



Date
15 May 2024

Post Office
100 Wood Street
London EC2V 9ER

Your Ref:

Classification:
Public

[REDACTED]
[REDACTED]
[REDACTED]
Dear [REDACTED],

Freedom of Information Request – FOI2024/00576

We are writing in response to your email received by Post Office Limited (“**Post Office**”) on 8 April, which has been dealt with under the terms of the Freedom of Information Act 2000 (“**FOIA**”).

In your email you have requested the information shown verbatim in bold below:

“On 27th March 2024 in a One News Special email POL said "Today we are announcing the following improvements which are collectively worth £30 million for Postmasters:"

Please could you break down how this total is reached?

For example the email also states

"You will therefore receive an additional one-off payment, equal to 15% of your variable remuneration for March 2024 trading, which will be paid in April 2024. Across the network, this equates to a nearly £5 million investment by Post Office."

From these estimated figures for each branch. Could you provide the estimated % increase per contract type (I.E. Mains, Local & Community) for the new financial year, please?

Could you provide separate values using an 80%, 90% & 100% sample branch performance across all branches for the Operational Excellence Incentive.”

We can confirm that Post Office does hold the information you have requested.

Question 1

The following highlights the breakdown of the £30 million remuneration improvement for Postmasters.

Royal Mail / Parcelforce Volume-Based 4.0% CPI increase	£2.2m
Royal Mail / Parcelforce – impact of tariff	£9.5m
Outreach increases	£0.7m
Mailwork	£0.2m
DVLA	£0.9m
Moneygram / Western Union (Cash to acct)	£0.2m
Operational Excellence Incentive (OEI)	£6.7m
One-Off April Payment	£4.7m
Major Branch Support 1yr Extension	£1.9m
REMUNERATION TOTAL	£27.3m
2800 note counters	£3.5m
GRAND TOTAL	£30.8m

Question 2

The information you requested is being withheld as it falls under the exemption in section 43(2) of the FOIA, which relates to information which would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it). In applying this exemption, we have had to balance the public interest in withholding the information against the public interest in disclosure.

We recognise that there is a public interest in disclosure of information concerning details of the estimated figures by contract type as this helps promote transparency in Post Office business and reassurance about the way public money is being spent.

However, there is a strong public interest in withholding the information as it would, if disclosed, prejudice the commercial interests of Post Office, Postmasters and third parties. This is because disclosing information about the estimated figures by contract would prejudice Post Office's commercial interests as it can potentially impact the ability of Postmasters to sell their branch. It would not be in the public interest to disclose information if Post Office would be unable to operate in a fair marketplace regarding the competitive dialogue procedure and are commercially damaged by the release of the information.

Question 3

The figures provided for question 1 are based on an assumed performance rate of 58% for OEI, with a total cost of £6.7m over an 8-month period starting from August. It is important to note that these figures are subject to change based on the

performance of branches, if branches, perform at 80%, the total cost will be £9.2m. Similarly at a 90% performance rate the total cost will amount to £10.4m, and at 100% performance, the total cost will reach £11.6m.

If you are dissatisfied with the handling of this response, you do have a right to request an internal review. You can do this by writing to the address above within 40 working days of receipt of this response stating your reasons for your internal review request or alternatively, by emailing information.rights@postoffice.co.uk.

If, having requested an internal review by Post Office, you are still not satisfied with our response you also have a right of appeal to the Information Commissioner at:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Telephone: 0303 123 1113
www.ico.org.uk/foicomplaints

Yours sincerely,

Information Rights Team
information.rights@postoffice.co.uk
<https://corporate.postoffice.co.uk/en/governance/access-to-information/access-to-information/>

Post Office Limited is committed to protecting your privacy, information about how we do this can be found on our website at www.postoffice.co.uk/privacy