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Post Office Ownership Could Be Transferred to Sub–Postmasters, Says Government

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The UK government is considering plans to transfer ownership of the Post Office to sub–postmasters and other stakeholders through a mutualisation model. This proposal follows public outcry over the Horizon IT scandal, which saw hundreds of sub–postmasters wrongfully prosecuted due to faulty software. A green paper and three-month consultation have been launched by the Department for Business and

Trade to explore the viability of this shift, alongside a support package worth up to £118 million.

Currently, the Post Office operates around 11,500 branches across the UK, most of which are run by self-employed sub-postmasters under a franchise agreement. Mutualisation would mean transferring ownership and decision-making power to those who work in and use the Post Office, creating a democratically governed organisation. However, the financial outlook raises concerns. The Post Office reported losses of £612 million last year and remains heavily reliant on government support. Any ownership transition would require clear progress towards profitability, and mutualisation is not expected before the mid-2030s.

The move is partly a response to the Horizon scandal, one of the most significant miscarriages of justice in recent British history. More than 900 wrongful prosecutions, 13 reported suicides, and a projected £2 billion in compensation have eroded public trust. Government ministers believe mutual ownership could help rebuild confidence and give those on the frontline a stronger voice in how the network is managed.

Still, not all stakeholders are convinced. Some sub-postmasters and industry observers have warned that transferring ownership may impose financial burdens and business risks on individuals already operating on thin margins. There are also questions about maintaining universal service obligations, particularly for rural branches that are not commercially viable.

Alternatives under consideration include a chartered model similar to that of the British Broadcasting Corporation (BBC), which would provide operational independence while keeping the Post Office under public

ownership. This may offer a more cautious route to reform without compromising service continuity.

Sub-postmasters have already begun to influence strategy through a new Consultative Council, which the government says will remain central to any reform. Organisations such as the Communication Workers Union and Co-operatives UK have expressed cautious support, provided the interests of workers and communities are protected.

This proposal reflects a pragmatic, centre-right vision: shifting power closer to those who deliver services while ensuring fiscal discipline and long-term viability.