |

Percentage of responses

■ Agree ■ Neither agree nor disagree ■ Disagree
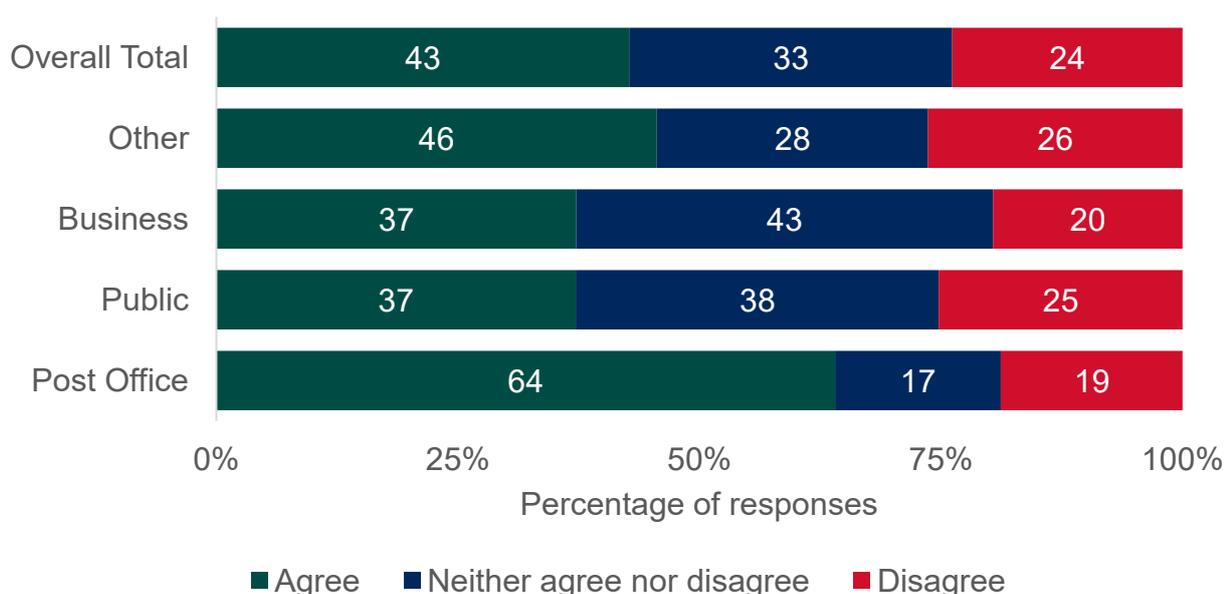
# Question 31. To what extent do you agree with the following statement: Post Office should be given more independence from government once Post Office has achieved its cultural and financial policy objectives?

Just over half (51%) agreed that Post Office should be given more independence from government once Post Office has achieved its cultural and financial policy objectives. Support for this was stronger amongst Post Office Ltd staff and postmaster respondents (60%).

**Chart Z: Extent of agreement that Post Office should be more independent from government after achieving policy objectives (n=1,859)**
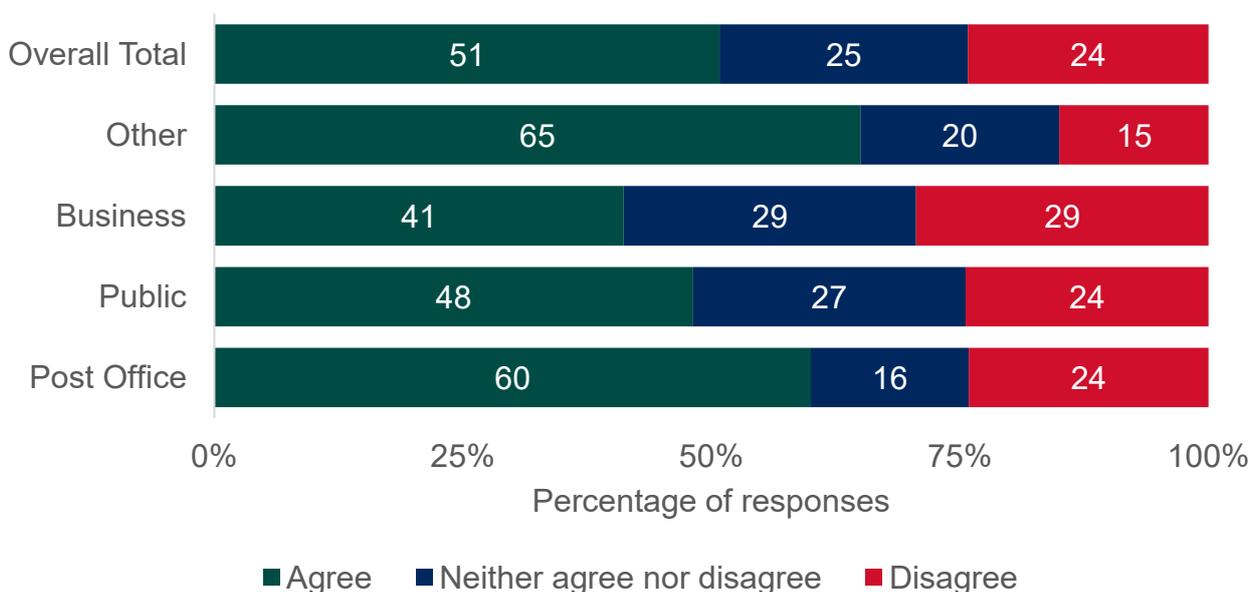


# Question 32. Apart from the changes and options suggested in questions 18 to 31, do you have any other suggestions for how governance arrangements for Post Office should change in the short or longer term?

Respondents provided a large number of suggestions for how governance arrangements could be changed. These are included below, organised in nine thematic sections, as follows:

- oversight and accountability

- postmaster representation and involvement

- transparency and whistleblowers

- independent regulation and legal structures

- cultural and structural reform

- community and consumer representation

- government involvement and control

- mutual and co-operative models

- privatisation and commercial models

## Oversight and accountability suggestions

### Independent accountability

Respondents raised a range of ideas for strengthening independent scrutiny of Post Office. It was suggested that a statutory Independent Accountability Board be established. The board would be separate from both Post Office Ltd and government, with powers to audit organisational culture, transparency and service delivery, and to represent the interests of rural communities, older people and legally protected groups. Some respondents proposed that such a body should also have authority to initiate investigations following complaints or whistle-blower disclosures. Other suggestions included the creation of oversight committees with statutory powers, bringing together postmasters, representative organisations and consumer groups to hold the Post Office Board to account. There were also calls for the appointment of additional independent non-executive directors with expertise in ethics and public interest matters, and for the introduction of an independent chair with no government or corporate ties. A contrasting view was that accountability could instead rest with a single chair appointed by and directly accountable to government.

### Government oversight

Some respondents raised issues relating to the government's role in ensuring effective oversight. It was proposed that ministerial accountability be clarified and strengthened through a defined role for the Secretary of State (SoS) in monitoring Post Office operations, supported by regular quarterly reports to parliamentary select committees. Some respondents suggested that involving the Department for Culture, Media and Sport (DCMS) in future governance arrangements could help rebuild public trust and reaffirm Post Office's community importance. Other feedback pointed to the division between DBT's Post Office and Royal Mail teams as an obstacle to coherent oversight. Proposals included creating structures that reduce direct government dependency while maintaining strong safeguards for public and stakeholder engagement. It was also noted that current arm's-length arrangements are regarded by some as insufficient, and that government should accept clearer direct responsibility for oversight.

### Performance monitoring

Respondents emphasised the importance of transparent performance management as part of stronger governance. It was suggested that governance performance be reviewed regularly and that directors be subject to defined performance targets with clear consequences for non-achievement. Proposals also included mandatory annual reporting on cultural change, information technology performance and postmaster satisfaction, to ensure continued accountability and public visibility of progress.

## Postmaster representation and involvement

### Decision making

Respondents suggested that postmasters should be granted greater autonomy and influence in operational and strategic decisions. It was proposed that postmasters be allowed to manage their own branch finances within an agreed framework of external oversight, and to make locally informed decisions that reflect the specific needs of their communities. Some called for a shift from the current contractual relationship towards a genuine partnership model, recognising postmasters as co-creators of the business. There was also support for granting postmasters voting rights on key decisions affecting branch operations and service delivery, embedded within a partnership-based governance structure.

### Representation

Respondents raised a range of ideas for improving representation and ensuring that postmaster perspectives are fully integrated into governance structures. Proposals included increasing postmaster representation on the Consultative Council and board to reflect the diversity of the network and introducing elected regional representatives to ensure local issues and innovations are heard. Other suggestions included creating a Subpostmasters' Advisory Council focused on governance matters, a standing Postmaster Governance Council with co-chair responsibilities on transformation projects, and a Postmaster Strategy Group to provide direct input to executive decision-making on operational priorities and customer service. It was also proposed that area managers be incorporated into governance discussions. Some respondents favoured establishing a fully independent Postmaster Council with statutory recognition, a clear remit and real influence over pay models and strategic direction. Feedback further highlighted the need for collaboration with the Voice of the Postmaster while ensuring that existing representation through the National Federation of Subpostmasters (NFSP), with around 6,500 members, is not marginalised.

### Communication and engagement

Respondents emphasised the importance of transparent and responsive communication between postmasters and senior leadership. Suggestions included the creation of structured feedback loops with guaranteed response times, and the publication of board-level decisions in accessible formats to promote trust and understanding. Regular engagement forums (such as monthly meetings between postmasters and senior leaders) were proposed to strengthen two-way dialogue. Respondents also advocated clearer reporting on how postmaster feedback influences policy and operational decisions, and the use of data-driven insights to inform geographically sensitive performance indicators. Some recommended introducing a fairness review mechanism to test new initiatives against branch size, customer footfall and resource capacity before implementation.

### Professional development

It was suggested that Post Office should invest in leadership and governance development programmes for postmasters seeking to progress into wider organisational or strategic roles. Respondents viewed such opportunities as a means of building capacity, improving succession planning and embedding practical experience within future decision-making structures.

## Transparency and whistle-blowers

### Whistle-blower structures
Respondents raised the need for stronger protection and clearer processes for whistle-blowers. It was proposed that confidential and fully independent channels be established to support the reporting of misconduct or malpractice, with legal safeguards for those raising concerns about management, systems or operational practices. Suggestions also included the introduction of structured reporting mechanisms and anonymous staff surveys to encourage open, honest feedback and enable early identification of cultural or procedural issues.

### Transparency
Respondents emphasised that transparency in governance and decision-making is essential to rebuilding trust. Proposals included the independent auditing of Post Office financial and legal decisions, particularly those relating to subpostmasters and information technology systems. There were also calls for the publication of the findings of past and future investigations, including relevant legal advice, and for board meeting minutes to be made publicly available. Some respondents advocated for clear traceability of decisions to named individuals, supported by direct accountability for outcomes and proportionate recognition where performance targets are met. Others suggested that directors and senior management should be held personally accountable for governance and operational results.

## Independent regulation and legal structures

### Regulatory structures
Respondents proposed a range of measures aimed at embedding independent regulation and fair remuneration. Suggestions included the creation of a permanent independent regulator or ombudsman dedicated to subpostmasters and small business operators, ensuring impartial resolution of disputes. Others proposed establishing an independent remuneration review body, similar to public sector pay review boards, to ensure that postmaster pay is determined transparently and on the basis of objective evidence.

### Legal and operational structures
Respondents also raised ideas for reforming Post Office's legal and constitutional status. Some recommended adopting a charter-based model to provide a formal legal framework that sets out public service duties, guarantees minimum access and service standards, and codifies principles such as fairness, transparency and community service. Others suggested restructuring Post Office Ltd as a public-interest corporation with statutory duties comparable to those of the BBC or NHS Foundation Trusts. It was also proposed that a long-term public service obligation framework be agreed with government, guaranteeing sustainable funding for branches that are unprofitable but socially essential. A number of respondents suggested that Post Office could be formally recognised as part of the nation's core infrastructure, operated for public benefit with limits on share ownership, dividend levels and foreign investment.

### Information technology governance
Respondents identified the need for stronger oversight of major information technology projects to avoid systemic failures. Proposals included requiring parliamentary or regulatory approval for large-scale technology deployments, supported by continuous independent monitoring. Others recommended the introduction of common governance standards and ethical audit requirements

across all publicly owned or government-affiliated enterprises to ensure accountability and safeguard public trust.

## Cultural and structural reform

### Cultural change
Respondents raised the need for deep and lasting cultural reform within the organisation. Suggestions included the introduction of safeguards to protect in-person services as a public right and to reinforce Post Office's civic identity within communities. Some called for investment in cultural change programmes, including ethics training, transparency workshops and stronger leadership accountability mechanisms. It was also proposed that the Nolan Principles—honesty, integrity, objectivity, accountability, selflessness, openness and leadership—be formally adopted for all individuals involved in governance and decision-making.

### Leadership reform
A number of respondents expressed the view that cultural renewal would require changes in leadership. It was suggested that individuals associated with the Horizon scandal should no longer hold management positions, and that fresh leadership should be appointed from outside the organisation to bring new perspectives and drive meaningful transformation. Some respondents called for independent performance reviews of senior leaders and, in a few cases, for further legal action against those considered responsible for past failings.

### Organisational restructuring
Respondents also raised broader ideas for structural reform. These included reducing reliance on external consultants and limiting executive pay, alongside calls for a fundamental reconstruction of governance based on transparency, independent oversight and shared ownership principles.

