

No. 542/2020

12th November 2020

Dear Colleagues

POST OFFICE: PAY CLAIM – COLLECTIVE DISPUTE RESOLUTION PROCEDURE

Branches are advised I have written to the Post Office to formally instigate Stage 1 of the Collective Dispute Resolution Procedure (CDRP). This measure is necessary as we have unfortunately been unable to make sufficient progress during our recent discussions. We have a formal pay offer on the table (closed offer) however this offer is inadequate as it fails to materially address our pay claim in a meaningful way. The Postal Executive has therefore unanimously endorsed the rejection of the offer.

Our Post Office members as Key Workers are performing an amazing job and they warrant a decent pay agreement, which is currently being denied to them even though the Post Office will once again declare a healthy profit when they eventually publish their annual report and accounts, so there is no question of affordability.

Unprecedented managerial failings arising from the Horizon scandal which led to the Post Office reaching an out of court settlement last December of £57.75m is impacting on these pay negotiations. This is a significant amount of compensation (although Postmaster Claimants deserved more). Also legal fees amounted to tens of millions. The Post Office has incurred over £100m via a combination of compensation costs and legal fees and there is no doubt these costs will continue to rise. Our members are paying the price for the Horizon scandal which is unforgivable.

On a positive note, a further pay meeting has now been arranged for Monday 16th November and it is hoped tangible progress can be made towards an agreement. We are aiming to conclude an agreement with the uplift in pay and arrears to be made in December's salaries; this requires movement by the Post Office. If an agreement is not possible due to an intransigent employer, we will escalate the dispute to the next stage with ultimately referral to Acas should this be necessary.

I would be grateful if Branches and Reps could share this communication with our Post Office members. Also I would wish to assure members we are determined to see a good outcome in terms of being able to secure a fair and reasonable pay settlement.

Yours sincerely

Andy Furey
Assistant Secretary