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NATIONAL FEDERATION OF SUB-POSTMASTERS

REPORT OF A MEETING

of the

NATIONAL EXECUTIVE COUNCIL

held on

21st, 22nd and 23rd JUNE 1999

at

**THE ABBEY HOTEL
GREAT MALVERN**

NFSP00000471
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A G E N D A

JUNE 1999

A/1 REPORTS AND RESOLUTIONS of the
Executive Council Meeting, held on 21st, 22nd, 23rd, 24th March 1999;
Special Executive Council Meeting held on 16th May 1999;
Post Conference Meeting held on 19th May 1999
Special Executive Council Meeting held on 19th June 1999*

A/2 MATTERS ARISING FROM THE REPORTS

A/3 REPORT OF THE NEGOTIATING COMMITTEE

The following reports refer:- NC 25/26 Feb 1999
 NC 27 April 1999

POST OFFICE GROUP

1. Post Office Board

(a) Shaping up for Competitive Success.....	PO PD 03	*
(b) Top Management Programme.....	PO BD.	*

2. Government Affairs

The Post Office Inquiry - Trade and Industry Committee	PO PZ	NC
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3. Post Office Counters

(a) Post Office Counters Board	PO PC 02	NC
(b) Organisation Development	PO PC 03	

4. Off-Shore Islands

(a) Guernsey	OI GY	NC
(b) Isle of Man	OI IM	NC
(c) Jersey	OI JY	NC

POST OFFICE COUNTERS LIMITED

5. Commercial PC CM NC

6. Euro Programme

Euro Programme and European Monetary Union PC EU 01 NC

7. Human Resources

a) (b) Transactional Knowledge Review PC HR 04

b) (c) HRSAPs PC HR 06

8. Mailwork

Mailwork Review PC MP 04 NC

9. Network

(a) Network Forums PC NW 01

(b) Consultation on Network Issues PC NW 02

(c) Counter Automation - BA/POCL PC NW 06 01

(d) Cash and Stock Resourcing and Distribution PC NW 09
- Internal Logistics Review
- Procedure for Discrepancies in Remittances

(e) Shortage of £20 notes PC NW 09 03

10. Security

(a) POCL/NFSP Meetings PC NW 11 01

(b) Regional Security Forums PC NW 11 01 NC

(c) Bravery Awards PC NW 11 0¹
(d) Equipment PC NW 11 02
- Security Capitalisation and Screen 2000
- Access Doors
- Anti-intruder Alarm Grants
- Trial of Remote Alarm Signalling
(e) Trauma Care Programme PC NW 11 03 NC

11. Product Range PC PR NC

12. Quality

Sales Initiative Meeting PC QY 01

13. Subpostmasters Contract

(a) Standards at Post Offices PC SC 03
(b) Introductory Payment PC SC 04 NC
(c) Loss of Office (Compensation Agreement) PC SC 12 NC
(d) Paypoint PC SC 21 01 NC
(e) Counter Losses and Gains Policy PC SC 27 NC
(f) NIPOC PC SC 28 NC

14. Subpostmasters Pay

(a) Pay Review PC SP
- Identifying costs of running an office
(b) Pay Claim 1998 PC SP/1998 NC
(c) Pay Claim 1999 PC SP/1999
(d) Payment Rates PC SP 01
- Bill Payment
- RPP Parcels - Annually Revised Offices
- Revision of Postage Stamp Unit Credit

(e)	Intermittent Allowances	PC SP 02 03	NC
(f)	New/Changed Products	PC SP 02 08	NC
(g)	Pay Advice	PC SP 08	NC

POCL CLIENTS

15. **Benefits Agency**

Pensions	CL BA 03	NC
- BES - 'Casual' Agents		
- All Benefits at One Post Office		

16. <u>British Gas</u>	CL BG	NC
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17. **British Telecom**

(a) BT Payment Cards	CL BT 04	NC
(b) BT Global Calling Cards	CL BT 05	NC

18. <u>Electricity Boards</u>	CL EB	NC
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19. <u>Foreign Exchange</u>	CL FX	NC
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20. **Girobank**

