

STRICTLY CONFIDENTIAL

FOR USE OF NATIONAL EXECUTIVE COUNCIL OFFICERS ONLY

NATIONAL FEDERATION OF SUB-POSTMASTERS

**REPORT OF A MEETING
OF THE
NATIONAL EXECUTIVE COUNCIL**

held on

20th, 21st, 22nd OCTOBER 1997

at

THE ABBEY HOTEL, MALVERN

AGENDA

OCTOBER 1997

A/1 **REPORTS AND RESOLUTIONS** of the
Executive Council Meeting held on 16th, 17th, 18th June 1997
Special Executive Council Meeting held on 14th September 1997

A/2 **MATTERS ARISING FROM THE REPORTS**

A/3 **REPORT OF THE NEGOTIATING COMMITTEE**

The following reports refer:- NC/POCL 10.7.1997 [Pay 1997]
NC 28.7.1997 [Pay 1997]
NC/POCL 28.7.1997 [Pay 1997]
NC 12.8.1997 [Pay 1997]
NC/POCL 12.8.1997 [Pay 1997]
NC 22/23.9.1997

POST OFFICE GROUP

1. **Post Office Board** PO BD

2. **Government Affairs** PO PZ
The Minimum Wage - Low Pay Commission
The Post Office Inquiry - Trade and Industry Committee

3. **Post Office Counters**
 - (a) Post Office Counters Board PO PC 02 NC
 - (b) Review of Retail Development Centre PO PC 03

4. **Off-Shore Islands**

- (a) GuernseyOI GY
- (b) Isle of ManOI IM
- (c) Jersey.....OI JY

POST OFFICE COUNTERS LIMITED

- 5. **Commercial**PC CM 01 NC

6. **Human Resources**

- (a) Training for SubpostmastersPC HR 04

- 7. **Mailwork**PC MP NC

8. **Network**

- (a) Network ForumsPC NW 01
- (b) Counter Automation - BA/POCLPC NW 06 01
- (c) Counter Automation - ALPSPC NW 06 07 NC
 - Goodwill payment for Sub-Postmasters
- (d) Cash and Stock Resourcing and DistributionPC NW 09
- (e) Funding of SPSOsPC NW 09 03

9. **Security**

- (a) POCL/NFSP MeetingsPC NW 11 01 NC
- (b) Devolution of Budget to RegionsPC NW 11 01 NC
 - Regional Security Forums

9. (c) EquipmentPC NW 11 02 NC
 - Trial of Smoke & Dye Packs
 - New SPSO anti-bandit screen (SPSO 2000)
 - Access Doors
 - Anti-intruder Alarm Grants
 - Proposed Trial of Remote Alarm Signalling
- (d) Trauma Care ProgrammePC NW 11 03 *
10. **Quality**
- Customer FirstPC QY 01 NC
11. **Subpostmasters Contract**
- (a) Termination ProceduresPC SC *
- (b) Introductory PaymentPC SC 04 NC
- (c) Loss of Office (Compensation Agreement)PC SC 12 NC
- (d) PaypointPC SC 21 01
- (e) NIPOCPC SC 28 NC
12. **Subpostmasters Pay**
- (a) Pay ReviewPC SP
 - Identifying costs of running an office
 - One to One Transfers
 - Intermittent allowances to Sub-Postmasters
- (b) Pay Claim 1997PC SP/1997
- (c) Payment RatesPC SP 01
 - Barcoded Bills and Ad Valorem
- (d) Intermittent AllowancesPC SP 02 03 NC
- (e) Telephone AllowancesPC SP 02 06 NC

