

RESTRICTED - POLICY

To:

ci Without annex C

1. MR SIBBICK
2. MR JOHNSON
3. SECRETARY OF STATE

From:

ISABEL ANDERSON
CGBPS 1
BPR GRO

GRO

Sir Michael Scholar
Mr Macdonald
Mr Davis CGBPS o/r
Mrs Britton PORT o/r
Mr Whitehead CGBPS1
Mr Tee NEWS
Ms Bishop NEWS
Mr Corry Sp Adv
Ms Moore Sp Adv

11 August 1999

**NATIONAL FEDERATION OF SUBPOSTMASTERS(NFSP): LETTER FOR
NFSP JOURNAL AND REQUEST FOR MEETING**

Issue

1. Reply to two letters from Colin Baker, General Secretary of the National Federation of Subpostmasters:
 - (i) conveying the concerns of his members about the future of the post office network and inviting you to write to the subpostmasters in the NFSP monthly journal on how the Government sees their future; and
 - (ii) forwarding a copy of the NFSP's response to the White Paper.

Recommendation

2. A reply to Mr Baker is at Annex A covering a letter for publication in the journal (at Annex B).

Timing

3. Routine.

Background

4. Mr Baker in his letter to you expresses concern about the potential loss of work to subpostmasters which will result from the move to ACT in 2003. He says that the Federation is currently being inundated with correspondence from concerned subpostmasters who are worried about the future of their post offices. He says that

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his members are pressing for a public campaign which the Federation would be most reluctant to engage in and is seeking to better understand the Government's proposals for the network.

5. The draft reply seeks to explain the Government's vision for the network. Mr Baker is privately aware of the proposal that the Performance and Innovation Unit should undertake a study of the future of the network in the Autumn on which the Prime Minister has yet to take a decision.

6. Mr Baker asks to meet you again to discuss further the proposals for the future of the network. You previously met with him on 8 June. We suggest that it would not be appropriate at this point to meet again with Mr Baker who will be in touch with developments in Government thinking on the network as a result of his membership of the Horizon Working Group. We suggest that you should instead offer Mr Baker a meeting with Alan Johnson, as the new Minister with Post Office responsibilities.

7. The NFSP's response to the White Paper (at Annex C) in particular stresses their concerns about the implications for the post office network of the potential loss of income which subpostmasters are facing with cancellation of the benefit payment card and the switch to ACT from 2003, given that many subpost offices already operate on the margins of viability. They suggest that it is essential that Government departments remain loyal to POCL until the Government Gateway proposals are implemented and that Government maximises its use of the network for delivering its Welfare Reform and Modernising Government aims.

ISABEL ANDERSON