(a) Girobank/NFSP Quality Forum	CL GB 01	NC
(b) Giro Business Deposits.....	CL GB 08 07	*
(c) Winter Fuel Payments	CL GB 08 12	
(d) Corporate Deposits	CL GB 08 15	NC

21. <u>Insurance</u>	CL IN	NC
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22. <u>Local Authorities</u>	CL LA	NC
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23. Lotteries

National Lottery CL LO 01
- LSN's
- Prize Payments
- Lottery Sales under 16's
- Millennium Dome Entrance Tickets

24. Mercury Communications

Pre-Pay Vouchers CL MC

25. National Savings

(a) NFSP/DNS Trade Union meeting CL NS 01 NC
(b) Marketing CL NS 03 NC
(c) ISA CL NS 07 08

26. Personal Banking

Personal Banking Services CL PB

27. Payment Collection Services CL PC NC

28. Parcelforce

(a) Alternative Delivery Trial CL PF 05 01
(b) RPP Parcels CL PF 05 02

29. Royal Mail

(a) New Sales Posts for Royal Mail CL RM NC
(b) Format Based Pricing CL RM 04
(c) Priority Services CL RM 05 02 NC
(d) Do Not Redirect CL RM 05 07 NC

30. Utilities CL UT NC

31. DVLA

Motor Vehicle Licences CL VL 04 02

- Proposed Changes
- Graduated Vehicle Excise Licence
- Motor Vehicle Licences - Northern Ireland

32. Water Authorities CL WA NC

33. Organisations

POUNC FM OO NC

34. Conference Resolutions Prior 1999

97/7 Annual Revisions: 364 Day Year
98/22 Royal Mail Activities
98/24 Cash & Stock Responsibilities
98/44 Family Transfers
98/69 Helping Police with Enquiries

A/4 SPARE HEADING

A/5 SUB-COMMITTEE REPORTS

A) PUBLICITY AND DEVELOPMENT COMMITTEE

1. **REPORT PREVIOUS MEETINGS**

P & D MEETING - 19 - 20 April 1999

2. **FEDERATION MEMBERSHIP**

FEDERATION ANNUAL CONFERENCE

FM AC

Annual Conference - 1999

FM AC 1999

Conference Arrangements

Annual Conference - 2001

FM AC 2001

(b)	MEMBERSHIP Membership Recruitment Training Branch Secretaries Membership Types	FM MS 03 FM MS 04
(c)	<i>FEDERATION PUBLICATIONS</i>	<i>FM PB</i>
(d)	FEDERATION PROMOTION & PUBLICITY Sub Post Office Exhibition Doncaster Federation Posters	FM PP FM PP 01 FM PP 02
(e)	<i>FEDERATION PUBLIC RELATIONS</i>	<i>FM PR</i>
3.	<i>CONFERENCE RESOLUTIONS</i>	

4. FUTURE DATES & VENUES OF EC MEETINGS

October 1999	Monday 18 - Wednesday 20 October	Malvern
January 2000	Sunday 9 - Tuesday 11 January	Kensington Moat House
March 2000	Sunday 19 - Wednesday 22 March	TBC
June 2000	Monday 19 - Wednesday 21 June	TBC
October 2000	Monday 16 - Wednesday 18 October	TBC

5. ANY OTHER MATTERS

B) FEDERATION TRUSTEES REPORT

C) BOARD OF BENEVOLENCE REPORT

D) CENTENARY CHARITIES

A/6 SPECIAL MATTERS

A) MEMBERSHIP

(i) Membership Statistics FI MR 04

B) FINANCE

(i)	Treasurer's Report	FI AC 02
(ii)	Outstanding Branch Accounts	FI AC 02
(iii)	Audit of Branch Accounts	FI AC 02
(iv)	VAT Registration	FI AC 13
(v)	Union Facilities.....	PC HR 03

C) JOURNAL

(i)	Editor's Report	FM PB 01
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D) TRADING

(i)	Eagle Star Scheme	FI ES
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A/7 CONFERENCE RESOLUTIONS PRIOR 1999

98/37	Introductory Payment
98/88	Environmental Policy

A/8 CONFERENCE RESOLUTIONS 1999

A/9 MOTIONS TO THE EXECUTIVE COUNCIL

Michael Darvill:

That Standing Orders for the EC be amended as follows

add

No EC member shall be entitled to put his name down to stand on more than one Committee.