## Community and consumer representation

### Community consultation
Respondents highlighted the importance of ensuring that communities are actively involved in decisions affecting local services. It was suggested that formal consultation should be required before any branch closures, service reductions or regional strategy changes, supported by impact assessments on social and economic outcomes. Other ideas included engaging customers more directly in major decisions and exploring membership models that would enable the public to vote on matters affecting service quality and accessibility.

### Representative structures
Respondents proposed strengthening the role of consumers, small businesses and community groups within governance structures. Suggestions included expanding advisory forums to provide regular feedback on service performance and creating regional consumer groups to identify local challenges and potential service gaps. It was also proposed that governance arrangements should ensure representation from disabled people's organisations and user groups, ensuring that the perspectives of service users themselves inform decision-making. More broadly, it was argued that customers and their end-to-end experience should be placed at the centre of the governance model.

**Government's role in protecting the public interest**

Respondents recognised an ongoing role for government in safeguarding the public interest. It was suggested that continued government oversight is necessary to maintain universal access, service standards and public trust, and to prevent full privatisation or foreign ownership. Some respondents also emphasised that government involvement remains essential to ensure that commercial decision-making does not overlook social factors such as deprivation, poverty and the needs of minority groups.

**Effective engagement**

Respondents raised a range of views about how engagement and representation bodies could operate most effectively. It was suggested that such bodies should have clear, practical remits focused on gathering feedback and informing policy implementation, while avoiding consultation for its own sake. Some respondents stressed the need for representation that is purposeful rather than symbolic, warning that including too many diverse interest groups could dilute focus and create competing agendas. There were also cautions against establishing multiple overlapping forums advocating conflicting changes, as this can lead to indecision and frustration. A further view was that strategic partners should not hold membership within engagement structures where their commercial interests might diverge from the wider aims of the network.

## Government involvement and control

### Current position and future direction

Respondents offered differing perspectives on the appropriate balance between government control and operational independence. Some argued that government should retain ultimate responsibility while ensuring that structures are in place to uphold high customer service standards and the fair treatment of postmasters. Others considered that government support should remain in place until all financial obligations to postmasters are resolved, after which alternative ownership models might be explored. A number of respondents called for limits on day-to-day government interference, advocating instead for oversight through independent bodies that protect branch workers' interests, while acknowledging that some degree of government involvement will always be necessary. Alternative suggestions included government ownership of Post Office as a direct public service, with postmasters employed under civil service terms, or bringing the organisation fully in-house rather than continuing the franchised model.

### Alternative ownership models

Some respondents proposed that government should ultimately withdraw from ownership and management, transferring control through mutualisation or through partnerships with banks, postal carriers and utilities that could take financial stakes and board representation. Others suggested the appointment of a dedicated minister with sole responsibility for Post Office matters, ensuring consistent oversight and accountability across government.

## Mutual and co-operative models

### Mutual ownership proposals

Respondents presented a variety of ideas for mutual or co-operative ownership structures. Suggestions included a model jointly owned by government and staff or customers, with membership designed to balance the interests of citizens, customers and staff to prevent any one group from dominating decision-making. Some proposed extending membership to all employees,

not only postmasters or strategic partners, drawing on the John Lewis Partnership as an example. Other respondents envisioned Post Office as shared digital infrastructure jointly owned by postmasters and customers, operating as a business-to-business mutual similar to SWIFT. It was also suggested that a hybrid approach could combine a charter-style framework for public service delivery with democratic membership features reflecting both providers and beneficiaries. Further proposals included linking government subsidies for rural and hard-to-reach branches to measurable community outcomes, combining these with commercial revenue and potential local investment, and designing mutual structures that reduce the risk of future privatisation. Overall, respondents emphasised that any new model should promote transparency, digital modernisation and accountability.

**Preconditions for mutualisation**

Some respondents acknowledged that mutualisation should only be considered once Post Office achieves strategic, technological and financial stability. Respondents noted that stronger contracts with Royal Mail, Evri and the banking sector would be necessary before a mutual model could operate sustainably. Some recommended consultation with the wider sector and the Mutuals and Co-operative Business Council before proceeding, and others proposed that, if mutualisation were adopted, ownership should rest with postmasters while financial liability remained with government.

**Alternative structural models**

Respondents also discussed a range of alternative organisational forms beyond mutualisation. These included Community Interest Companies (CICs) and Charitable Incorporated Organisations (CIOs), as well as devolved or local governance models granting communities greater influence over services. Some favoured a 'form-follows-function' approach, allowing different service providers—community-run, retail-linked or mobile—to operate under a shared national framework with common training, service standards and technology support. Others proposed creating community-led networks under a dedicated Department of Community Services to coordinate delivery at a local level.

**Concerns regarding mutualisation**

Respondents also raised a number of reservations about the potential risks and practical challenges associated with mutual ownership. Some expressed concern that, if owned by postmasters, the organisation might prioritise maximising remuneration over maintaining a comprehensive national service, potentially leading to widespread branch closures within a short period. Others questioned whether all postmasters would have sufficient understanding of the broader regulatory, financial and operational requirements necessary to manage such a complex network. It was noted that mutual organisations can face difficulties sustaining profitability, given that they are accountable primarily to their members, and that the administrative burden of maintaining membership records and holding annual meetings could be substantial.

Questions were also raised about how financial responsibility would operate in practice. Respondents asked how postmasters could be held accountable for large-scale losses if they held ownership stakes without assuming full financial liability, and some cautioned that this arrangement might increase the risk of misuse or fraud. Further concerns were expressed about the feasibility of operating the organisation as an employee-led model, given that around 95% of the workforce are franchisees rather than direct employees. Finally, a number of respondents suggested that working

postmasters and representative bodies should not be directly involved in any decision-making processes related to mutualisation, to avoid conflicts of interest.

## Privatisation and commercial models

### Privatisation options
Respondents set out a range of perspectives on potential future ownership and commercial structures. Some suggested exploring outright privatisation, either through the sale of Post Office Ltd to private investors or by offering shares to strategic partners. Others proposed partial or full sales to organisations such as Royal Mail, major supermarkets, banks, or logistics companies like Amazon, with the aim of creating operational synergies or improving commercial viability.

A few respondents recommended adopting a more streamlined model similar to Payzone, comprising a core network of standard branches alongside a smaller number of high-street hubs equipped with advanced systems. There were also suggestions to merge Post Office back within Royal Mail, with the view that integration could restore efficiency and coherence lost during the structural separations of 1986 and 2012.

### Concerns regarding privatisation
Some respondents voiced significant reservations about privatisation. It was noted that corporate ownership (particularly by large multinational technology or retail companies) could heighten fraud and data-security risks, as well as reduce protections for vulnerable customers. Others expressed concern that any dilution of government control might lead to acquisition by foreign investors with limited commitment to service quality, community welfare, or Post Office's public-service obligations.

# Question 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?

## Summary of themes

While respondents submitted a large number of other views, ideas and suggestions, the vast majority of these were themes that have been included in responses to previous questions. Other views presented were:

### Praise for postmasters and post office workers
Many respondents expressed praise and gratitude for specific post office branches, postmasters and post office staff, describing them as friendly, helpful, kind, reliable, and hardworking, while also offering sympathy for difficulties endured during the Horizon scandal and concern for what they perceived as low wages and poor treatment. Respondents also pointed out the important role individual postmasters and post office workers play in their communities.

### Horizon
Primary among respondents' views was what they felt was an urgent demand for Horizon scandal resolution, with multiple respondents emphasising that proper compensation for affected postmasters appeared to be significantly delayed and must be completed before any future planning could proceed. There were also further calls for accountability and prosecution for those

responsible for the scandal, and for broader recognition from Post Office that all postmasters were negatively impacted by Horizon.

**Financial viability**

Some respondents raised questions of the current and future financial viability of Post Office, including how Post Office would attract the next generation of postmasters in light of difficult conditions, poor remuneration, and negative publicity. Ideas put forward included:

- better scrutiny of postmasters' business plans and performance

- analysis of whether they are located in the best possible place

- analysis of whether their hours are best suited to their community

- support for postmasters to proactively take steps to adapt and change

- make most branches Payzone counters

- begin to introduce and roll out the PostBank concept

**Criticism of the consultation**

As mentioned in responses to earlier questions, some respondents again criticised the consultation, stating that the questions were confusing or poorly laid out; that the reading required was too involved and complex; and that they believed that it represented an exercise in pointless bureaucracy, box-ticking, wasted money and mismanagement, with little hope of genuinely influencing decisions. In particular, some highlighted the question asking how many times they visited a branch as being especially flawed and demonstrative of Post Office hierarchy being out of touch with their clientele, due to the most frequent option being 'at least once per month', whereas some stated that they used their post office several times a week, and some every day.

**Other suggestions proposed by a small number of respondents**
- suggestions and ideas for ways to evolve technologically, such as smart lockers, 24/7 access, more self-service, and apps and software

- calls for the reunification of Post Office and Royal Mail

- critiques of Post Office branding, with recommendations of a complete overhaul and rebrand

- introduce self-service machines in supermarkets

- undertake an audit of employee tasks to remove those serving no purpose

- establish Post Office as the National Cash Utility Provider, exempt from Competition and Markets Authority (CMA) oversight

- introduce government-supported mortgages for first-time buyers through Post Office

- return to communications provision and reintroduce internet, landline and mobile telephone services

- integrate Jobcentre Plus services to reduce government property and staffing costs while improving accessibility

# Findings from postmaster discussion groups

## Views on government position regarding short and midterm options

Postmasters understood that major governance changes would be difficult during the current period of instability and transformation. However, they questioned how long it would be before such changes could be made, and were concerned there would never be a 'right time' given the scale and persistence of challenges facing Post Office Ltd. On balance, postmasters felt that an 18-month window should be sufficient to address the most critical problems and that a clear timeframe and framework was needed to ensure action was actually taken rather than indefinitely deferred.

## Views on current governance structure

Postmasters were generally critical of how the current governance structure operated in practice. A fundamental concern was that the arms-length governance model had contributed to the Horizon scandal and the mistreatment of postmasters. Distance from government oversight had allowed Post Office Ltd to operate without adequate accountability. Postmasters felt that government needed to be more directly involved in overseeing Post Office and ensuring decisions were made in the interests of the network and postmasters, not just Post Office Ltd executives.

While postmasters wanted greater government oversight on strategy and major decisions, they identified government procurement rules as a significant operational barrier. These processes made it extremely difficult for Post Office to operate with the speed and agility needed in a modern commercial environment:

> "If I wanted to put a new software system in, it would be done in less than 12 months. But I don't have to go through government procurement processes, and Post Office Ltd does. And government procurement processes are horrible... They are really, really horrible. And what... what a private business can do in months or weeks or days will take Post Office years because of the limitations. If they want to move Post Office forward faster, then you remove government from the problem." (Postmaster discussion group)

Postmasters highlighted that Post Office operates under an unusual and fundamentally problematic structure. As franchisees, postmasters own their businesses but have very little control over what services they provide, how they operate, or what deals are negotiated with carriers and banks. The existence of multiple types of contracts across the postmaster network created additional complexity and made consistent governance nearly impossible:

> "There's 48 [different types] of contracts, I think, out there... And that we are all so different as well. So, you can't say to another postmaster, 'Oh, what do you think about this and that?' Because his is totally different from what mine is, or hers is totally different from what mine is. And there's no cohesion with what we're doing" (Postmaster discussion group)

Postmasters felt that the whole structure needed to be reviewed to create greater coherence and harmonisation of terms across the network.

## Postmaster representation

Postmasters felt that existing representation mechanisms - such as the Consultative Council and Postmaster Panel - were failing to give them meaningful input into decisions that affected their businesses. There was too much distance between government (particularly DBT) and postmasters. Without postmaster involvement in key decisions - particularly contract negotiations with carriers and banks - deals were being agreed that did not work commercially for those delivering the services.

Of the short-term governance options presented, postmasters gave most support to being able to input more than they currently do into government's decisions on Post Office. This would ensure decisions were grounded in operational reality and would help rebuild trust between postmasters, Post Office Ltd, and government. Postmasters said decisions made without their input had consistently failed to deliver workable outcomes. Postmasters also strongly supported the principle that postmaster representation should be independent of Post Office Ltd funding.

> "Postmasters should be able to input more than they currently do into government's decisions on Post Office. It's vital they are brought along, as they are invested in the Post Office brand, their business and the communities they serve. Postmasters must be meaningfully engaged for good governance outcomes" (Postmaster discussion group)

## Mutualisation: pros and cons of option

Postmasters' views on mutualisation evolved through the discussion. Postmasters saw the primary benefit of mutualisation as the freedom and control that comes from ownership. Postmasters would have genuine influence over strategic direction and could ensure decisions were made in the interests of postmasters and the communities they serve. A mutual structure could also provide access to alternative funding sources, such as grants, that might not be available to the current corporate structure. The community engagement aspect was also seen as potentially valuable - customers might feel more connected to and supportive of a mutual Post Office that was genuinely community-owned.

However, postmasters identified significant disadvantages that made mutualisation appear highly problematic. Key amongst these was whether Post Office could ever be financially viable as a mutual. The network included many loss-making branches that needed to be subsidised by profitable ones.