- 23. **National Savings** CL NS NC

- 24. **Personal Banking**
 - Personal Financial Services CL PB *

- 25. **Payment Collection Services**
 - Vodaphone CL PC 04

- 26. **Royal Mail**
 - Priority Services CL RM 05 02

- 27. **Utilities** CL UT NC

- 28. **Water Authorities** CL WA NC

- 29. **Western Union/Moneygram**
 - Moneygram CL WU

- 30. **Organisations**
 - POUNC FM OO NC

31. Conference Resolutions 1997

- 97/RB1(E)..... Introductory Payment spread over 5 years
- 97/RB1(H)..... Adjust shortfall caused by 53 week year
- 97/3..... Align payments upwards for similar transactions
- 97/4..... Seek incentives for efficient management record
- 97/5..... Leave negotiating door open for impact of
minimum wage legislation
- 97/6..... POCL to pay same hourly rate when training assistants
- 97/7..... 53rd week
- 97/10..... Payment for DNS products
- 97/12)..... Investigate payment for POPOS display
- 97/15)..... Information/negotiate payment for POPOS
- 97/18..... Offset improvements/equipment against Intro Fee
- 97/19..... Joint Sub-Postmaster appointments
- 97/21..... POCL booklet for shortages
- 97/23..... Unclaimed holiday substitution carried forward
in exceptional circumstances
- 97/24..... Immediate settlement on telephone call allowance, Bristol
- 97/28..... Seek relief for counter losses during automation for those
..... with good accounting record
- 97/29..... Provision of Horizon program to check calculation of salary
- 97/RB4(P)..... Update on provision of interest-free loans for security
- 97/RB4(R)..... Update on provision of relief/s following attack trauma
- 97/35..... Free relocation of security equipment when Sub-Postmasters
improve office
- 97/36..... Installation temporary TV surveillance following serious raid
plus full security survey
- 97/37..... Negotiate competitive closed circuit TV package for
Sub-Postmasters
- 97/38..... Consider needs when arranging patterns for cash and stock
- 97/40..... Disclosure of information by POCL and Police following
criminal attacks

A/4 SPARE HEADING

A/5 SUB-COMMITTEE REPORTS

A) PUBLICITY AND DEVELOPMENT COMMITTEE

1. REPORT OF PREVIOUS P & D MEETINGS

29 June - 2nd July 1997 - Belfast
12 - 13 September 1997 - Keele University

2. FEDERATION ANNUAL CONFERENCE

Annual Conference 12 -14 May 1997 - Llandudno	FM AC 1997
Annual Conference 11-13 May 1998 - Bournemouth	FM AC 1998
Annual Conference May 1999 - Belfast	FM AC 1999
Annual Conference 2000	FM AC 2000

3. FEDERATION INTERNAL

- | | |
|---|----------|
| a) Re-mandating Exercise | PC HR 03 |
| b) Federation Publications
"The SubPostmaster" | FM PB 01 |
| c) Sub Postmasters Handbook | FM PB 02 |
| d) Branch Secretaries' Seminar
Keele - 13th & 14th September, 1997 | FM MS 04 |
| e) Executive Officer Training | FM MS 04 |

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4. FEDERATION/PROMOTIONAL AND PUBLICITY

- | | |
|---|------------|
| a) Federation Centenary | FM PP CENT |
| b) Sub Post Office Exhibition
NEC Birmingham - 11th & 12th October, 1997 | FM PP 01 |

5. CONFERENCE RESOLUTIONS 1996

Subscription Review	96/86
Support for Branch Secretaries	96/90
Purpose and Format of Annual Conference	96/94/95

6 ANY OTHER BUSINESS

Public Awareness of the Importance of Using Post Offices	FM PP 02
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Future Dates and Venues of EC Meetings

Jan 1998	Sunday 4 - Tuesday 6 January 1998	London
March 1998	Sunday 15 - Wednesday 18 March 1998	Malvern
June 1998	Monday 15 - Wednesday 17 June 1998	Malvern
October 1998	Monday 19 - Wednesday 21 October 1998	Malvern

B) FEDERATION TRUSTEES REPORT

C) BOARD OF BENEVOLENCE REPORT

A/6 SPECIAL MATTERS

A) MEMBERSHIP

- (i) Propaganda Reports FM OG 05
- (ii) Martin the Newsagent FI MR 03 02
- (iii) Stars News Shops Ltd FI MR 03 02*

B) FINANCE

- (i) Treasurer's Report FI AC 02
- (ii) Annual Conference Costs 1993-97 FI AC
- (iii) Outstanding Branch Accounts FI CO 03
- (iv) North Wales & North West Region Rules FM OG 05