A/10 DEPARTMENTAL CORRESPONDENCE

(A) FOR DISCUSSION

POST OFFICE COUNTERS LIMITED

Network

1. (a) Initial Distribution of New Definitive StampsPC NW 09 06
- (b) SSL Trail for Handling External Customer CallsPC NW 10
- (c) Emergency Cascades by TelephonePC NW 10

POCL CLIENTS

Insurance

2. (a) PO Travel Insurance - Product ExtensionCL IN 01
- (b) General InsuranceCL IN 02 *

Personal Banking

3. (a) Personal Banking and POPOS
- (b) Lloyds/TSB Personal Banking - Extension of Service CL PB 02

CL PB

Parcelforce

4. Parcelforce Worldwide and Royal Mail Tariff ChangesCL PF 04

Royal Mail

5. (a) Tariff ChangesCL RM 04
- (b) Millennium ProductsCL RM 05 06

DVLA

6. (a) Rates of Motor Vehicle Licence DutyCL VL 04 02
- (b) Photocard Driving Licence Applications - TrialCL VL 04 03

A/10 (B) FOR INFORMATION

Commercial

1. (a) Market Research PC CM 02
- (b) Advertising..... PC CM 03

Sub-Postmasters Pay

2. Withdrawal of the Ideas Scheme PC SP

Euro Programme

3. Preparation for EMU..... PC EU 01

POCL CLIENTS

National Lottery

4. New National Lottery On-line Game CL LO 01

Network

5. (a) Centralisation of Vouchers PC NW 08 01
- (b) New Variant £20 Banknote PC NW 09 03 *
 (c) Integration of Helpline (Market Research)..... PC NW 10

Benefits Agency

6. Benefits Distribution Team Update..... CL BA 01

Foreign Exchange

7. Foreign Exchange Update..... CL FX 02

Royal Mail

8. (a) New Salesforce Posts CL RM *
 (b) Briefing Meeting CL RM 01

A/11 REPORT ON CENTRAL APPEALS

A/12 GENERAL SECRETARY'S REPORT

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

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REPORT OF A MEETING OF THE
NATIONAL EXECUTIVE COUNCIL
held on 21st, 22nd and 23rd JUNE 1999
at the ABBEY HOTEL, MALVERN

<i>Present:</i>	Mrs J Kendall Mr I Abernethy Mr J E M Burford Mr A M Burrows Mr A R Butlin Mr M Challinor Mr M Darvill Mr R Edmondson Mr B Ingham Mr J Jannetta	National President and Chairman Mrs P M Jenkins Mrs P Jervis Mr C Jones Miss C A Lindon Mr D F Marshall Mr H Morgan-Jones Mr J Peberdy Mr J Willshaw
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<i>Apologies:</i>	Mr N Bradbrook Mr J Walsh	(Expected Tues 22nd)
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<i>In attendance:</i>	Mr C Baker Mr K Davis Mr P Heasman	General Secretary Assistant General Secretary Assistant General Secretary
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When opening the meeting and greeting all those present THE CHAIRMAN extended a personal welcome to Mr Burrows for his final Executive Council meeting, expressing her wish that he enjoys this meeting as much as he did his first meeting many years ago.

THE CHAIRMAN also advised the meeting that MR PEBERDY and the GENERAL SECRETARY would be absent from a good proportion of Tuesday's meeting to attend a Government Working Group for Horizon in London. It was hoped there would be sufficient time on their return for all present to receive a report on that day.

In view of this unaccustomed departure from procedure there may be one or two adjustments to the order in which the Agenda is taken in particular reference to items under A3.