> "I think it's probably quite unworkable because of the fact that there is so much of the network that has to be subsidized to provide a service and is never going to make a profit. So, you've got those extremes of high profit centres and... and loss-making centres all part of the whole. And therefore it's... you know, are we ever going to be overall profitable? Unlikely. Therefore, you know, how is it propped up? How is it supported?" (Postmaster discussion group)

If government needed to underwrite the mutual to protect members from financial liability (as suggested in the consultation materials), this would inevitably mean government retaining significant control. This would undermine the key advantage of mutualisation - genuine independence and control by postmasters.

Postmasters recognised that simply changing the ownership structure would not solve the fundamental commercial challenges Post Office faces:

> "The structure is not a panacea - becoming a mutual doesn't make you more profitable" (Postmaster discussion group)

Declining demand for in-person services, competition from alternative providers, and digital transformation would remain challenges regardless of governance structure.

## Charter model: pros and cons of option

The charter model was less well understood by postmasters and generated less detailed discussion than mutualisation. Several postmasters struggled to grasp what this model would mean in practice.

Some postmasters felt that a charter model could enable Post Office to have greater flexibility and commercial capability than under current government ownership, while maintaining appropriate oversight and protection of its public service role.

> "I think both with the charter or mutual, it actually depends on who we put up to the top of the Post Office side of that model, and I think that either would work if we had faith in capability and integrity. And there's a real fear with the mutual that we will have a...group of individuals who are well-meaning but not particularly commercially driven, or ones who actually have sight of an agenda that's different from 7,000 postmasters. That's out there. The charter, I think, would allow perhaps greater control and give us the capability of working within a tighter structure, and hopefully, that would allow us then to develop as a... as a business group." (Postmaster discussion group)

The primary disadvantage was lack of trust that Post Office executives would use charter freedoms appropriately. Given the track record of Post Office leadership, postmasters feared that greater autonomy would simply enable executives to enrich themselves rather than strengthening the network:

> "I think if you put the thing... give more power to the executives on the Post Office Board, their top interest is giving themselves a bonus and a pay rise, and everything else goes by the by. And it's been proven time and time again that they can waste billions of government money. So, this is unworkable for me." (Postmaster discussion group)

Without changes to leadership capability and culture, simply changing the governance structure would not deliver better outcomes.

## Overall assessment of long-term options

Postmasters' overall assessment was that both long-term governance options had significant problems and neither represented a clear solution. Postmasters thought that governance structure alone would not determine Post Office's future success. More fundamental was addressing remuneration, operational capability, government support for in-person services, and ensuring postmasters had genuine influence over decisions affecting their businesses.

# Annex A: List of organisations and businesses that responded

166 responses were submitted on behalf of an organisation or business. These respondents were invited to provide the name of their organisation or business. 137 of these respondents provided these details and we have listed these in this section. It is important to note that we have not been able to independently verify whether these are the official response of each organisation or business.

| Number | Organisations and Businesses |
|---|---|
| 1 | A and K Motorsport |
| 2 | A2BCreations |
| 3 | Abbotts Ann Post Office |
| 4 | Action with Communities in Rural England (ACRE) |
| 5 | Association of Convenience Stores (ACS) |
| 6 | Age Cymru Gwent |
| 7 | Alex Alec-Smith Books |
| 8 | Annagurra Ltd |
| 9 | AP Ltd |
| 10 | Appliance Centre NE Ltd |
| 11 | Assynt trading co ltd |
| 12 | Aubrey Hughes Allen |
| 13 | Babergh Green Party |
| 14 | Black Sheep Farm Health |
| 15 | Blackburn and District Trades Union Council |
| 16 | Brancab CA Bedworth, Rugby and Nuneaton |
| 17 | Brian J Howlett & Sons |
| 18 | Bridbrewer and Taproom Limited |
| 19 | Brill United Reformed Church |
| 20 | British Independent Retailers Association (BIRA) |
| 21 | Broughton Community Services CIC |

| | |
|---|---|
| 22 | Burgoynes Marquees LTD |
| 23 | Butler Financial Solutions |
| 24 | Catsmelanie |
| 25 | Centre for Ageing Better |
| 26 | Chris Pierson Global |
| 27 | Citizens Advice |
| 28 | Citizens Advice Test Valley |
| 29 | Co-operatives UK |
| 30 | Consumer Council Northern Ireland |
| 31 | Consumer Scotland |
| 32 | Convince store |
| 33 | Countryside Alliance |
| 34 | Crathie Opportunity Holidays |
| 35 | Dall Lodge Country House |
| 36 | Domains |
| 37 | DSG Aviation |
| 38 | DVLA |
| 39 | DXC |
| 40 | East Kent Chambers of Commerce |
| 41 | Eco Action Games |
| 42 | Enham Shop and Post Office |
| 43 | Estuary League of Friends |
| 44 | Eureka Marketing |
| 45 | Fair4all finance |
| 46 | Federation of Small Businesses (FSB) |
| 47 | First Rate Exchange Services (FRES) |
| 48 | Foyers Community Stores Limited |

| 49 | Fuzzbutt Cage Comforts |
|----|------------------------|
| 50 | Greater Manchester Combined Authority (GMCA) |
| 51 | Goodyer Scientific Instruments Ltd |
| 52 | Greenworld NW Ltd |
| 53 | Halmer End Post Office |
| 54 | Henry Smith Audio Ltd |
| 55 | Heritage Escapes |
| 56 | Hole Farm |
| 57 | Iain Sarjeant |
| 58 | IPS |
| 59 | Janssen Anthony |
| 60 | Kingsley and Newton Village Institute |
| 61 | KSM Hardware |
| 62 | Langcliffe Village Institute |
| 63 | Largs post office |
| 64 | LINK Scheme Ltd |
| 65 | Lismore Community trust |
| 66 | Littleham Cross Post Office |
| 67 | Loch Ewe Scents |
| 68 | Loqiva Ltd |
| 69 | Lumber Lab |
| 70 | Mall Stores Ltd |
| 71 | Minuteman Press Dorchester |
| 72 | Money Advice Scotland |
| 73 | Monson Store |
| 74 | Moorends Post Office |
| 75 | Mutuo |

| 76 | NALC |
|---|---|
| 77 | Nath Enterprises Ltd |
| 78 | National Federation of Subpostmasters (NFSP) |
| 79 | Nationwide Group |
| 80 | New Rossington Post Office |
| 81 | Northern Farmers and Landowners Group |
| 82 | Norton Sub Hamdon CLT Ltd t/a Norton Shop |
| 83 | Paekakariki Press Ltd |
| 84 | Parkers Exterior Cleaning |
| 85 | Pat's Greeting Cards |
| 86 | People Alchemy Ltd |
| 87 | Plunkett UK |
| 88 | Positive Money |
| 89 | Post Office Ltd |
| 90 | Poultry Vet Services Ltd |
| 91 | Premier |
| 92 | Print Quarterly Publications Ltd |
| 93 | RJ & JA PLAYER Partnership |
| 94 | Royal Mail |
| 95 | Saddleworth Parish Council |
| 96 | Saltire Taxis and Tours Ltd |
| 97 | Scottish Grocers' Federation |
| 98 | Second Sight |
| 99 | Seda Hair and Beauty Salon |
| 100 | Seezal |
| 101 | Sheppey Entertainment Association |
| 102 | Sonia Villiers |

| 103 | Soulton Trucks |
|-----|----------------|
| 104 | Stamp Emporium |
| 105 | Tavistock Memory Cafe |
| 106 | Ted Shimoda limited |
| 107 | The Bowling Green Southam ltd |
| 108 | The Card Collection |
| 109 | The Communication Workers Union (CWU) |
| 110 | The Consumer Council for Northern Ireland |
| 111 | The European Federation of Farriers Associations |
| 112 | The Federation of Independent Retailers |
| 113 | The Genesis Initiative Limited |
| 114 | The Glendale Gateway Trust |
| 115 | The Half Moon Inn |
| 116 | The Island Jeweller |
| 117 | The Little Whisky Shop Ltd |
| 118 | The Old Post Office Antiques |
| 119 | The Payment Choice Alliance |
| 120 | The Sustainability Centre |
| 121 | Trawden Forest Community Centre, Library and Shop |
| 122 | Treasures Forever |
| 123 | Treat Box |
| 124 | UK Finance |
| 125 | UK Small Business |
| 126 | Umy Trading UK Ltd |
| 127 | Voice of the Postmaster |
| 128 | Warman Guitars |
| 129 | Sunnyside Post Office Ltd |

| | |
|---|---|
| 130 | Waveney Valley Constituency Labour Party |
| 131 | Goulds Emporium |
| 132 | Western Union |
| 133 | WILGEO Ltd |
| 134 | Windmill Feeds |
| 135 | Wootton Bassett post office |
| 136 | World of Country Life |
| 137 | Yoti |

# Annex B: Glossary of key terms

Here is a glossary of key terms used in this report.

| Term | Definition |
| --- | --- |
| Banking Framework | Agreement between UK banks and Post Office Ltd allowing personal and business customers to access everyday banking (cash withdrawals, deposits, balance checks) at branches. Banking Framework 4 runs from January 2026 to December 2030. |
| Banking Hub | A shared banking site owned by Cash Access UK and typically operated by Post Office Ltd in partnership with multiple banks, offering basic face-to-face banking and bill payment services. |
| Cash Access UK (CAUK) | Company funded by major high street banks with the aim of providing essential cash and banking services to communities across the UK. It owns banking hubs that are typically operated by Post Office Limited. |
| Directly Managed Branches | Branches operated directly by Post Office Ltd (also known as Crown branches), about 1% of the network in 2024.<br><br>In April 2025, Post Office Ltd announced that it would be franchising Directly Managed Branches |
| Drop & Collect Branch | A streamlined branch model offering limited services (prepaid parcel pick-up and drop-off, bill payments). Counts toward the 11,500 branch total but is excluded from access-criteria compliance. |
| Drop & Go | A service that lets Post Office customer drop letters and parcels off in branch and go. |
| Government Services | Services delivered on behalf of UK government bodies, such as DVLA and Passport services. |
| Horizon System | Post Office's IT and accounting system supplied by Fujitsu. |
| LINK | LINK is a not-for-profit organisation aimed at ensuring that cash remains accessible across the UK. LINK manages the UK's main cash machine (ATM) network |
| Local Branch | A type of branch format. These branches are typically integrated into part of a retailer's wider business, for example within a convenience store. |
| Mains Branch | A larger Post Office branch, typically in busier towns or city centres, offering more services than a local branch. |

| | |
|---|---|
| **National Federation of Subpostmasters (NFSP)** | Membership organisation representing sub-postmasters. |
| **Network Subsidy Payment (NSP)** | Government funding to subsidise the uncommercial network and maintain nationwide access to essential services through Post Offices. |
| **New Deal for postmasters** | A central part of Post Office Ltd's recently launched Transformation Plan, the New Deal for postmasters focuses on delivering the goals of postmaster remuneration increases and renewing the partnership between the company and postmasters |
| **Outreach Branch** | A branch format used to provide services to communities without permanent branches. These are typically part-time and are delivered from mobile vans or hosted within existing local premises, such as a pub or community hall. |
| **Postmaster / Sub-postmaster** | An individual contracted by Post Office Ltd to operate a branch. |
| **Post Office Ltd (POL)** | The state-owned company operating the post office network (separate from Royal Mail since 2012). |
| **Post Office Horizon IT Inquiry** | The statutory public inquiry into the failings of the Horizon system and their impact on postmasters. |
| **Redress / Compensation Schemes** | Government-backed compensation schemes for postmasters affected by the Horizon scandal. |
| **Remuneration** | The payment structure for postmasters made up of transaction-based fees, fixed fees, and (sometimes) handling allowances. This has been the subject of multiple reviews and uplifts. |
| **Strategic Partners** | Businesses that operate multiple post offices, such as Co-Op or Morrisons. |
| **Traditional Branch** | Older-style post office operating under historic contractual arrangements |

# Annex C: Methodology

## Consultation survey analysis

### Standardised and non-standardised consultation responses

The majority of respondents directly answered the consultation questions using either the online platform, printed copies of the consultation questions, or structuring their email response using the consultation questions. We refer to these as 'standardised responses'.

A relatively small number of respondents responded by post or email to provide their views in a free form structure, setting out their key points rather than directly following the consultation questions. In addition, some stakeholders provided their responses in lengthy submissions that provided a significantly higher level of detail than the majority of responses.

### Data Cleansing

Prior to analysis taking place, the data cleansing process was carried out in Microsoft Excel in the following ways:

- duplicates: the raw dataset was assessed for duplicate responses by examining all consultation responses that were submitted and checking qualitative answers for identically and nearly-identically worded responses, as well as by analysing the demographic information provided for similarities and differences. A small number of responses (4) were identified as duplicates and removed from the data set for analysis

- blank submissions: entirely blank submissions were removed – that is, responses from those who provided only demographic information but failed to answer any questions. In total, there were 619 such empty responses

- blank answers: content-free qualitative answers which consisted entirely of comments such as 'I don't know', 'no comment', 'n/a', 'yes' or 'no' or contained simply hyphens or dots were removed and are not included in the figures illustrating response rates

### Analysis of free-text consultation responses

Thematic analysis is a widely used method for identifying, analysing, and reporting patterns within text data. TONIC chose this approach to analysing the free-text consultation responses as it provides a way to summarise themes in a large body of data, highlight similarities and differences across the dataset, and can generate unanticipated insights. The process facilitates the organisation and description of the dataset in detail and interprets various aspects of the research topic.

TONIC's analysts followed the six steps involved in this process using specialist software to support the process:

1. A detailed reading of the data to become familiar with the text.

2. Initial codes were manually ascribed to the data and organised into meaningful groups relevant to consultation questions.