C) JOURNAL

- (i) Editor's Report FM PB 01

D) TRADING

- (i) Eagle Star Scheme FI ES

A/7 CONFERENCE RESOLUTIONS PRIOR 1997

96/83 Insurance Certificates & Temporary Cover Notes

A/8 CONFERENCE RESOLUTIONS 1997

97/53 Sub Post Office Audits
97/54 Accounting Procedures
97/55 Marketing *
97/56 Promotions *
97/57 Selection of Offices for new and trial products *
97/58 Pre-Order Foreign Exchange *
97/64 UK Passport Agency *

A/9 MOTIONS TO THE EXECUTIVE COUNCIL

- (i) Mr. A. Burrows, Executive Officer

“Amendment to Standing Order No. 17:-

Insert after *lay member*:

The lay member shall not be a member of the aforementioned Committees and shall be elected annually.”

A/10 DEPARTMENTAL CORRESPONDENCE

(A) FOR DISCUSSION

POST OFFICE COUNTERS LIMITED

Network

1. (a) Multiple TransactionsPC NW 06 02
(b) Cash Account Forms 1998/9PC NW 08 01 *
(c) HelplinesPC NW 10

Quality

2. (a) Customer FirstPC QY 01
- Customer Satisfaction Index Surveys

Product Range

3. (a) £5 Commemorative CoinPC PR 07 *

Subpostmasters Contract

4. (a) Christmas and New Year Arrangements 1997/98PC SC 05 01

Subpostmasters Pay

5. (a) Reimbursement of Holiday/Substitution - MICAPC SP 02 04
(b) APT SchemesPC SP 02 08

POCL CLIENTS

Benefits Agency

6. (a) Do not Re-direct Social Security Administration
(Fraud) Act 1997 CL BA 06

BBC

7. (a) TV Licensing CL BC 03

Insurance

8. (a) Travel Insurance CL IN 01
(b) Insurance Products CL IN 02

Local Authorities

9. (a) Home Help/Care Stamps CL LA 01 *

Parcelforce

10. (a) RPP Parcels - Homelink CL PF 05 02

A/10 (B) **FOR INFORMATION**

Commercial

1. (a) Market Research PC CM 02

Network

2. (a) New 50p Coins PC NW 09 03

Subpostmasters Contract

3. (a) Long Service Award Scheme PC SC 25

Subpostmasters Pay

4. (a) IDEAS Scheme PC SP

POCL CLIENTS

Benefits Agency

5. (a) Payment of Post Office pension by BACS CL BA 03

Electricity Boards

6. (a) Northern Ireland Electricity CL EB 14

Lotteries

7. (a) Camelot, Best Lottery Practice CL LO 01

National Savings

8. (a) Audit of National Savings Forms/Leaflets CL NW 06 *

Payment Collection Services

9. (a) Vodafone / Uniqueair PrePay Promotion CL PC 04

Royal Mail

10. (a) Stamps CL RM 05 05
- Advertising Plan
- Self Adhesives & Stamp Promotions

A/11 REPORT ON CENTRAL APPEALS

A/12 GENERAL SECRETARY'S REPORT

Standing Orders of the Executive Council

Web Site on the Internet

Discussion on the Future Structure/Strategy of the
National Federation of Sub-Postmasters.

A/13 NFSP TRADING LIMITED

A/14 EXECUTIVE OFFICER'S REPORTS

A/15 MATTERS RECEIVED TOO LATE FOR INCLUSION ON AGENDA

A/16 ANY OTHER BUSINESS

**REPORT OF A MEETING OF THE EXECUTIVE COUNCIL
held on 20th, 21st, 22nd OCTOBER 1997
at the ABBEY HOTEL, MALVERN**

Present: Mr J Peberdy, National President and Chairman

Mr I Abernethy	Mr. D A Evans
Mr. N Bradbrook	Mr B G Ingham
Mr J Brennan	Mr J Jannetta
Mr D T Broadwith	Mrs P Jenkins
Mr J E M Burford	Mr C Jones
Mr A M Burrows	Mrs J G Kendall
Mr A R Butlin	Mr D F Marshall
Mr M Challinor	Mr B McMahon
Mr M Darvill	Mr H Morgan Jones
Mr R Edmondson	

In Attendance: Mr C Baker General Secretary
Mr K Davis Assistant General Secretary
Mr P Heasman Assistant General Secretary

Irrelevant

A/1 REPORTS AND RESOLUTIONS of the
Executive Council Meeting held on 16, 17, 18 June 1997
Special Executive Council Meeting held on 14 September 1997

The reports had been circulated and were APPROVED.