Minutes from the Executive Council Meeting held on 21st, 22nd and 23rd March were only available from Item A4 onwards, due to the abrupt departure of the staff member who recorded the minutes of the A1, A2 and A3 parts of the meeting.

THE NATIONAL PRESIDENT informed everyone present that she intended the meeting to have structured debate. Executive Officers were requested to clearly indicate their desire to speak and to wait to be requested to do so.

A/1. REPORTS AND RESOLUTIONS

Executive Council Meeting held on 21st, 22nd, 23rd, 24th March 1999.

Special Executive Council Meeting held on 16th May 1999.

Post Conference Meeting held on 19th May 1999.

Special Executive Council Meeting held on 11th June 1999.

These reports, with the exception of the Special Executive Council Meeting held on the 16th May, were approved and signed as circulated. Due to the unforeseen clerical difficulties which had arisen at Federation headquarters, no action points or resolutions were captured from the Executive Council Meeting held in March.

DECISION

A/2. MATTERS ARISING FROM THE REPORTS

There were no matters arising from the approved and signed reports. However, MR BURROWS pointed out that his announcement during the pre-Conference Executive Council meeting on the 16th May, of his intention to resign his position on the Executive Council after the June Meeting, had been omitted completely from the report. MR BURROWS expressed his belief that the minutes/reports of the Executive Council Meetings represented the history of the Federation and, in view of his own history with the Federation, it was difficult to understand how this statement could have been omitted. MR PEBERDY concurred with MR BURROWS view and it was generally agreed that the notes of that meeting would be rewritten to include MR BURROWS' announcement and recirculated.

ACTION

In the light of the lack of action points and resolutions under A/3 from the March Executive Council Meeting, the NATIONAL PRESIDENT encouraged delegates to speak up if they recalled any action which had been proposed, seconded and approved so the actions could be captured.

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A/3. REPORTS OF MEETINGS OF THE NEGOTIATING COMMITTEE.

Giving his first full report as Chairman of the Negotiating Committee MR PEBERDY referred to the minutes of the Negotiating Committee Meetings of the 25th/26th February 1999 and 27th April 1999 which had been circulated.

MR PEBERDY also referred to the difficult time experienced by headquarters at Shoreham with the arrival and training of new staff and the advent of the Horizon situation. He assured those present of his confidence that by the October Executive Council Meeting, the worst of the difficulties would be over.

1. POST OFFICE GROUP.

1(a) Shaping up for Competitive Success. PO BD 03.

The GENERAL SECRETARY reported that he had attended a meeting of the full Post Office Board and, although fairly brief, he was now able to see the way in which this initiative was evolving - right or wrong. The various sectors of POCL will be organised into business units. A black and white map had been circulated showing the new areas. There will be a considerable reorganisation of staff and a number of new appointments. Cash handling and distribution for the new organisation is scheduled to "go live" on 27th September, and Business and Consumer Markets and Stamps and Collectibles on 19th July. The first phase for Royal Mail Service is due to commence 28th June, the second phase in late September/early October and the 3rd and final phase should proceed in April 2000.

MR EDMONDSON expressed concern about the amount of money the reorganisation was costing and referred to the fact that Subpostmasters were having to absorb the changes but were not receiving any financial assistance. MR PEBERDY responded that we do not have a direct impact on what POCL pay their staff, but all the peripheral information, including a reputed £46m saving, will give us good ammunition when stating the case for improving subpostmasters' revenue.

1(b) Top Management Programme. PO BD.

A report had been circulated and no further action was required. It was agreed unanimously that this item should be discharged from the Agenda.

DECISION

2. GOVERNMENT AFFAIRS. PO PZ.

The Post Office Inquiry - Trade and Industry Committee.

There was no correspondence or discussion on this item.

3. POST OFFICE COUNTERS

3(a) Post Office Counters Board PO PC 02.

There was no new correspondence on this subject. Referring back to the SCS initiative, MR PEBERDY advised that the Federation was waiting to see who was appointed to the POCL Board, who the new regional directors and territorial managers were and who would be appointed as the Horizon Director.