3. Codes conceptually related to one another were grouped together and identified as themes

4. Themes were reviewed to determine whether they were internally coherent and distinct from each other.

5. Defining and naming themes and subthemes, which provided structure to the analysis.

6. Writing up results, providing a narrative summary of the relationship between codes, subthemes and themes, including examples from the data to illustrate the essence of each theme.

## Quality Assurance

Quality assurance mechanisms for this project were:

- sampling: the senior analyst conducted regular testing of a representative sample of coded responses by all analysts to ensure quality and accuracy of the analysis completed

- inter-rater reliability: results for different analysts analysing similar data sets were compared to guarantee reliability and consistency between different analysts and across the various questions

- controlling for bias: a number of research processes to control for and minimise bias in the analysis were put in place

The analysis process followed the 6 steps of thematic analysis explained in the 'Analysis of free-text consultation responses' section. Following these steps ensured that each individual response was fully considered in isolation.

Multiple analysts conducted the analysis, and tests were conducted for inter-rater reliability.

The draft code frames produced were peer reviewed as part of the quality assurance process, which included controlling for bias through reflexive practice and group discussions.

Quoted excerpts from responses used in the report were selected by the lead analyst as being typical examples of the responses containing the specific theme.

These processes combined to create a systematic approach to enhance the reliability and validity of the findings and to ensure that there was no bias in the findings. This was underpinned by the supplier analysing the consultation responses being an independent research organisation working to the guiding principles from the British Psychological Society's Code of Ethics and Conduct (2021).

# Methodology for the discussion groups

## Public discussion groups

Eight public discussion groups were held face-to-face in each of the 4 UK nations, in the following rural and urban locations:

| Nation | Rural group | Urban group |
|---|---|---|
| England | Norfolk | Birmingham |
| Northern Ireland | Dungannon | Belfast |
| Scotland | Falkirk | Glasgow |
| Wales | Pontypridd | Swansea |

## Sample and recruitment

Public participants were recruited free-find by the recruitment agency Criteria. A sample quota of 8 participants per group (64 total) was met by over recruiting each group by 1 to help manage dropouts. Participants were recruited to include a mix of demographics, as well as users and non-users of Post Office. Participants were also recruited for digital exclusion, defined as those who reported one or more of the following barriers to getting online:

- affordability: those who struggle to afford access to internet packages or suitable devices, and so either go without it or experience other financial strains to retain access

- access: those who do not have an adequate internet connection at home or elsewhere for a variety of reasons - not just affordability

- ability: those who lack digital skills or confidence

Most sample quotas were met, other than those not in employment (quota of 24 or more for those not in employment and the final sample number was 23). The quota for those aged 18 to 29 was 14 or more and the final sample number was 13.

The sample frame and achieved sample is shown in table 1.

**Table 1: Public group sample frame and achieved sample**

| Characteristic | Quota | Achieved sample |
|---|---|---|
| Total sample | 64 | 64 |
| Gender | Female ≥ 30<br>Male ≥ 30 | Female = 33<br>Male = 31 |
| Age group | 18 to 29 ≥ 14<br>30 to 44 ≥ 14<br>45 to 64 ≥ 16<br>65+ ≥ 16 | 18 to 29 = 13<br>30 to 44 = 14<br>45 to 64 = 20<br>65+ = 17 |
| Ethnicity (quotas reflected location demographics) | White ≥ 52<br>Asian ≥ 4<br>Black and other non-white groups ≥ 4 | White = 55<br>Asian = 5<br>Black and other non-white groups = 4 |

| Disability or health condition | Has a disability or long-term health condition ≥ 20 | Has a disability or long-term health condition = 23 |
|---|---|---|
| Employment | Yes ≥ 30 (including small business owners)<br>No ≥ 24 (including retired and students) | Yes = 41 (including small business owners)<br>No = 23 (including retired and students) |
| Location | Urban or semi urban ≥ 30<br>Rural ≥ 30 | Urban or semi urban = 31<br>Rural = 33 |
| Post Office usage | Post Office users ≥ 40<br>Post office non-users ≥ 20 | Post Office users = 43<br>Post office non-users = 21 |
| Digitally excluded | Digitally excluded ≥ 16 | Digitally excluded = 19 |

Participants were provided with an information sheet highlighting the purpose of the research, and the respective roles of the DBT and the contractor (The Social Agency) in commissioning and conducting the research. Additionally, a consent form was provided concerning how information collected through the research would be recorded, anonymised, stored and processed. Public participants were paid an incentive of £70 to attend each session (£140 total per participant).

## Public discussion group sessions

Public discussion groups were held as reconvened sessions, with the same participants meeting on 2 occasions, approximately one week apart. Reconvened sessions were chosen to provide time for public participants to learn about issues facing Post Office and give an informed view on Post Office's future. The public groups focused on 2 issues from the consultation:

- ensuring Post Office is fit for the modern age (session 1): government assessment of how Post Office's role will change regarding postal services, banking services and government services

- policy options for what a future Post Office network could look like (session 2): options to either maintain or change rules concerning the minimum branch number and access criteria

Public discussion groups were led by a facilitator. Each group lasted 2.5 hours. Participants were provided with information on the Post Office network and trends affecting Post Office services to inform their discussions. This information was mainly taken from the Green Paper on the Future of Post Office, though minor changes to language were made and illustrative examples provided to aid understanding. A copy of the discussion guides and materials provided to participants for each session is provided in the following sections.

## Postmaster groups

To recruit postmasters, communication about the research was drafted by the DBT and sent to postmasters through a range of channels including via Post Office Ltd email and newsletters, and other communications distributed via the National Federation of SubPostmasters, the Communication Workers Union and the Voice of the Postmaster. The communications provided a link to a survey which postmasters could complete to express interest in taking part in the research and provide details about their post office branches, which were used for sampling purposes.

Overall, 103 postmasters expressed their interest to take part in the research. Of these, 31 postmasters were invited to join the sessions and 16 attended across the 2 dates offered.

## Sample and recruitment

The selection of postmasters was primarily based on ensuring a mix of post office branch types, locations, and length of time as a postmaster. While the sample was screened against these characteristics to ensure as good a spread as possible, no minimum quotas were set. Table 2 shows the final achieved sample breakdown for those who attended the postmaster group discussions.

**Table 2: Postmaster group achieved sample**

| | Achieved |
|---|---|
| **Total number of postmasters** | 16 |
| **Type of Post Office (some postmasters ran more than one branch)** | |
| Main | 6 |
| Local | 7 |
| Outreach | 4 |
| Traditional or legacy | 6 |
| **Location** | |
| England | 11 |
| Scotland | 2 |
| Wales | 3 |
| Urban or suburban | 8 |
| Rural | 8 |
| **Years as a postmaster** | |
| Less than 3 years | 3 |
| 3 to 10 years | 3 |

| More than 10 years | 10 |
| --- | --- |

Postmasters were provided with an information sheet highlighting the purpose of the research, and the respective roles of the Department for Business and Trade and the contractor (The Social Agency) in commissioning and conducting the research. A consent form was provided concerning how information collected through the research would be recorded, anonymised, stored and processed. As discussion groups were held in the wake of the Horizon IT scandal, a trauma informed research design was adopted. This involved signposting postmasters to additional support before the group discussion and ensuring the group facilitators were trained to recognise and manage signs of trauma during the group discussion. Postmasters were paid an incentive of £70 each to attend the group.

## Postmaster discussion group sessions

Postmaster discussion groups were held on the online Zoom platform and led by a facilitator. The groups lasted 2.5 hours and were held as a single session. Single sessions, rather than reconvened sessions, were selected given other demands on postmasters' time, and because less time was required to inform postmasters about the Post Office network and trends affecting Post Office services.

Postmaster discussion groups focused on all issues raised in the green paper consultation. These focused on the following 4 areas:

- government vision for Post Office

- ensuring Post Office is fit for the modern age: government assessment of how Post Office's role will change regarding postal services, banking services and government services

- policy options for what a future Post Office network could look like: options to either maintain or change rules concerning the minimum branch number and access criteria

- how the Post Office should be governed and owned: short-term changes to the current governance structure and longer-term governance changes including mutualisation and a charter model

Given this breadth of issues, online polling was also used to understand postmaster views on the government's vision for Post Office and short-term changes to governance structure, before each issue was discussed. Relatively more time was devoted to discussing the other consultation questions. A copy of the discussion guides and materials provided to postmasters is provided below.

## Discussion group analysis and quality assurance

Each discussion group was recorded and transcribed and subsequently analysed by the moderator using an analysis template. The template was structured by the question areas in the discussion guide. Analysis involved the moderator reviewing the group transcript, and summarising findings to each question. To avoid bias, the analysis was descriptive rather than interpretative, and findings were supported by participants quotes. Thematic codes developed for the consultation survey

analysis were also used to thematically classify findings. The Project Director reviewed the transcripts and the proformas to ensure accuracy and consistency.

# Discussion guide and stimulus materials for the public discussion groups

## Public discussion group - workshop 1

### 6.00pm-6.15pm Welcome and introductions
Hello everyone and thank you very much for attending the group this evening. My name is XXXX, and I work for The Social Agency. We are an independent research company. We are conducting this research on the behalf of a government department called the Department for Business and Trade.

The purpose of this discussion is to get your views on the future of the Post Office. The discussion is part of a broader consultation on the Post Office's future - set up by the government to understand people's views on the services the Post Office provides, how to modernise and strengthen the network, and how to change the culture and the way Post Office is managed. The consultation is currently live, and anyone can submit a written response.

We will be meeting over a couple of sessions and will focus on 2 issues in particular.

The first issue is how to ensure the Post Office is fit for the modern age.

There are lots of pressures facing the Post office and changes regarding how customers use its services. We'd like your views on how you feel the Post Office could adapt to these changes and what it might mean for the services it provides. We will focus on this issue this evening.

The second issue concerns the size and shape of the Post Office network in the future.

By network we mean how many branches the Post Office has and where they are located. There are currently rules set by the government concerning how many branches the Post Office must keep and how far away these branches are from the customers they serve. We'd like your views on whether these rules should change and the implications of either changing or not changing the rules. We will focus on this issue next week.

To discuss these issues, we would like to understand your experiences and needs as customers and as taxpayers. We would also like you to consider what works for the Post Office as a national organisation. To help you think about the issues involved, we will provide you with some information about the Post Office and the pressures it faces.

We have 2.5 hours for our meeting today. We will spend the time as follows.

6.00-6.15pm   Welcome and introductions

6.15-6.40pm   Your experiences of the Post Office and its value

6.40-6.50pm   Ensuring the Post Office is fit for the modern age – context

6.50-7.15pm   Postal services

7.15-7.25pm   Break

7.25-7.50pm   Cash and banking services

7.50-8.15pm   Government services

8.15-8.25pm   Overall reflections on ensuring the Post Office is fit for the modern age

8.25-8.30pm   Preparation for the session next week

8.30pm         Thanks and close

In addition to this session, we will be running other groups with members of the public across the country. We will also be speaking with postmasters who help manage and run local branches. Findings from these sessions will complement evidence from the written responses to the consultation. Taking part in this discussion will not prevent you from also submitting a written response.

Does anyone have any questions about the purpose the workshop?

We have a wide range of people with us this evening each with different needs. Some of you use the Post Office and some of you do not. Given this diversity, we are not expecting consensus on the issues discussed - though please be respectful of other people's views and try not to speak over one another. I will help facilitate the discussion and ensure everyone is given the opportunity to have their say. We encourage you to be honest in your responses.

The government is conducting this consultation in the wake of the Horizon IT scandal, which involved the widespread wrongful prosecution of subpostmasters because of incorrect information from the faulty Horizon computer system. There has been a lot of publicity about the scandal, and you may know someone personally affected by this issue. While this issue will not form the focus of discussion this evening, it is relevant to the issues we will discuss. If for any reason you do not feel comfortable talking about an issue, that's fine, you do not need to do so. Should you need to have a break from the discussion, let me know.

We are planning to record this evening. This is so we have an accurate record of the discussion for analytical purposes. However, what you say will be anonymised. This means any personal details or information that could potentially identify you will be removed from any quotes we would use, to protect your privacy. Only the team at The Social Agency will have access to recording.

Do I have your consent to record the discussion?

Does anyone have any questions before we begin?

To start, can we go round and briefly introduce ourselves. Can you please let us know your name, where you're based, briefly how often you use the Post Office – if you use it at all - and the services you access.

Thank you.

**6.15-6.40pm – Experiences of using the Post Office**

Thank you. I'd now like to build on some of the issues mentioned during the introduction.

- What is your experience of the Post Office?

- Do you use it? Why? Why not?

- What do you value?

- What do you think works less well about the Post Office?

- What role does the Post Office play in your local area?

- Thinking about the Post Office as a national organisation, what sorts of pressures do you think Post Office is facing now and in the next 5-10 years?

- Are these pressures different from other national businesses, such as bank branches? Why?

**6.40-6.50pm Ensuring the Post Office is fit for the modern age – overview**

That's great, thank you. In a moment we're going to discuss some of the services the Post Office offers in more depth and think about whether this needs to change in the future.