DECISION

Irrelevant

1 POST OFFICE BOARD - PO BD

MR BURROWS, Chairman of the Negotiating Committee, advised that the letter from the General Secretary dated 22nd July 1997 indicated that Sir Michael Heron had announced his retirement and Mr. Richard Adams had been appointed as Secretary of The Post Office. No announcement had been made as to the new Chairman of The Post Office.

MR. MARSHALL expressed concern regarding mis-management of The Post Office resulting in Retail Network Managers causing frustration to Sub-Postmasters.

MR. EDMONDSON commented that many employees within Post Office Counters would agree with Mr. Marshall.

THE GENERAL SECRETARY advised that John Roberts, Chief Executive of The Post Office had agreed to reinstate the meetings between the General Secretaries of the CWU, CMA and NFSP with the Post Office.

2 GOVERNMENT AFFAIRS
GOVERNMENT REVIEW - PO PZ

Irrelevant

- GOVERNMENT REVIEW

The Federation's response to the questions put by the Minister of State, Ian McCartney MP, on the Government Review was sent to the Government on 4th August and circulated to the Executive Council on 1st August. The next move by the Government in connection with their review was awaited. The correspondence of 22nd August containing press articles about the sell off The Post Office had been put down to speculation and denied by Government, although John Roberts and the Corporate Board were quoted in the articles and had not publicly denied the position as set out in the press articles.

3 POST OFFICE COUNTERS 3(a) POST OFFICE COUNTERS BOARD - PO PC 02

Deep concern had been expressed about where the Business was going on a number of major issues and consequently a strategy meeting took place between the Negotiating Committee and the Post Office Executive Committee on 9th October. Those attending from The Post Office were:-

Stuart Sweetman, Managing Director
Dick Wheelhouse, Commercial Director
Paul Rich, Development Director
David Morphey, Business Strategy Director
Rob Durrant, Communications Director
David Walker, Branded Markets Director
Mark Douglas, Financial Market Director

The meeting was held under the Normal Chatham Rules for such meetings and the agreed outputs will be circulated. However, the following subjects were discussed in great detail:

Scottish Power
PayPoint / Bill Payment
Horizon
Royal Mail
The Corporate Financial Regime

MR. JANNETTA suggested that if a client did not renew its contract, then Post Office Counters should not allow it to continue past the expiry date as that allowed clients time to organise alternative outlets, as in the case of Scottish Power.

MR. ABERNETHY expressed deep concern over the delay in the installation of the Horizon platform, whilst other competitors were gaining a foothold in the market.

MR. BRENNAN believed there was a deliberate delay in the installation of Horizon by the Benefits Agency so as to avoid business being given to the Post Office.

MR. C. JONES was extremely worried at the tactics of Post Office Counters and proposed the Council censured the Post Office for its lack of foresight and planning to counteract the activities of major competitors and thus causing a major threat to Sub-Postmasters' incomes and business. Seconded by Mr. Brennan.

MR. BROADWITH reported he had interviewed Paul Rich for *The SubPostmaster* journal. One specific question had asked whether it was considered that the delays were such that ICL, Pathway, Fujitsu would withdraw. Paul Rich had categorically stated that was not the case. Reviews had been conducted by all those concerned who had stated they would continue and were very enthusiastic about the project.

MR. BURROWS commented they had been unaware of the rapid escalation between February and August of the number of terminals in other outlets for PayPoint. Horizon was a disaster scenario which demonstrated the lack of technology and importance of installing automation to handle EPOS and bill payment activities. The difficulty was not having the capability to plug the gap in the marketplace. ACT would always remain. Difficulty had also been experienced in getting the Benefits Agency computer system compatible with Horizon. If necessary the Federation would go direct to the Corporate Board. There was a need to question what price contracts were undertaken in the future.

THE GENERAL SECRETARY urged that considerable caution be exercised with regard to Pathway and the Benefits Agency and that the difficulties were not advertised. If the Benefits Agency was forced into making a public statement, they could opt for direct debit. The Benefits Agency was also struggling with its own computerisation project, CAPS.