3(b) Organisation and Development PO PC 03.

A sizeable amount of correspondence had been circulated, including a black and white map showing the three new HORN areas and new geographical boundaries for POCL. Coloured maps would be made available shortly, showing the territories more clearly. A considerable amount of discussion ensued regarding the size of the areas, the new boundaries and the administrative difficulties which are likely to be encountered with such a radical change. These territories will be established in the next few months and the Federation must consider how we will co-ordinate representation over the next 18 months and how it will fit into POCL's future plans for the network.

ACTION

Examination of the maps provoked severe concerns from the meeting regarding the viability of the areas depicted. Some of the areas very close to London and within the M25 appear to fall into the territory with Bristol as the Headquarters and other amendments to regional boundaries appeared totally impractical. It was generally agreed that some changes to the boundaries were essential if the project was to work. Subpostmasters need 'local' people, who understand their area and its specific characteristics, to deal with their day to day problems and will have no confidence in people who are based far away from their community and are unfamiliar with their specific difficulties.

The GENERAL SECRETARY advised the meeting that at the present time there is not enough knowledge available to us. Although we have to consider the future on behalf of our members, we must have more details - accurate confirmed information before we can formulate a plan of action. This will not be permitted to slip down the leg side, and when more information is available it will be brought to the Executive Council for discussion. What we must ensure is that the three Territorial Managers run their territories on the same lines and the RNMs within each territory are applying the same parameters.

4. OFFSHORE ISLANDS.

4(a) Guernsey OI GY.

Copy of a letter from Guernsey Post Office, dated 11th June was circulated immediately prior to the meeting. The letter confirmed their agreement to an increase of 2.1% to the unit scale, plus 1% based on the Guernsey RPI to March 1999. At their meeting the previous day the Negotiating Committee had considered the proposal and recommend acceptance. The offer was accepted.

DECISION

4(b) Isle of Man. OI IM.

Although there was no correspondence under this item, there was an unresolved action concerning the outstanding pay and contract issues which had not been dealt with in Mr Davis' absence GRO MR DAVIS agreed to pick up and deal with this in the next few months.

4(c) Jersey. OI JY.

No correspondence. The position here is the same as with the Isle of Man. The outstanding pay and contract issue will be addressed in the coming months.

POST OFFICE COUNTERS LIMITED

5. COMMERCIAL. PC CM.

No correspondence and no action required.

6. EURO PROGRAMME. PC EU 01.

Correspondence relating to this matter had been circulated under A/10(B) ref: PC EU 01. This is a subject everyone is very conscious of. It will be closely monitored and the Executive Council kept informed.

7. HUMAN RESOURCES.

7(a) HRSAPS. PC HR 06.

The Federation's requirements have been incorporated into the new product pay advice which will be extremely helpful in that subpostmasters will be able

to clearly see what they are being paid for. Commencement of the new system had been delayed until 28th June. Copies of the new Pay Advice and accompanying leaflets have been circulated.

It will be possible in future for subpostmasters to have these expense payments made into a bank account other than the one their remuneration is paid into.

MR WILLSHAW asked if the payments would appear on the remuneration payslip for tax and NHI purposes and asked how long payments would take to materialise into bank accounts as processing was notoriously long. MR DAVIS confirmed that there would be a separate advice sheet and these payments would not count for tax or NHI. MR DAVIS said that BACS payments were very much quicker than the former method of payment, but now that the system has been established HRSAPS must be told that long delays in payment are not acceptable and a shorter period for payment of claims must be agreed. The Service Level Agreement for processing times for HRSAPS must not be confused with the time required by BACS. It had not been possible to address the processing time until they were ready to go ahead.

MR PEBERDY confirmed that the collection of Federation subscriptions had been delayed. MR EDMONDSON said he had been told by Mr Tom Coleman that it is most likely to be August.

MR DARVILL expressed disappointment that collection of subpostmasters' subscriptions could not be achieved until August, but POCL had been able to manage it for their own staff.

7(b) Transactional Knowledge Review. PC HR 04.