Before we discuss this, I want to show you some information concerning the commercial pressures facing the Post Office and the wider value it brings



Slide 4

**The difference between Post Office and Royal Mail**

Department for Business & Trade

**The Post Office and Royal Mail are different businesses**

- Royal Mail has been privatised, while the Post Office is owned by the government
- Royal Mail runs a mail delivery service, collecting, sorting and delivering mail
- The Post Office is a retailer and operates a network of over 11,500 in-person branches across the UK
- Although the Post Office sells many products on behalf of Royal Mail, such as stamps and parcel postage, it is a different business

social

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[Show slide – highlight Post Office public ownership, its commercial and social purpose and the rules governing how it is run]
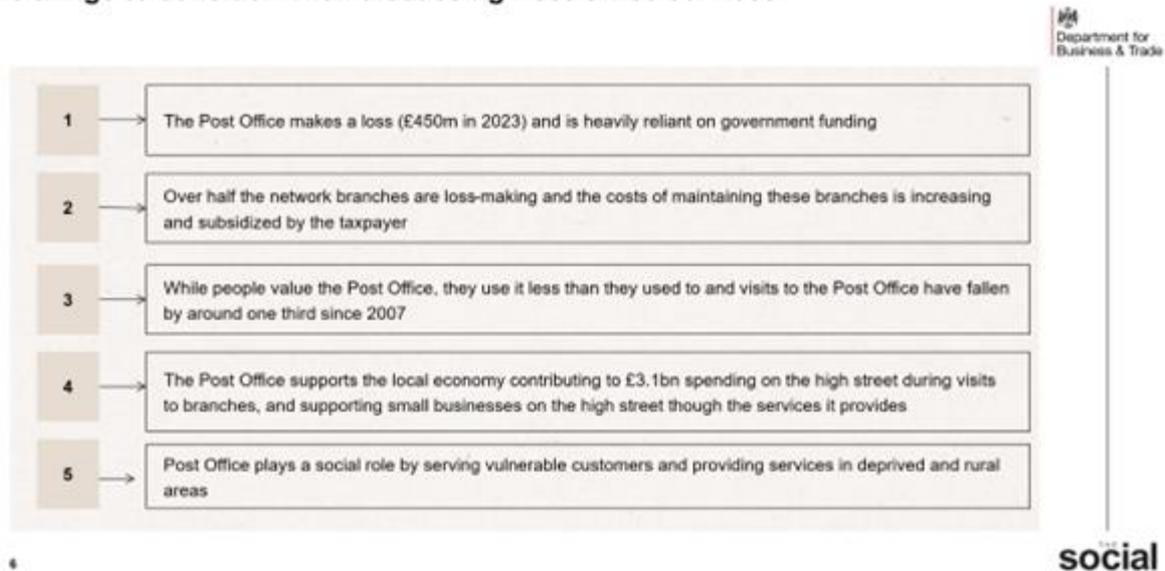
Does anyone have any questions about how Post Office owned and set up?

[Show slide – read out and emphasise they are different business. Royal Mail offers mail delivery services, and the Post Office is a retailer offering postal and other services.]

Does anyone have any questions about the differences between Post Office and Royal Mail?

In a moment we are going to discuss the future of various Post Office services. I want to highlight some things to consider when considering these services.

## 5 things to consider when discussing Post Office services

Department for Business & Trade

| 1 | The Post Office makes a loss (£450m in 2023) and is heavily reliant on government funding |
| 2 | Over half the network branches are loss-making and the costs of maintaining these branches is increasing and subsidized by the taxpayer |
| 3 | While people value the Post Office, they use it less than they used to and visits to the Post Office have fallen by around one third since 2007 |
| 4 | The Post Office supports the local economy contributing to £3.1bn spending on the high street during visits to branches, and supporting small businesses on the high street though the services it provides |
| 5 | Post Office plays a social role by serving vulnerable customers and providing services in deprived and rural areas |

social

[show slide – highlight that the Post Office is loss making and reliant on government or taxpayer subsidies. But it contributes to a local economy, supports local business and has a wider social value by supporting vulnerable people and those living in rural areas.]

What are your immediate thoughts about this information?

Did anything surprise you?

What might be some of the implications of this when considering the future role of Post Office?

- probe the balance between Post Office's commercial and social purpose; extent to which government or taxpayer should subsidise the business

**6.50-7.15pm – Postal services**
As mentioned, Post Office offers a wide range of services. This includes letters and parcels products on behalf of Royal Mail and other postal operators, everyday cash and banking services, bill-payment services and a variety of government services including driving licence and passport application and renewals.

We are now going to look at some of the services the Post Office provides and get your thoughts on whether the Post Office's role should change in the future.

The first area concerns Postal services - sending letters and parcels.

**Trends in postal services**

- Letter volumes have fallen from 20bn in 2004 to 6bn today
- Around 1/3 of Post Office income comes from postal services, mostly from Royal Mail
- The Post Office's close relationship with Royal Mail means that changes in the fortunes of one business will impact on the other
- The market is now more competitive, and customers have a range of options beyond using the Post Office and Royal Mail
- The growth of online shopping has led to the Post Office becoming an important provider for sending and receiving parcels
- As well as for Royal Mail, Post Office offers parcel services for a range of businesses (such as Amazon and DHL) – but this is currently a small part of its income

**Parcels and letters**

Buy postage, return, drop off and collect items with a range of carriers across our network.

amazon  dpd  DHL  EVRi  Royal Mail

Providers available at participating branches in the UK. DHL available in Northern Ireland only for collections only.

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social

[Moderator to discuss slide and highlight changes in demand for letters and parcels and the interdependence with Royal Mail.]

What are your immediate thoughts about the trends affecting postal services?

Given these trends how, if at all, do you think the Post Offices role in providing these services should change? Why?

I'm now going to share how the government sees the Post Office's role changing.

**Trends in postal services – future role of Post Office**

Department for Business & Trade

**Government assessment of how the Post Office's role could change**

Post Office's vision for postal services, which government supports, is to act as a hub for a wide range of postal services across different businesses – such as Royal Mail, Amazon, DPD or Evri.

Customers should be able to walk into a Post Office branch or use the Post Office website/online app to choose a service that works best for them from this range of businesses (this service is only available in specific branches at the moment).

Post Office should also work closely with Royal Mail on any proposals to increase collaboration between these two national institutions

social

[Moderator to show slide – read out]

Do you agree with the government assessment of how Post Office's role will change? What would be the benefits of this role, if any?

100

- probe for customers; taxpayers; postmasters

What concerns would you have about the role, if any?

- probe for customers; taxpayers; postmasters

Would it affect how you use the Post Office?

Great, thank you. We now going to have break. There are refreshments available. If you need any help getting a drink, please let me know. Can we please come back in 10 minutes.

**7.15-7.25pm – Comfort break**

**7.25-7.50pm – Cash and banking services**
Welcome back.

We now want to explore cash and banking services.

## Trends in cash and banking services

- The use of cash to make payments has declined from 60% in 2008 to 12% in 2023
- Growth of online banking means fewer face-to-face transactions in bank branches, and the closure of high street banks
- The closure of high street banks has driven demand for banking services at Post Offices
- Banking services now comprise around a third of Post Office's revenue
- Around 1 in 5 households and 2 in 5 small businesses use cash and banking services at Post Office at least monthly
- Cash is the preferred payment method for certain groups, such as for some vulnerable or digitally excluded customers
- An ability to make cash deposits is also important for many small businesses

[Moderator to discuss slide and highlight changes in use of cash, decline in physical retail bank network and associated increased demand for cash and banking at the Post Office.]

What are your immediate thoughts about the trends affecting banking services?

Given these trends how, if at all, do you think the Post Office's role should change? Why?

I'm now going to share how the government sees the Post Office's role changing in banking services.

**Trends in cash and banking services – future role of Post Office**

**Government assessment of how the Post Office's role could change**

For cash and banking, an agreement between Post Office and 30 UK banks enables almost all personal and business banking customers to conduct their day-to-day banking at post offices.

However, as cash use continues to decline towards the end of the decade, these changes in customer needs could affect Post Office, impacting how and where services are delivered in the future.

The government welcomes 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.

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social

[Moderator to show slide – read out.]

Do you agree with the government assessment of how Post Office's role will change? What would be the benefits of this role, if any?

- probe for customers; taxpayers; postmasters

What concerns would you have about the role, if any?

- probe for customers; taxpayers; postmasters

Would it affect how you use the Post Office?

**7.50-8.15pm – government services**
The third area concerns government services.

**Trends in government services**

- The Post Office offers a range of government services, for example to tax a vehicle, renew a passport
- Post Office income for providing government services has declined 79% since 2014, as customers are increasingly using online channels
- However, the Post Office's government service offer is important for digitally excluded and vulnerable customers
- As demand falls due to the online access to these services, and shifts to serving people with more complicated needs, the costs of serving each customer increases



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**social** THE AGENCY

What are your immediate thoughts about the trends affecting government services?

Given these trends how, if at all, do you think the Post Office's role should change? Why?

- Should a standard set of government services be provided in all areas?

- Given the costs to serve each in-person customer is rising, how should this cost be met?

I'm now going to share how the government sees the Post Office's role changing in terms of government services.

**Trends in government services – future role of Post Office**

| Government assessment of how the Post Office's role could change |
| --- |
| 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<br><br>Post Office could also play a role in supporting digitally excluded customers by signposting them to local support |



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**social** THE AGENCY

[Moderator to show slide – read out.]

Do you agree with the government assessment of how Post Office's role will change? What would be the benefits of this role, if any?

- probe for customers; taxpayers; postmasters

What concerns would you have about the role, if any?

- probe for customers; taxpayers; postmasters

Would it affect how you use the Post Office?

**8.15-8.25pm - Overall reflections on ensuring the Post Office is fit for the modern age**
- Given everything we've discussed, what would you say are the top 3 areas the Post Office needs to focus on to ensure its fit for the modern age? Why?

- Do you have any other views on the points raised this evening that you feel the government should consider regarding the future of Post Office?

**8.25-8.30pm – Final thoughts and close**
Thank you very much for you time this evening. As mentioned, in the next session we're going to discuss the size of the Post Office network – so how many branches the Post Office has and where they are located. I'm going to hand out some information for you to read in advance of the next session which highlight the rules concerning this. We will go through it in depth next time.

If you want to take part in the written consultation, a link is here. The consultation closes on 6 October 2025.

Thank you again and good evening.

## Handout: Government requirements for the size of the Post Office network

The Post Office has several different branch types. They include:

- standard branches which comprise:

  - mains: modern, larger branches that offer the full range of products and services

  - local: branches that are smaller and integrated into other retail premises

  - traditional: branches that are standalone (that is, not part of wider retail premises) and offer a full range of Post Office services

- outreach: part-time branches, often using a village hall or mobile van to provide services

- Drop & Collect: branches that focus on prepaid parcels and bill payments, rather than providing a full post office service.

The government decides how many Post Offices there should be, where they should be located and which core services must be protected. These rules need to balance policy goals - such as providing postal, government and banking services and protecting interests of vulnerable customers - with good value for taxpayers.

Currently, the government sets 2 main requirements for the Post Office network to ensure nationwide, in-person access to services:

1. **maintain at least 11,500 branches**

2. **meet 6 Network Access Criteria:**

   - o   99% of the UK population must live within 3 miles of a Post Office

   - o   90% must live within 1 mile

   - o   99% of people in deprived urban areas must live within 1 mile

   - o   95% of the total urban population must live within 1 mile

   - o   95% of the rural population must live within 3 miles

   - o   95% of people in every postcode district must live within 6 miles

There are also extra rules to protect access in remote rural areas.

The 11,500 branch minimum was introduced in 2010 and has been met ever since (except briefly during the pandemic).

The Access Criteria were set in 2007 to define how close people should be to a Post Office, reflecting the importance of Post Office branches to communities. They were confirmed again in 2016 after a consultation with 29,000 responses, the vast majority supporting them.

However, having both obligations—the Access Criteria and the 11,500 minimum—means some branches only exist to meet the branch number target, not because of local demand.

## Public discussion group – workshop 2

**6.00pm-6.10pm Welcome and introductions**
Welcome back everyone and thank you very much for attending the group this evening. To reintroduce myself - my name is XXXX, and I work for The Social Agency. We are an independent research company. We are conducting this research on the behalf of a government department called the Department for Business and Trade.

This evening, we're going to continue our discussion on the future of the Post Office. As mentioned, this is part of a broader consultation on the Post Office's future set up by the government to understand people's views on the services the Post Office provides, how to modernise and strengthen the network and how to change the culture and the way Post Office is managed.

Last week we discussed how to ensure the Post Office is fit for the modern age. We will briefly recap on the points you raised, to see if anyone has any further thoughts.

However, the main focus of our discussion this evening concerns the size and shape of the network of Post Office branches in the future – specifically how many branches the Post Office should have and where they should be located.

At the end of the session last week, we shared some rules concerning how many branches the Post Office must keep and how far away these branches are from the customers they serve.

We will discuss these rules, consider whether they should change and the implications of either changing or not changing them.

We have 2.5 hours for our meeting today. We will spend the time as follows:

6.00-6.10pm   Welcome and introductions

6.10-6.20pm   Reflections on ensuring the Post Office is fit for the modern age

6.20-6.30pm   Rules concerning the number and location of Post Office branches

6.30-6.55pm   Option 1: maintaining all the current rules

6.55-7.20pm   Option 2: maintain the access rules but remove the minimum branch rule

7.20-7.25pm   Break

7.25-7.50pm   Option 3: create new rules for local areas with little service provision

7.50-8.05pm   Comparing the options

8.05-8.20pm   Other options

8.20-8.30pm   Final reflections, thanks and close

Does anyone have any questions about the purpose the workshop?

