

WRITTEN QUESTION P-2266/08
by Jeffrey Titford (IND/DEM)
to the Commission

Subject: UK post offices

Will any UK local authority that wishes to take over the Post Office franchise, paid for by council tax payers and government grants, break EU competition law?

John Hutton, UK Government Minister for Business, Enterprise and Regulatory Reform, in a letter to the managing director of Post Office Ltd, wrote:

'We have encouraged you to engage with local authorities that wish to step in and fund some continuing service provision (...). Any funding will need to be provided from the local authorities' own budgets (...). It is for Post Office Ltd and individual authorities to discuss and agree the details of any such arrangements and to ensure that the arrangements are compatible with EU state aid requirements.'

I would like to know if these types of agreements to support the Post Office services will be in breach of EU state aid law.