MR PEBERDY advised that the Midlands' trial of the Transactional Knowledge Review is about to be rolled out region by region. MR MARSHALL asked if this was another POCL ploy to avoid paying for training. For those people who were unable to attend the TK. evenings laid on by POCL there was an opportunity to receive training in their own premises from RNMs. Several had attended TK. evenings and were disgusted with the quality and content. They did not cover anything in detail nor anything which had not already been covered in basic training or could be looked up in the Operations Manual. In general, their efforts to attend were considered a complete waste of time and a waste of POCL's money. The in-house training was said to be equally ineffective and time consuming. MRS JERVIS confirmed she would write a letter to Mr Davis, outlining her personal experience, so that he could follow this through with POCL.

Several delegates pointed out that subpostmasters were expected to attend the transaction awareness meetings every month. RNMs, unqualified in training techniques, are being used to give the training, which is unproductive

and unsatisfactory. Subpostmasters are being intimidated into attending the meetings in their own time but are deriving no benefit from them. Current training is inadequate and costs the subpostmaster time and/or money. What is needed is a more informed training programme

It was believed that enforced attendances for training were being written into Letters of Appointment so that new subpostmasters will not be in a position to excuse themselves in the future. MR PEBERDY requested MR INGRAM to obtain a copy of such a letter of appointment if he could, as nothing could be challenged without evidence.

Delegates pointed out that what they needed most from the training meetings was sales information, opportunities to learn about the products such as the Insurance programme. POCL were considered to be generally selective in which offices did what. On one occasion a 300 mile trip was made to train a Subpostmaster and his staff and then no publicity or posters were available to publicise the existence of the new service.

MR PEBERDY said that a meeting with POCL should be arranged in order to send a strong signal of dissatisfaction to make sure these problems are addressed properly and mutual agreement reached about method and content of training.

ACTION

Item 3 of the Contract was referred to by MR INGHAM where it says "to attend subpostmaster training services as required".

8. MAILWORK. PC MP 04.

No correspondence. Very favourable comments on the Mailwork Pay Review had been received. Not one complaint had been received. A focus group, to explore the requirement for van supervision at Mailwork sub-offices has been formed between Royal Mail's POCL Account Managers, POCL's Royal Mail Account Managers, members of the Network Directorate and two members of the Mailwork Sub-committee.

MR PEBERDY confirmed that there will be a secure payment for vans. MR WILLSHAW had recently attended a meeting where he was given a report. This report will be studied as a group and progressed from there.

9. NETWORK.

9(a) Network Forums - PC NW 01.

MR PEBERDY pointed out to the meeting that Network Forums had become a catchall for many discussions with Counters Business and a some items had become slightly cross-referenced. He assured the meeting that he was currently working to clarify the various actions necessary, return them to their

ACTION

respective headings, and pursue any outstanding issues with the Counters Business.

MR CYRIL JONES stated that he had been advised by telephone that the Daily Mail had indicated that the Treasury were at odds with points in the White Paper, which is about to be produced. It is apparently hinted that they advocate the return of EFL. MR PEBERDY advised that this item would be discussed under Item (c).

Item 4 (ISIS Installation and Funding) in previously circulated Outputs from a Network Forum meeting held on the 12th March was referred to by MR EDMONDSON. A letter had been directed to the GENERAL SECRETARY requesting that the Federation make a case for ISIS to be held in abeyance until an agreement had been finally signed. It was agreed that this item would be dealt with under Item 10, Security.

9(b) Consultation on Network Issues. PC NW 02.

MR PEBERDY informed the meeting that written evidence had been submitted to the Select Committee Trade & Industry and verbal evidence was given on Monday 14th June. The written evidence was circulated as a Branch Secretaries' Circular, BSC12 and the report of the verbal evidence was circulated on the delegates' arrival at the hotel. MR PEBERDY continued by assuring the meeting that the Federation were building on the decisions made by the Executive Council following the meetings with Mr Stephen Byers, the Horizon Working Group and the Executive Council meeting attended by Mr Stuart Sweetman and Mr Dave Miller. He confirmed that a communication process with Branch Secretaries had now commenced.