Before we begin, I want to recap on the ground rules discussed last time.

We are not expecting consensus on the issues discussed - though please be respectful of other people's views and try not to speak over one another. I will help facilitate the discussion and ensure everyone is given the opportunity to have their say. We encourage you to be honest in your responses.

We will be discussing whether the number and location of Post Office branches should change. We appreciate this is an emotive issue, and many people rely on the services the Post Office provides.

If for any reason you do not feel comfortable talking about an issue, that's fine, you do not need to do so. Should you need to have a break from the discussion, let me know.

We are planning to record this evening. This is so we have an accurate record of the discussion for analytical purposes. However, what you say will be anonymised. This means any personal details or information that could potentially identify you will be removed from any quotes we would use, to protect your privacy. Only the team at The Social Agency will have access to recording.

Do I have your consent to record the discussion?

Does anyone have any questions before we begin?

To start, can we go round and briefly reintroduce ourselves. Can you please say your name and where you live.

Thank you.

**6.10-6.20 Reflections on ensuring the Post Office is fit for the modern age**
To start, I want to recap on the conversations we had last week.

We discussed postal, banking and government services and highlighted that…

We have also had discussion sessions with other people across the UK. Some additional points they raised were…

Reflecting on these points:

- What thoughts have you had since our discussion last week on postal, banking and government services?

- Have your views changed in any way?

- How do you feel about the points raised in the other groups?

- Are there any final points you like to make on these issues?

Thank you.

For the rest of the evening, we're going to focus on the rules concerning how many branches the Post Office has and where they are located.

**6.20-6.30pm Rules concerning the number and location of Post Office branches**
To begin, I want to ensure we are all familiar with the current rules. We shared a handout on this at the end of the last session. I have a summary of this on this slide.

## Current government requirements for the Post Office network

### The Post Office is currently required to meet two network coverage targets

| Target | Detail |
|--------|--------|
| 1. Maintain a network of at least 11,500 branches | - |
| 2. Maintain a network of branches according to six Network Access Criteria | Distance to nearest Post Office outlet<br>• 99% of the UK population within three miles<br>• 90% of the UK population within one mile<br>• 99% of the population in deprived urban areas across the UK within one mile<br>• 95% of the total urban population across the UK within one mile<br>• 95% of the total rural population across the UK within three miles<br>• 95% of the population of every postcode district within six miles |

I will give you a copy of the slide as a handout in case you need to refer to it during our discussion this evening
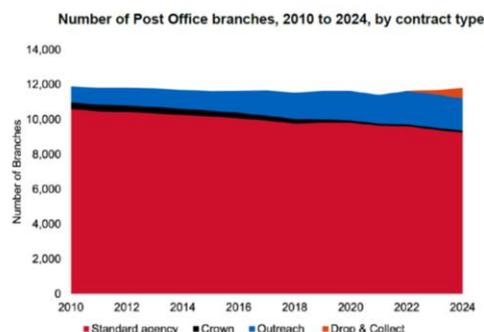
Do you have any questions on the branch number rule?

Do you have any questions on access rules?

OK, thank you.

Additionally, I also want to highlight the three main different branch types.

### Different types of branches

• **Standard branches:** these are typical post office branches, and may offer a range of postal, banking and government services. They are owned and managed by either an independent postmaster or a larger business, for example the Co-op.

• **Drop and collect branches:** These are 'lighter' branches, focused on collecting and dropping off parcels. They do not typically offer the full range of services as a standard branch. They are often located in densely populated urban areas

• **Outreach branches:** These are part-time services typically provided by a mobile post office van or hosted in a village hall or other community setting.

Department for Business & Trade



Number of Post Office branches, 2010 to 2024, by contract type

■ Standard agency  ■ Crown  ■ Outreach  ■ Drop & Collect

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Moderator to also note that there are a small number of Crown branches. These are fully owned by the Post Office but are being phased out in the transition to a fully franchised network. They will not be the focus of our discussion.

Does anyone have questions about the types and number of branches?

I now want to explore 3 options concerning how applying the different rules could affect the number and location of Post Office branches in the future

**6.30-6.55pm Option 1: Maintaining all the current rules**
The first option is to maintain the current rules on minimum branch requirements and the 6 access rules.

Some of the implications of maintaining the current rules are as follows.



## Implications of maintaining the current rules

If a branch in a community closed, Post Office might choose to set up a branch type in a different area, providing they notify the community appropriately about accessing nearby post offices, and still meet the government's rules.

This may result in

- a larger number of 'lighter format' branches in urban locations focused primarily on parcels. This would deliver less community value compared to a full-service branch
- greater competition in urban areas between the new branches and existing nearby full-service branches

Loss-making branches that are critical for Post Office to meet the rules would remain unaffected.

Read out and highlight network implications related to increase in the number of 'lighter format' branches.

## Hypothetical example - maintaining the current rules
**This example illustrates 1 scenario. Other outcomes could result from applying the rules, based on local contexts**

Department for Business & Trade

Mary is the postmaster of a branch in a semi-rural area. It is a standard branch offering a range of postal, banking and government services. While valued locally, the branch has been loss making for several years.

Mary is retiring soon and lets the Post Office know she intends to close her branch. Post Office consults the community about the closure. There is a similar Post Office in a village 2 miles away that customers can use.

To meet the minimum branch rules, Post Office decides to open a drop a collect branch in a nearby town 10 miles away. The new branch will be in a retail shop, that also sells groceries. The town already has 2 other standard Post Offices.

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Read out the hypothetical example and stress that the example is illustrative and other outcomes could result from applying the rules, based on local contexts.

Ask whether anyone has questions about the implications of keeping the current rules.

Given this:

- What are your immediate thoughts about the option for maintaining the current rules?

    o What would be the benefits, if any?

    o What concerns would you have, if any?

- Are there other potential benefits or risks, beyond those shown in the example [probe for customers, taxpayers, postmasters]

**6.55-7.20pm   Option 2: Maintaining the access rules but removing the minimum branch rule**
Thank you. The second option we want to explore is to maintain the access rules but remove the minimum branch rule

**Option 2: Maintain the access rules but remove the minimum branch rule**



[Show slide. Read out and highlight that, providing they met access rules, Post Office could close loss-making branches, without being incentivised to open lots of lighter format branches.]



[Show slide and highlight implications of maintaining the access rules but removing the minimum branch rules.]

**Hypothetical example – maintaining access rules but removing the minimum branch rule**
This example illustrates 1 scenario. Other outcomes could result from applying the rules, based on local contexts

In this example, we will explore what would happen if Mary's branch closed and the Post Office was not required to maintain a minimum branch number.

Like the last example, Mary lets Post Office know she intends to retire and close her branch. Post Office consult the community about the branch closure. There is a similar Post Office in a village 2 miles away that customers can use.

However, in this example, Post Office decide not to open a new click and collect branch in the nearby town – as it is already well served through 2 other standard Post Offices.

The total number of the Post Office branches has decreased, though the access rules are still met.

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[Read out the hypothetical example. Stress that the example is illustrative and other outcomes could result from applying the rules, based on local contexts.]

Given this:

- What are your immediate thoughts about the option to maintain the access rules but remove the minimum branch rule?

    o What would be the benefits, if any?

    o What concerns would you have, if any?

    o [note there would be savings for the taxpayer from closing a loss-making branch and not opening a further branch]

- Are there other potential benefits or risks, beyond those shown in the example [Probe customers; taxpayers; postmasters]

**7.20-7.30pm – Comfort break**

**7.30-7.55pm   Option 3: Create new rules for local areas with little service provision**
Welcome back.

The third option we want to explore is creating new rules for local areas with little service provision.

**Option 3: Create new rules for local areas with little service provision**



**Option 3**

Change the current access rules and develop new requirements designed to target local areas with insufficient service provision.

These requirements would protect services in areas where there are no suitable alternatives to meet the community need.

Government would still require Post Office to ensure most of its network were made up of fixed branches offering a range of different services.

But otherwise, the Post Office would decide how many branches to have and where to locate them.

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[Read out and highlight that it would mean changing the current access rules but would protect services in areas where there are no suitable alternatives.]

Some of the implications of creating new access rules are as follows.

**Implications of creating new rules for local areas with little service provision**



While the Access Criteria approach provides access to services for all citizens, these rules result in a considerable cost to the taxpayer.

A different way of ensuring communities have access to essential services would be to have a Post Office network more closely aligned to areas where there is little provision for Post Office services – including postal, banking and government services.

This may result in

- Post Office operating a smaller network than today

- appropriate alternatives not being like-for-like or available to customers in one place (for example, banking services in one location and postal services in another).

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[Show slide and highlight implications of creating new access rules.]

**Hypothetical example – create new rules for local areas with little service provision**

This example illustrates 1 scenario. Other outcomes could result from applying the rules, based on local contexts

In this example, we will explore what would happen if Mary's branch closed and the Post Office had new rules for access.

Like the last example, Mary lets Post Office know she intends to retire and close her branch

The new rules mean Post Office makes an assessment as to whether there are suitable alternatives available locally.

They find there is a banking hub and a PayPoint counter in a nearby village, and a Drop and Collect service for parcels in another village.

Given these alternatives, Post Office decide not to open another branch. The nearest branch is now 5 miles away.

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[Read out the hypothetical example. Stress that the example is illustrative and other outcomes could result from applying the rules, based on local contexts.]

Given this:

- what are your immediate thoughts about the option of creating new rules for local areas with little service provision

    o what would be the benefits, if any

    o what concerns would you have, if any

- are there other potential benefits or risks, beyond those shown in the example [probe customers, taxpayers, postmasters]

**7.55-8.10pm Comparing the options**

Considering the options overall, which, if any, do you prefer and why?

Do you have any alternative suggestions for how the network rules should change?

**8.10-8.25pm   Other minor options**

I'm now going to highlight 3 other options concerning how network rules could change.

They are [show slides]:

- introduce customer service targets [read out]

- review the postcode access criteria [read out]

- review what counts as a Post Office branch [read out]

## Other policy options for how the Post Office network could change

### 1. Introduce customer service targets

- Customer experiences of the Post Office varies across different areas
- Targets could be set for queue times, product quality and pricing. This would ensure customers get a consistent and good level of service.
- Meeting these targets may depend on government funding. For example, Post Office may need extra money to invest in self service kiosks to improve queue times

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## Other policy options for how the Post Office network could change

### 2. Review the postcode access criteria

- There is currently a requirement for Post Office to ensure that 95% of the population of every postcode district is within six miles of their nearest outlet.
- The areas in which Post Office struggles to fulfil the postcode district requirement are generally areas in which very few people live, and which have few retailers.
- As a result, Post Office funds loss-making post offices that serve very few customers to meet this requirement.
- This requires increased taxpayer funding to subsidise.
- This postcode requirement could be reviewed to enable subsidy to be used to support other branches in the network.

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## Other policy options for how the Post Office network could change

### 3. Review what counts as a Post Office branch

- Currently a Post Office branch must provide a range of postal services to be counted as a branch
- However, this does not take into account the increasingly important role Post Office plays in providing other commercial services to communities such as bill payments, and cash and banking services.
- What counts as a branch could be reviewed to include other services
- Other services could also include automated services, such as parcel lockers

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What are your immediate thoughts on each of the other options?

Are any of the other options particularly appealing? Concerning? Why?

What would be the benefit of each option? What would be the risks?

**8.25-8.30pm – Final thoughts and close**
Do you have any other views on the points raised in these discussions that you feel the government should consider regarding the future of Post Office?

Thank you very much for your time this evening, that completes my questions.

The consultation will close on the 6 October 2025. We will be analysing the responses to the consultation alongside your views and submitting them in a report to the Department for Business and Trade.

You can still submit a written response. A link to the consultation is here.

Findings from the consultation will be announced in early 2026.

Thank you again and good evening.

## Postmaster discussion group

**6.00pm-6.10pm Welcome and introductions**
Hello everyone and thank you very much for attending this postmaster discussion group. My name is XXXX, and I work for The Social Agency. We are an independent research company. We are conducting this research on the behalf of the Department for Business and Trade.

The purpose of this discussion is to get your views on the future of the Post Office. The discussion is part of a broader consultation on the Post Office's future set up by the government to understand people's views on the services the Post Office provides, how to modernise and strengthen the network and how to change the culture and the way Post Office is managed. The consultation is currently live, and anyone can submit a written response.

This evening presents an opportunity to discuss the issues raised in the consultation in depth. Specifically, we will discuss the following 4 issues:

- the government's vision for the Post Office

- how to ensure the Post Office is fit for the modern age

- the size and shape of the Post Office network in the future

- how the Post Office should be governed and owned

We have 2.5 hours for our session today, and we will spend approximately 30 minutes discussing each of these issues. We will finish at 8.30pm. There is a lot to cover so I might need to move the conversation on from time to time. We will also have a comfort break at 7.30pm.

In addition to this session, we will be running another group with postmasters and several discussion groups with members of the public. Findings from these sessions will complement

evidence from the written responses to the consultation. Taking part in this discussion will not prevent you from also submitting a written response.

Does anyone have any questions about the purpose the workshop?

We have a good mix of postmasters here with us the evening, providing services to different communities, across urban and rural areas and branch types. Given this diversity, we are not expecting consensus on the issues discussed - though please be respectful of different views and try not to speak over one another. I will help facilitate the discussion and ensure everyone is given the opportunity to have their say. We encourage you to be honest in your responses.

