

No. 454/2020

16th September 2020

Dear Colleagues

POST OFFICE: ANNOUNCEMENT OF 41 PROPOSED JOB LOSSES ACROSS ADMIN AND SUPPLY CHAIN

Branches are advised the Union commenced negotiations with the Post Office yesterday as part of the formal 90 day consultation period in regard to c.41 potential job losses amongst CWU Represented grades (there are also up to a further 110 job losses from amongst managers). These 41 proposed job losses are concentrated amongst our Admin (11) and Supply Chain (30) members and are not directly related to Crown Offices. The Post Office is saying that declining volumes and a decrease in the use of cash generally are contributing factors to these job losses, along with the impact of Covid-19. The Post Office communication from the CEO, Nick Read, issued earlier this morning is attached to this LTB.

The Post Office has confirmed during negotiations that the full terms of MtSF will apply including Voluntary Redundancy offers being made on the basis of seniority. We have also agreed with the Post Office the following enhancements over and above the MtSF VR terms for this exercise:

- PILON – Pay in Lieu of Notice will be paid for up to 12 weeks for those taking Voluntary Redundancy
- For members aged 64.5 and above, the “taper” will be removed from the VR compensation calculations

These enhancements will help to facilitate the proposed changes and more importantly will provide additional compensation for our members who are considering taking VR.

Our Representatives have been advised of these developments and have been provided with the full details. In regard to next steps, a targeted preference exercise will be issued at various sites/locations in the coming days and this activity will be supported by a Joint Statement. Further negotiations with the Post Office are planned and

feedback is being sought from our Representatives in respect of whether these job losses are legitimate or conversely can be reasonably challenged.

Below is a table that summarises the 41 proposed job losses:

Function / Work Area	Number of Proposed Job Losses	Location
Cash Centre	8	Belfast, Glasgow, London
Crew Members	14	From 9 sites
Bristol Inventory Team	5	
Swindon Stores (not the warehouse)	3	
Admin	11	Bolton, Finsbury Dials, Wealdstone

Clearly this is a disappointing development, particularly in the context of the wider position regarding jobs across the UK and the Post Office should be doing its part to protect employment. We do though anticipate there will be a relatively good take up of volunteers seeking VR. Whilst these job losses are generally being justified on the basis of Covid-19, we are not surprised given the near £58m legal settlement by the Post Office regarding the Horizon scandal. These cost savings will no doubt help to pay for the continued legal costs the Post Office is incurring given the significant number of cases the CCRC have referred to the Court of Appeal.

Yours sincerely

Andy Furey
Assistant Secretary