

No. 008/2021

7th January 2021

Dear Colleagues

POST OFFICE: POSTMASTERS – ELECTION OF TWO NON-EXECUTIVE DIRECTORS

Last August the Post Office announced it was to appoint a Postmaster as a Non-Executive Director (NED) to sit on the Post Office Board to "*advocate the interests of more than 8,000 Postmasters*" (press release from 17th August attached). This development came about following the various rulings of Judge Fraser against the Post Office in the Horizon court case and the subsequent establishment of the Horizon Inquiry chaired by Sir Wyn Williams. Nick Read, CEO, has consistently said he wants to "*reset the relationship*" with Postmasters, and giving Postmasters a voice on the Board goes some way towards this, providing they are fully independent and accountable to those they represent.

Whilst we welcomed the appointment of a Postmaster NED when it was first announced, we obviously had concerns over the appointment process; the fact that just one new director was being proposed; the need to ensure that the director was independent in order to hold the Post Office to account; and over whether the director was going to be chosen democratically via an election or selected by the current Post Office Board and Government. Dave Ward, General Secretary, therefore wrote to Paul Scully MP, Post Office Minister, in late August to highlight these concerns and also to urge him to consider the CWU's proposal that alongside any Postmaster seats, there should be an additional place on the Board for direct employees of the Post Office, being elected from a Crown Office, or within Supply Chain/Admin.

I also raised the matter of a second Board appointment for Postmasters directly with Nick Read, Post Office CEO, at the All Party Parliamentary Group (APPG) for Post Offices meeting on 2nd November as he was in attendance at the invitation of the Chair, Marion Fellows, SNP MP. We were concerned as it could be perceived that one Postmaster's voice would be a hollow or token gesture and therefore a further Postmaster NED was required.

Further Announcement - Two Postmasters as Non-Executive Directors

On Monday 4th January, following an informed media report from Sky News on Sunday 3rd, the Post Office confirmed there will now be two Postmaster NED appointments to the Board

which is a positive development and one we argued for (press release and "One Update" communication from Nick Read attached). A further positive is that the process appears to be being run independently of the Post Office and BEIS and there will be an election for the position. Following a selection process by independent recruitment specialists, Green Park, a number of candidates will be interviewed by an independent selection panel who will then put a shortlist of candidates to a vote of the Postmaster community in March. The election will be overseen by Civica Elections Services (formally Electoral Reform Services – ERS) and the two candidates with the most votes will be recommended to the Board and the Post Office Minister for final approval. The new NEDs are expected to commence their roles from 1st April.

We welcome these developments with an additional post and an election process, however we intend to raise a number of further questions about the election and shortlisting processes and the shortlisting panel, and we will be following the selection process carefully as clearly it needs to be fair and transparent throughout to win the confidence of postmasters. In particular we will be closely following any further announcement regarding members of the independent selection panel for the interviews for selection for the ballot as the list published earlier this week doesn't seem to be exhaustive.

CWU to Call Upon the Post Office/BEIS to Allow for an Additional NED

Whilst Monday's news is welcome, we also don't believe this goes far enough in terms of representation for every Post Office worker which we have pushed for and we will therefore be writing to both Nick Read and Paul Scully MP to propose once again that our directly employed members are properly represented by having a spokesperson from this group elected to a further NED position on the Board.

We will also be proposing CWU engagement with the Post Office on a range of issues in relation to the NED role including confidentiality, training, ongoing engagement/communication with Postmasters, conflicts of interest, etc. We also wish to pursue greater transparency around the shortlisting criteria. Furthermore, we believe there should be an appeals process involving an additional independent panel if an applicant is not selected for the ballot and can demonstrate they have good reason to appeal the decision.

Of course, any seat on the Board cannot replace the need for trade union representation and collective bargaining either for Postmasters or employees. We continue to push the Post Office to recognise the CWU as the only truly free and independent voice for Postmasters and are raising this alongside the questions we have about NED positions on the Board.

Further developments will be reported.

Yours sincerely

Andy Furey
Assistant Secretary