- **The Executive Council censures the Post Office for its lack of foresight and planning to counteract the activities of major competitors, and thus causing a major threat to Sub-Postmasters' incomes and businesses.**

DECISION

MR. C. JONES clarified the use of the word *censure* as showing one's active displeasure at what was going on.

Irrelevant

Irrelevant

5 COMMERCIAL - PC CM

Nothing to report.

6 HUMAN RESOURCES
TRAINING FOR SUBPOSTMASTERS - PC HR 04

The correspondence of 25th September was confirmation of an action point concerning training in the North East Region which, it was hoped, had now been resolved. The further correspondence dated 4th September contained a letter dated 26th August 1997 from the Head of Resourcing of the Retail Development Centre. The promised publications and training support were awaited. The Negotiating Committee would keep closely attuned to this very important subject and it was hoped to see positive initiatives.

MR. EVANS reported on the difficulty in funding for training in the South East and the trial of 2 weeks in a classroom and 1 week on site after issuance of the letter of appointment. Sub-Postmasters had reported of trainers being moved about the Region with one office having 3 different trainers in one week. New Sub-Postmasters were bitterly complaining about inadequate training resulting in losses occurring. MR. BURROWS suggested if the problems could not be resolved within the Region, they would be taken up nationally. Pre-appointment training had been an ambition of the Federation.

MR. MARSHALL indicated that his Region was having a problem in getting the right people as trainers.

Irrelevant

Irrelevant

8(b) COUNTER AUTOMATION - BA/POCL - PC NW 06 01

The action points from the General Secretary's visit to the North East had been circulated as had information in the form of an update of 6th August which was produced by Post Office Counters and circulated to the offices involved in the live trial. There was considerable concern around the network about the delay in rolling out the Horizon platform and was one of the subjects which had been discussed by the Negotiating Committee with the Counters Executive Committee on Thursday, 9th October. There had been a number of reviews in

respect of the future of Horizon. The reviews had all come out positively in favour of continuing with the intention of automating every post office as reported in the Negotiating Committee minutes of 22/23 September. Nevertheless, there was much rumour and speculation in the network and people were becoming sceptical as to whether they would see the roll out at all, or whether it would be delayed once more. The Federation had ensured Post Office Counters continued to communicate to Sub-Postmasters. In that regard Paul Rich, the Director responsible for the automation platform, was interviewed for *The SubPostmaster* journal. It was understood the article would appear in the November edition. The General Secretary's visit to the South West to view the Horizon platform had been postponed due to the meeting with the Counters Executive Committee on the day originally organised. That visit was being re-scheduled.

MR. BROADWITH drew attention to the need to advise members of the payment for attending Horizon training sessions. THE GENERAL SECRETARY stated the Executive Council policy was to try and obtain a payment for training and obtain the right rate for the job. He pointed out that to date no Sub-Postmaster had had to pay for any alterations to the office, including electrical work up to the meter. Because of Mr. Docherty's absence on sick leave no meeting had taken place. The change of Government had also resulted in a reduction in the Post Office budget. A meeting was being organised with Post Office Counters.

8(c) COUNTER AUTOMATION - ALPS - PC NW 06 07
- Goodwill payment for Sub-Postmasters

Although there was no correspondence on the subject the issue had been raised with Post Office Counters both in the context of the 1997 pay negotiations and as an outstanding Box 13 issue from the pay review. The increasingly difficult financial circumstances of Post Office Counters was making the availability of funds more difficult each month.

MR. DARVILL pointed out the ALPS equipment could not be altered to take the mag stripe cards and there was no equipment to combat PayPoint in the London area. He suggested the barcode be looked at.