The government is conducting this consultation in the wake of the Horizon IT scandal, which involved the widespread wrongful prosecution of sub-postmasters because of incorrect information from the faulty Horizon computer system. You may have been personally affected by this issue or know someone who has been. There is an independent public statutory inquiry established on the Horizon IT system.

While this issue will not form the focus of discussion this evening, it is relevant to many of the issues we will discuss. If for any reason you do not feel comfortable talking about an issue, that's fine, you do not need to do so. Should you need to have a break from the discussion, feel free to switch your camera off and have a pause. We have provided some additional support information in our welcome packs to you. I'm going to share this again in the chat function of Zoom.

We are planning to record this evening. This is so we have an accurate record of the discussion for analytical purposes. However, what you say will be anonymised. This means any personal details or information that could potentially identify you will be removed from any quotes we would use, to protect your privacy. Only the team at The Social Agency will have access to recording and the recording will be deleted after the project has closed.

Do I have your consent to record the discussion?

Does anyone have any other questions before we begin?

To start, can we go round and briefly introduce ourselves. Can you please let us know your name, where you're based and the type of Post Office branch or branches you manage.

Thank you.

### 6.10-6.25 – Government vision for the Post Office
I'm now going to run a poll which highlights the 5 questions from the consultation concerning the government's vision for Post Office. Can you answer each poll question and let me know the extent to which you agree or disagree with the governments vision. We will then discuss the poll results.

[Moderator to run poll in Zoom.]

Ask participants to what extent they agree or disagree with the following statements:

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

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.

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

4. For Post Office to be an organization 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.

5. for Post Office to become an organization that adapts to changing markets and is financially sustainable, with lower reliance on government funding for investment costs.

Thank you.

[Moderator to review the findings of the poll, and probe on any differences in agreement across the statements and why.]

Overall, are they the right objectives to support the vision for the future of the Post Office?

How important are these objectives to you and the customers you serve? To helping the network as a whole?

To what extent do the objectives reinforce each other? Are any of the objectives that are in tension? Why?

Is there anything missing?

- probe extent to which they address the challenges facing the Post Office in the wake of the Horizon IT scandal

Do you have any final comments on the government's vision and objectives for Post Office?

**6.25-6.55pm – How to ensure Post Office is fit for the modern age**
We are now going to discuss how to ensure the Post Office is fit for the modern age. I'm going to share some trends that will shape the Post Office's role over the next 5 to 10 years. We will explore 3 areas in total.

The first area concerns postal services.

## Postal services

| Factors affecting postal services | Government assessment of how the Post Office's role will change |
|---|---|
| • Letter volumes have fallen drastically from 20bn in 2004 to 6bn today<br><br>• E-commerce growth has led to Post Office becoming a key provider for sending and receiving parcels<br><br>• While the Post Office offers parcel services from different postal operators, interdependencies between Post Office and Royal Mail means changes to the operation of one business will impact on the other | For postal services, government expects Post Office to continue its journey to enable branches to become hubs for a range of different postal operators (e.g. DPD, Yodel and Amazon), while working closely with the new ownership of Royal Mail on any proposals to increase collaboration between these two national institutions |

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[Moderator to discuss slide and highlight changes in demand for letters and parcels, interdependence with Royal Mail and assessment for the Post Office's role]

What are your immediate thoughts about the factors affecting postal services?

Do you agree with the government assessment of how Post Office's role will change in this context?

What are the implications of:

- the relationship between the Post Office and the Royal Mail

- Post Office working with a range of other postal operators

The second area concerns cash and banking services.

## Cash and banking services

| Factors affecting cash and banking services | Government assessment of how the Post Office's role will change |
| --- | --- |
| • The use of physical cash has declined from 60% of payments in 2008 to 12% in 2023<br><br>• Growth in online banking means fewer face-to-face transactions in bank branches, and a reduction in retail banks' branch network<br><br>• This has driven increase demand for banking services at post offices. These services now comprise a third Post Office's revenue.<br><br>• Cash services are especially important for older adults, the digitally excluded, and people on lower incomes.<br><br>• 17% of households and 37% of SMEs use cash and banking services at Post Office at least monthly. | 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 |

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[Moderator to discuss slide and highlight changes in use of cash, decline in physical retail bank network and associated increased demand for cash and banking at Post Office Ltd and assessment for the Post Office's role. Make the point verbally that the requirement for Post Office Ltd to retain at least 11,500 branches has enabled banks to reduce their branch network.]

What are your immediate thoughts about the factors affecting cash and banking services?

Do you agree with the government assessment of how Post Office's role will change in this context?

Considering these developments, what cash or banking services do you think people will want from the Post office in the future?

The third area concerns government services.

## Government services

| Factors affecting government services | Government assessment of how the Post Office's role will change |
|---|---|
| • Government services revenue has declined 79% since 2014, driven by customers increasingly using online channels<br><br>• However, the Post Office's government service offer is important for digital excluded and vulnerable customers<br><br>• As demand falls and shifts to more complex transactions, the cost to serve per customer increases | 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 |

[Moderator to discuss slide and highlight the declining use of the post office to provide government services, increased costs to serve and assessment for the Post Office's role. Please note that postmasters may wish to have more government services in their branch. Probe on the commercial feasibility of this.]

What are your immediate thoughts about the factors affecting government services?

Do you agree with the government assessment of how Post Office's role will change in this context?

Should there be standardised rules set concerning where in-person government services are delivered?

**6.55-7.30pm – The size and shape of the Post Office network in the future**
Welcome back. We're now going to discuss the size and shape of the Post Office network in the future.

The current government requirements for the Post Office network focus on meeting 2 key targets.

## Current government requirements for the Post Office network

The Post Office is currently required to meet two network coverage targets

| Target | Detail |
|--------|--------|
| 1. Maintain a network of at least 11,500 branches | - |
| 2. Maintain a network of branches according to six Network Access Criteria | Distance to nearest Post Office outlet<br>• 99% of the UK population within three miles<br>• 90% of the UK population within one mile<br>• 99% of the population in deprived urban areas across the UK within one mile<br>• 95% of the total urban population across the UK within one mile<br>• 95% of the total rural population across the UK within three miles<br>• 95% of the population of every postcode district within six miles |

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[Moderator to read the number of branches and network coverage criteria.]

Is everyone familiar with these criteria or have any questions?

I'm now going to show you some policy options about how the Post Office network could look.

1. Maintain government's existing requirements including the 11,500 minimum branch requirement and the geographical Access Criteria

   • What are your immediate thoughts about this option?

   • What are the potential advantages arising from this option?

   • What are the potential disadvantages arising from this option? [probe on the considerations]

   • On balance, do you feel the advantages of this option outweigh the disadvantages or not? Why?

2. Maintain the geographical Access Criteria but remove the overall minimum branch requirement

   • What are your immediate thoughts about this option?

   • What are the potential advantages arising from this option?

   • What are the potential disadvantages arising from this option? [probe on the considerations]

   • On balance, do you feel the advantages of this option outweigh the disadvantages or not? Why?

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

   • What are your immediate thoughts about this option?

- What could such targets look like?

- What are the potential advantages arising from this option?

- What are the potential disadvantages arising from this option? [probe on the considerations]

- On balance, do you feel the advantages of this option outweigh the disadvantages or not? Why?

Considering the 3 options overall, which, if any, do you prefer and why?

Do you have any alternative suggestions for how the network requirements should change?

For any alternative options mentioned:

- What are the advantages of this option? What are the disadvantages? [Probe for postmasters, customers, taxpayers]

- To what extent do you prefer these alternative suggestions to the 3 options we discussed earlier? Why?

I'm now going to highlight 3 other options concerning how network requirements could change.

They are:

- introduce customer service targets

- review the postcode access criteria

- review what counts as a Post Office branch

What are your immediate thoughts on each of these other options?

Are any of these options particularly appealing? Concerning? Why?

What would be the benefit of each option? What would be the risks?

**7.30-7.40pm – Comfort break**
Thank you. We're now going to have a 10-minute comfort break

**7.40-8.25pm – How the Post Office should be governed and owned**
In the final session, we're going to discuss the ownership model and governance of Post Office Ltd. By Post Office Ltd we mean the organisation that oversees the network and its operations, rather than individual branches.

We are going to look at short-to-medium term options at first, and then longer-term options afterwards.

## Short to medium to term governance options - context

Government does not believe it is the right time for making complex governance changes such as a different ownership model because

- Post Office is not ready as it is not yet in a sustainable position financially
- Post Office needs stability in the short to medium term to focus on transformation and working to replace the Horizon IT system.

Government therefore considers that the broad arm's length structure remains appropriate for managing Post Office in the short to medium term.

Source: *DBT (2025), Future of Post Office*



Department for Business & Trade

**Future of Post Office**

14 July 2025

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In terms of short-to-medium term options…

Government does not believe it is the right time for making complex governance changes such as a different ownership model. This is because:

- Post Office is not ready as it is not yet in a sustainable position financially

- Post Office needs stability in the short to medium term to focus on transformation and working to replace the Horizon IT system

Government, therefore, considers that the broad arm's length structure remains appropriate for managing Post Office in the short to medium term.
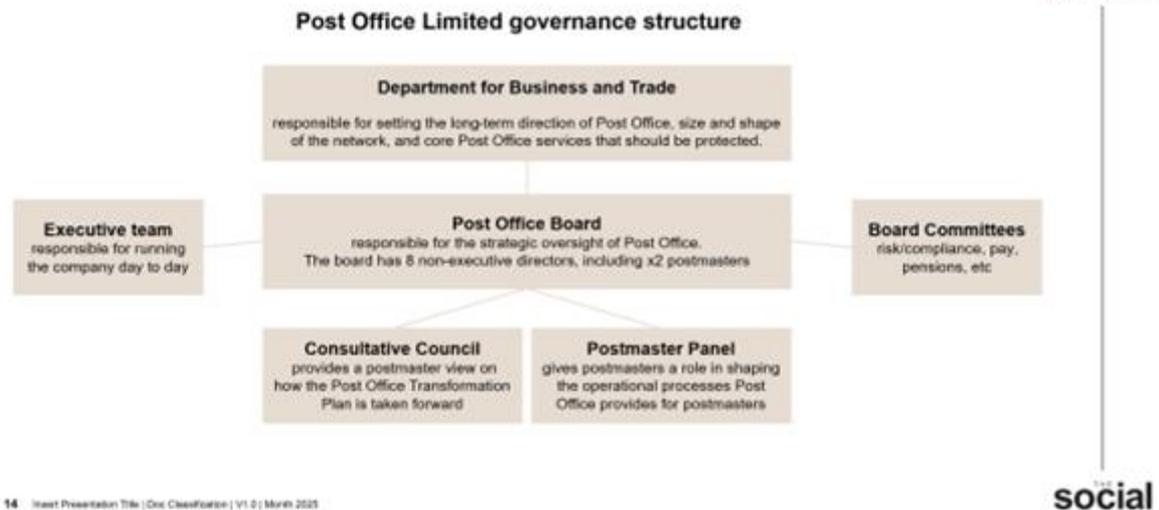
To what extent do you agree with the government's position? Why?

[if do not agree] What are the risks and benefits of making more significant changes to how the Post Office is owned in the short term?

[Moderator note: Postmasters may have a lot to say on this issue (for example, to move to a mutual ownership structure more quickly). Please highlight that we will discuss other governance options later in the meeting and can return to the issue then.]

The government wants to ask about several improvements that could be made to the current governance model.

**The Post Office Limited is a government owned public corporation, operating at 'arm's length' from government**

Department for Business & Trade

**Post Office Limited governance structure**

**Department for Business and Trade**
responsible for setting the long-term direction of Post Office, size and shape of the network, and core Post Office services that should be protected.

**Executive team**
responsible for running the company day to day

**Post Office Board**
responsible for the strategic oversight of Post Office. The board has 8 non-executive directors, including x2 postmasters

**Board Committees**
risk/compliance, pay, pensions, etc

**Consultative Council**
provides a postmaster view on how the Post Office Transformation Plan is taken forward

**Postmaster Panel**
gives postmasters a role in shaping the operational processes Post Office provides for postmasters

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Post Office Limited has the following governance structure:

- government, who is the single shareholder of Post Office Limited, and who is responsible for setting its long-term direction as well as the size and shape of the network

- a Post Office Board, that includes 2 postmasters as non-executive directors - the board is responsible for the strategic oversight of Post Office

- an executive team who run the company day to day

- Board Committees that focus on specific areas of governance, such as risk compliance and pay

- a new Consultative Council to provide a postmaster view on how the Post Office Transformation Plan is taken forward (the transformation plan is centred on delivering a 'New Deal for Postmasters', which focuses on increases to postmaster pay and renewing the partnership between the company and postmasters)

- a Postmaster Panel which gives postmasters a role in shaping the operational processes Post Office provides for postmasters

Do you have any questions about the current governance structure?

To what extent do you believe that these existing governance structures are sufficient for achieving Post Office's cultural transformation?

How, if at all, could it be improved?

We are interested in whether you believe various aspects of the current governance model need to be changed. We're going to do this as a poll. There are 8 questions.

Ask to what extent do you agree with the following statements about Post Office's governance model:

1. Postmaster engagement bodies, such as the Postmaster Panel or Consultative Council, should be set up to be permanent.

2. Postmaster engagement bodies should be set up with a clear remit.

3. Postmaster engagement bodies should be independent of Post Office.

4. Any additional governance measures should only be introduced if they do not slow down Post Office's Transformation Plan.

