

MORE FRANCHISING = MORE JOB LOSSES

Dear Member,

“CROWN NETWORK DEVELOPMENT” = MORE FRANCHISING TO MAKE £10m PROFIT

The Post Office has announced a new franchising programme threatening the future of up to 40 Crown Offices together with 3 actual closures, which means another 400 jobs lost from the Post Office. As if this wasn't bad enough, a further 40-50 Crowns could be included in future tranches of franchising over the next two years unless, in the words of the Post Office, *“significant opportunities can be found to make them profitable”*. This second tranche of franchising could very easily impact on a further 500-600 members' jobs. This means there is **a real threat to 1000 jobs.**

As it currently stands, the Crown Network amounts to 314 Crowns with Earls Court and Western Road Brighton due to close shortly. So the Post Office's plans could see **the Crown Network reduced by very nearly 100 Crowns and 1000 members.** Effectively, this attack on jobs impacts on a third of the current workforce and Crown Network.

This will be a devastating blow to many members who are looking for long term job security. Frankly, after all the effort and commitment provided by our members in recent years when embracing new ways of working and automation, this further announcement of franchising is a complete kick in the teeth.

Whilst some members may wish to take VR, the vast majority of our members want a job and want to continue contributing to their pension. The Post Office appears hell-bent in destroying the Crown Office Network which provides such a wonderful service to our customers.

Their appetite for franchising and cutting costs and job losses is insatiable and evidently all their imagination stretches to is the **tired old fashioned failed policies of the past.** For this “leadership” Paula Vennells and her Directors are highly rewarded.

The Post Office leadership really should hang their heads in shame. They simply do not value the enormous and significant contribution made by our members working in Crown Offices. Whilst the Post Office would strenuously deny “managing decline”, we all know the reality is the incessant franchising programmes amount to precisely this. Alternatively, if it isn't managed decline then it must be a case of woeful mismanagement?

Ask yourself the question - “why are they doing this?” The first point to make is due to the Crown Transformation Programme, including the attacks on our members' pay, terms & conditions, the Crown Network is on a trajectory – run-rate to break-even and should achieve this by the end of this financial year. The Post Office however, in its infinite wisdom has now determined that it wants to make **£10m profit over the next two years.** And who is paying the price for this profit target – our members!

Together we must fight to defend jobs and our Crown Network.

YOUR CROWNS AND JOBS ARE UNDER ATTACK

YOU DESERVE A DECENT PAY RISE

Post Office Response to our Formal Pay Claim

We have lodged a pay claim for an unconditional one year pay rise of 1.9% from the 1st April 2016 in order to secure parity with our Admin & Supply Chain members. Below is the response received from the Post Office:

Dear Andy

RE: CWU GRADES WORKING IN CROWN OFFICES – FORMAL PAY CLAIM 2016/17

Thank you for your letter to Paula Vennells of 7th January, in which you submitted the CWU's pay claim for Crown colleagues for 2016-17. I am responding on behalf of the business in my capacity as Head of Industrial Relations and will be leading our negotiations with you and CWU colleagues.

I can assure you the Post Office would like to reach an agreement on Crown pay as soon as practicable, and certainly in advance of April if at possible.

Post Office is currently undertaking its budgeting process for 2016/17 and we are also continuing to monitor the Crown P&L closely, doing everything we can to make sure we achieve breakeven on a run rate basis at year-end and have a firm foundation to make the Crown network commercially sustainable.

These activities are important factors which will inform the mandate we agree as a business. Doing this will make sure the Post Office's negotiating team is fully empowered to speak on behalf of the business and to engage in meaningful negotiations with the CWU. Meeting before we have an agreed mandate would not be a good use of your time or ours.

Achieving a pay agreement for Crowns is a priority for the business and we are devoting resources to the necessary preparatory work right now. I believe we will be in a position to convene the National Joint Negotiating Committee to start talks in late February and will be in touch to propose some dates when we have more certainty.

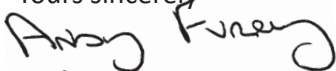
Yours sincerely

John Whitefoot
Head of Industrial Relations
cc: Paula Vennells, Alistair Cameron

Evidently the Post Office has spent plenty of time working up its plans for attacking the Crown Network. Yet the Post Office is unable to meet with the Union to discuss pay until late February as it is "currently undertaking its budgeting process for 2016/17". You would have thought they would have factored pay negotiations into their plans for the Crown Network! Yet again, this is a demonstration that the Post Office is not really interested in the wellbeing of its workforce.

Further developments will be reported.

Yours sincerely



Andy Furey
Assistant Secretary