Irrelevant

Irrelevant

Irrelevant

11 SUBPOSTMASTERS CONTRACT
11(a) TERMINATION PROCEDURES - PC SC

The correspondence circulated on 14th October indicated the latest position regarding a revised set of termination procedures. Whilst it had been an ambition to conclude the procedures by now it could be seen that by careful chipping away improvements had been made to the current position. From the draft guidelines it could be seen that there were a number of different types of action that could be taken depending upon the various circumstances of the so-called offence. First, oral warnings which were intended to help and assist in ending malpractice, thus avoiding the need for further action. Secondly, written warnings, of which there may be more than one were designed to improve operational performance. Thirdly, termination of contract by 3 months notice which, as seen from the guidelines, must not be used as a means of simply avoiding adopting the summary termination route and the appeals procedures. The next stage was precautionary suspension which could lead to summary termination of contract. Paragraph 10 addressed the issue of on-going investigations and stated that if the case could not be resolved within 3 months, the case must be reviewed as to whether suspension was still warranted and the Sub-Postmaster informed in writing that the review had taken place. If that course of action was decided upon, the Sub-Postmaster must be informed of the specific charge against him or her and could request and must receive all relevant information to the charge. The appeals procedure was set out and took the form of a complete re-hearing of the specific charge made against the Sub-Postmaster. In future Post Office Counters could not hide behind the "loss of confidence" instead of proving the case. The intended timescales were set out in Paragraph 4 on page 9 for hearing appeals. The six weeks quoted in that paragraph had been reduced to 5 weeks as a result of continued pressure. Additionally, work was continuing on Paragraph 12, page 6, to seek an improvement for those Sub-Postmasters who were re-instated. The Post Office Counters solicitors are considering re-wording the paragraph. The ambition was to get as much money as possible pre-paid to a re-instated Sub-Postmaster. The Council would be kept fully apprised of the reply from Post Office Counters. The Negotiating Committee sought agreement to the document, excluding Paragraph 12, in order to be in a position to introduce the improvements at the earliest opportunity.

The Negotiating Committee was congratulated on the work achieved.

It was noted the Sub-Postmaster's contract was that of an individual and could not involve the Federation by right; loss of confidence should be defined (if possible remove from the flow chart); the appeals managers should be adequately trained.

- **THE EXECUTIVE COUNCIL AGREED to the draft of the Termination Procedures circulated on 14th October 1997; the title be changed; the flow chart be amended by removal of the loss of confidence, reword of Paragraph 12.**

DECISION
ACTION

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

31 CONFERENCE RESOLUTIONS 1997

- 97/RB1(E) Introductory Payment spread over 5 years
- 97/RB1(H) Adjust shortfall caused by 53 week year
- 97/3 Align payments upwards for similar transactions
- 97/4 Seek incentives for efficient management record
- 97/5 Leave negotiating door open for impact of minimum wage legislation
- 97/6 POCL to pay same hourly rate when training assistants
- 97/7 53rd week
- 97/10 Payment for DNS products
- 97/12 Investigate payment for POPOS display
- 97/15 Information/negotiate payment for POPOS
- 97/18 Offset improvements/equipment against Intro Fee
- 97/19 Joint Sub-Postmaster appointments
- 97/21 POCL booklet for shortages
- 97/23 Unclaimed holiday substitution carried forward in exceptional circumstances
- 97/24 Immediate settlement on telephone call allowance, Bristol
- 97/28 Seek relief for counter losses during automation for those with good accounting record
- 97/29 Provision of Horizon program to check calculation of salary
- 97/RB4(P) Update on provision of interest-free loans for security
- 97/RB4(R) Update on provision of relief/s following attack trauma
- 97/35 Free relocation of security equipment when Sub-Postmasters improve office
- 97/36 Installation temporary TV surveillance following serious raid plus full security survey
- 97/37 Negotiate competitive closed circuit TV package for Sub-Postmasters
- 97/38 Consider needs when arranging patterns for cash and stock
- 97/40 Disclosure of information by POCL and Police following criminal attacks

Correspondence had been circulated on a number of Conference resolutions. Other resolutions due to be acted upon by the Negotiating Committee had been addressed in meetings. There were, however, a number which were dependant upon the roll out of Horizon or had fallen victim to the aggressive competitive situation in the bill payment field. Motion 3, for example, sought to align payments upwards for similar transactions which, in the bill payment market, could lead to disastrous consequences. Motions 28 and 29 were awaiting the next meeting on automation, the regular Forums having been postponed due to the transfer of Mr. Docherty from the Retail Development Centre. Mr. Granville had agreed that the meetings would be reinstated and the date of the next meeting was awaited.