5. Postmasters should be able to input more than they currently do into government's decisions on Post Office.

6. Engagement bodies should include more diverse membership, such as consumer groups and special interest groups, rather than just postmasters.

7. Postmasters should be represented by an organisation not funded by Post Office.

8. Post Office should be free to consult a wide range of groups representing postmasters on issues such as remuneration and contractual issues.

[Moderator to review the findings of the poll and probe on any differences in agreement across the statements and why.]

Which of these 8 aspects of the governance model that could be changed is the most important to you, if you could only select one? Why

Do you have any other views on how governance arrangements for Post Office should change in the short-to-medium term?

In terms of longer-term governance options, the government could reduce its involvement to give greater control to postmasters or give Post Office greater freedom to respond to changing market conditions.

To what extent do you think that Post Office should be given more independence from government once Post Office has achieved its cultural and financial policy objectives?

I now want to explore two different governance model options.

## Longer term governance options – mutual model

Department for Business & Trade

| Option 1 | Considerations |
|---|---|
| Conversion of Post Office into a mutual, collectively owned by either postmasters or also including other stakeholders | Postmasters have expressed a desire for more involvement in the running of Post Office for their and their communities' benefit<br><br>However<br>• Mutualisation is complex, time consuming and expensive<br>• Post Office would need to be financially and operationally stable before mutualisation – any delays could frustrate postmasters<br>• To limit members' financial liabilities, government would likely need to step in the Post Office became bankrupt<br>• Liability would require some government involvement in the running of the Post Office through a Joint Venture |

16

social

The first longer term option is a mutual model [read out slide including definition].

What are your immediate thoughts about this option?

What are the potential benefits of a mutual model?

What might be some of the concerns or risks?

In a potential mutual model:

- should postmasters take on financial liabilities for the organisation or not

- should only postmasters and strategic partners (such as retail chains which operate multiple Post Office branches) be able to be members, or should it be opened up to customers, employees and communities

- should Post Office be completely independent from government

## Longer term governance options – charter model



| Option 2 | Considerations |
|---|---|
| Charter model to separate out government's role in setting the organisation's purpose and mission from the role of the Post Office Board in setting the strategy and running the business | A Charter model could give Post Office greater freedom to operate with an appropriate commercial envelope<br><br>It would require the need to consult with the public on the government's strategy and policy for Post Office each time the charter was renewed<br><br>However<br>• Increased autonomy for Post Office could impact its efforts to rebuild trust with its customers, postmasters and communities who rightly expect an appropriate level of oversight |

The second longer term option is a charter model.

What are your immediate thoughts about this option?

What are the potential benefits of a charter model?

What might be some of the concerns or risks?

Of the options that we have discussed this evening, which you prefer any why:

- conversion of Post Office into a mutual

- charter model for Post Office

- keep the existing governance structures

- another option

Do you have any other views on how governance arrangements for Post Office should change in the longer term?

**8.25-8.30pm – Final thoughts and close**
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?

Thank you very much for you time this evening, that completes my questions.

The consultation will close on the 6 October 2025.

A link to the consultation is on our final slide is here.

We will be analysing the responses to the consultation alongside your views and submitting them in a report to the Department for Business and Trade.

Findings from the consultation will be announced early next year

Thank you again and good evening.

# Annex D: Respondent demographics

## Members of the public

1,870 responses were received from members of the public. The following graphs set out the breakdown of demographics for members of the public who responded to the consultation and provided these details.
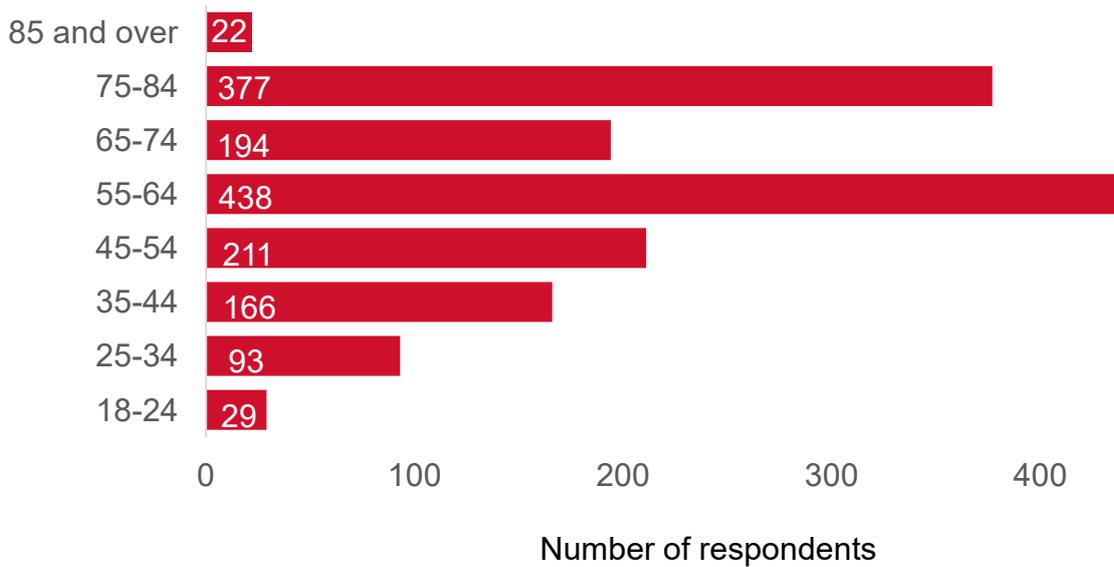
**Chart AA: Age (n=1,530)**
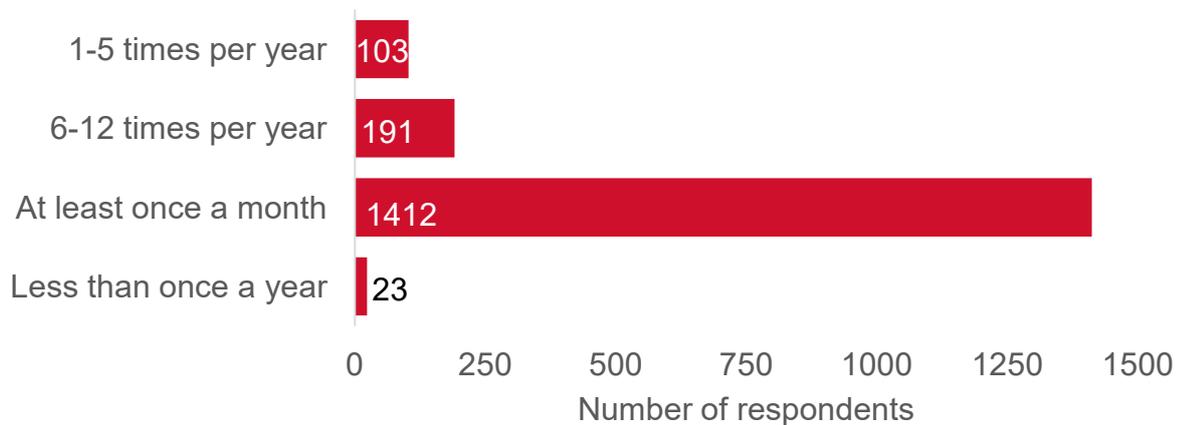


**Chart BB: Post Office branch usage (n=1,729)**

**Chart CC: Region of residence (n=1,531)**

| Region | Number of respondents |
|---|---|
| Northern Ireland | 13 |
| North East | 32 |
| Greater London | 65 |
| Scotland | 84 |
| North West | 90 |
| Wales | 96 |
| East of England | 101 |
| West Midlands | 113 |
| East Midlands | 137 |
| Yorkshire and the Humber | 167 |
| South West | 281 |
| South East | 352 |

Number of respondents

# Businesses and Organisations

166 responses were submitted on behalf of an organisation. The following graphs set out the breakdown of firmographics for businesses and organisations that responded to the consultation and provided these details.

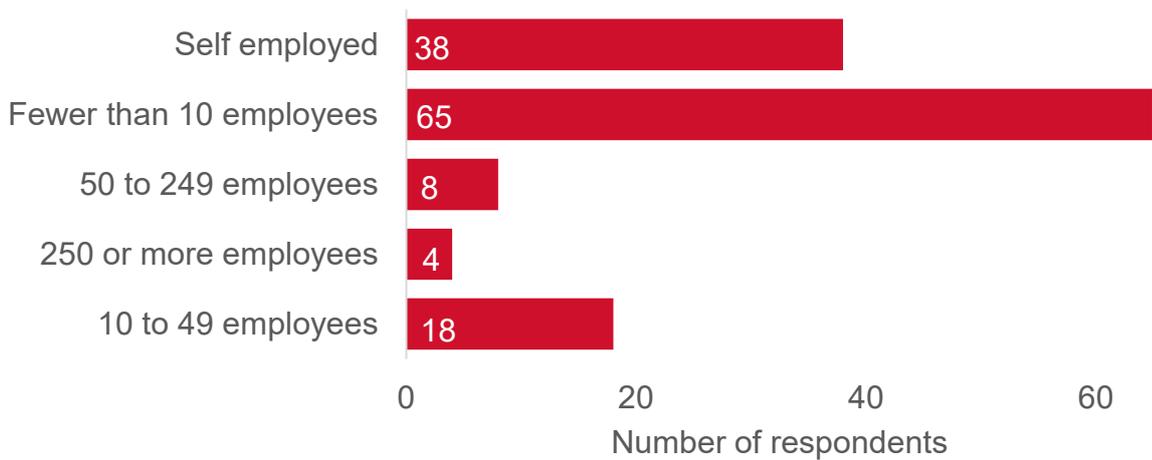**Chart DD: Size of business or organisation (n=133)**
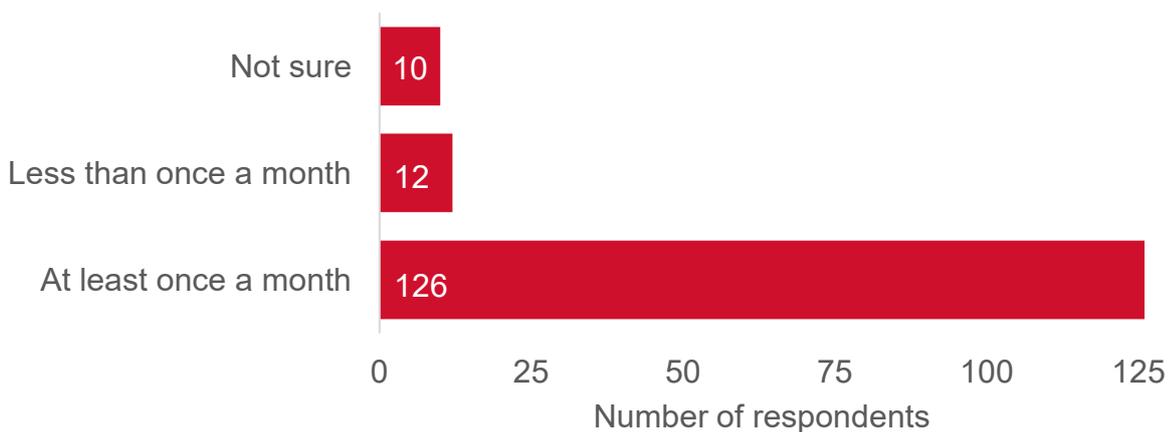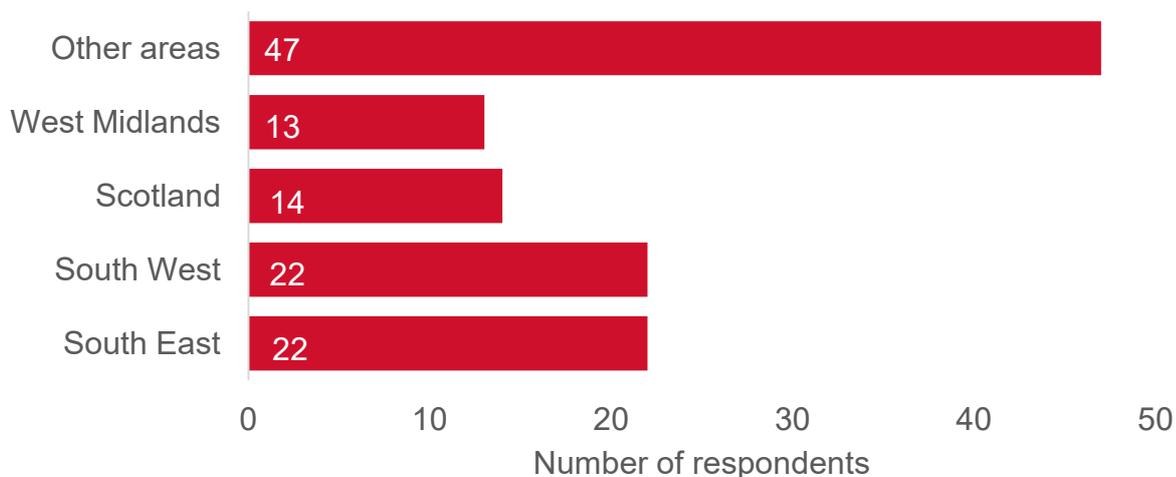


**Chart EE: Post Office branch usage (n=151)**

**Chart FF: Region (n=118)**



| Region | Number of respondents |
|---|---|
| Other areas | 47 |
| West Midlands | 13 |
| Scotland | 14 |
| South West | 22 |
| South East | 22 |

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Department for Business and Trade

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