- **THE EXECUTIVE COUNCIL APPROVED the report of the Negotiating Committee.**

DECISION

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

B) FINANCE

(i) Treasurer's Report

FI AC 02

Referring to his circulated report, MR EDMONDSON, the National Treasurer, advised the Accounts for the half year to 30 June 1997 had been circulated and indicated the position of the Federation. Although certain large items could be explained, nevertheless, during the last 18 months, £500,000 of the Federation's savings had been introduced and expended.

He and Philip Bloor, Finance Manager, had spent time stripping the accounts and looking for items where savings could be made. Small amounts had been identified but if there was to be a major impact then changes would have to be made to the way both Shoreham and the Executive Council were run. However, he did not feel there should be any over-reaction at this stage and it had been decided to delay taking any action until the end of the Financial Year 1997 to see if there was an upturn in recruiting following the remandating campaign.

The Federation had to get membership back up to the 15,000 mark and beyond that. If it managed to reach that figure, there would be few worries, if not major surgery would be required and the Federation would never be the same again.

He was pleased to see that some of the decisions taken at the current meeting would help in saving/not increasing costs and care must be taken not to make mistakes in the future.

On the 27th October Philip Bloor would be carrying out a budget exercise on the Federation's finances based on membership at that date. With a better overall picture, subscriptions would be considered and recommendations made to the P&D Committee, particularly on multi-tiers, multiple rates, percentages to Branches. The Chairman had agreed that the General Secretary and himself should attend the November P&D Meeting. He hoped Executive Officers fully realised the problems.

MR BURFORD expressed concern over 2 items: Centenary books and the Members' Legal Helpline which, he had been advised, members found useful - but was it a luxury provided for the few people who did use it, he wondered.

MR HEASMAN advised that the total number of people using the Helpline was just over 600 and most calls were specific to employment issues. He would be meeting with Peter Abraham on Monday 27th October to see how best to adjust the cost of the service. There appeared to be 2 options (i) negotiate the price down, (ii) provide

difference type of system bearing in mind that most of the calls were on employment law.

THE GENERAL SECRETARY drew attention to the fact that the Helpline was introduced as the result of a Conference Motion and it had been apparent that it would be an expense. He supported what the National Treasurer had said, there were 2 options (i) reduce the spend, or (ii) maximise income. Reducing costs were difficult. Headquarters should do what it can to reduce running costs, turning lights off, looking at the general spend, etc. In return for Shoreham doing that, he asked that every member of the Executive Council should do his/her bit regarding his/her expenditure. But, more important, the Federation needed members.

Referring to Mr Bloor's 6-monthly report on the state of the Federation's financial situation, MR CHALLINOR stated that modern business practice was to check accounts on a monthly basis: actual against budget. He wondered upon what Mr Bloor's budget was based, ie, on-going performance or one-off sum. He pointed out that the Federation was 10 months into its financial year, leaving only 2 months to make things look better.

- The Report of the National Treasurer was ACCEPTED.

DECISION

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

DISCUSSION ON THE FUTURE STRUCTURE/STRATEGY OF THE NATIONAL FEDERATION OF SUBPOSTMASTERS

GROUP 2 - MEMBERSHIP

The Group had last met on 7th October 1997 and MR EVANS drew attention to the circulated notes (*KD/gp October 1997*) reporting the Group's deliberations, upon which he briefly elaborated describing the recommendations regarding the recommended process for: (1) (2) and (3) contacting new Sub-Postmasters, where Group felt the RDC procedure in following up recruitment of new Sub-Postmaster inadequate, and the recommended steps to be taken at Branch/Regional level to foster good relations; and the procedures that Federation Headquarters should adopt. There were also comments and recommendations under the heading of Union Facilities.

- **THE CHAIRMAN confirmed that all the recommendations were APPROVED by the Executive Council, with the EXCEPTION of that relating to the Executive Council, and officers being appointed to working parties to advise on ad hoc issues (on page 4 of the notes).**

DECISION

Irrelevant

Irrelevant

A/14 EXECUTIVE OFFICERS' REPORTS

A/15 MATTER RECEIVED TOO LATE FOR INCLUSION ON AGENDA

A/16 ANY OTHER BUSINESS

(NB)

Irrelevant

GRO

ELAINE AUSTIN
GILL PAYNE