The next meeting of the Horizon Working Group was taking place the next day and he and the GENERAL SECRETARY would be attending. At this point MR PEBERDY extended apologies for his and the General Secretary's absence from the Executive Council Meeting during that time.

9(c) Counter Automation - BA / POCL. PN NW 06 01.

This item was left open and would be resumed on the return of MR PEBERDY and the GENERAL SECRETARY from the Horizon Working Group meeting.

Whilst addressing the meeting, MR PEBERDY stated that he had an "in confidence" document which is restricted, and which cannot be circulated. The main thing is it clearly states the GENERAL SECRETARY'S view about terms of reference for the future of the Post Office. Their job now was to secure success. At the moment it is early days - later we will have an opportunity to say what we want. There is no information at the moment on the stage of the contract negotiations between ICL Pathway and BA, but more

would be evident on the 17th July. The NATIONAL PRESIDENT said that the papers would be debated first, and then any concerns on how we move forward would be addressed. The NATIONAL PRESIDENT was sure the GENERAL SECRETARY and CHAIRMAN of the NEGOTIATING COMMITTEE would welcome the Executive Council members thoughts after having had two weeks to reflect everything they hear at this meeting on the matter.

The GENERAL SECRETARY described an excellent radio interview broadcast on the Jimmy Young show, Radio 2, with himself and the Labour spokesman Mr Martin O'Neil. The Select Committee meeting he had attended with MR PEBERDY had gone very well. They appeared to be given longer to speak than anybody else and he felt they had given a very good account of themselves. The Select Committee seemed very much in favour of sub post offices.

The possibility of cash machines in post offices was raised by MRS JERVIS. The GENERAL SECRETARY confirmed that this aspect was raised with Mr John Roberts who gave assurances that they were working towards having cash machines outside post offices. The NATIONAL PRESIDENT also said that Mr Martin O'Neill, who is on the Select Committee also confirmed they were looking into this question.

Current counter automation and current roll out came under discussion. The actual power and scope of the Select Committee were queried by MR EDMONDSON, who also asked how far we could go.

There was general discussion on the severe difficulties being experienced by subpostmasters who are already running an automated system. Seven sheets of comments from the North East had been passed to Mr Dave Miller. The difficulties and trauma being experienced by some subpostmasters were giving rise to concerns for their health and emotional well-being. It was felt by some that a tragedy was not far away if something was not altered soon. The software was considered to be poor quality and not intended to run such a huge network. The system is based on ECCO which was originally written for a network of 700 - not 15,500.

Although there may be improvements to the general system, most members present wanted to know if the Committee had the power to say that the current system is obviously not working and instruct ICL and the Post Office to review or re-start with more "subpostmaster friendly" software.

The GENERAL SECRETARY and MR PEBERDY confirmed that Mr Bruce McNiven is not accepting that it is satisfactory and there are also reports of problems with hardware.

MR MARSHALL reported that it took two hours for his printer to come back up and since then, after printers on different counters had gone down, it has taken at least two hours for each to become operational again. Re-booting

the system takes at least 12 minutes and, taking into account all the time spent on the telephone with the helpline, it takes many hours to balance on Wednesday afternoon. There have been reports of subpostmasters working until 10.00 / 10.30pm which is not only stressful, but eroding their free time.

MR JANNETTA said that he and others of his colleagues would have to rely on those subpostmasters in the North East and South West who currently have this system in place, to make sure their voices are heard with their problems and to ensure that all the difficulties encountered are satisfactorily overcome. The point must be clearly made to the Business that this automation is not going to do the job, that subpostmasters have learned enough to know it will not work satisfactorily and that it must not be rolled out to an excess of fifteen thousand sub post offices until all the problems had been overcome.

The Richard Jackson automated system was considered by both MR MARSHALL and MR DARVILL to be an easier to use, preferable, alternative to the present system. MR DARVILL wanted to know if the lawyers had some hold on the Horizon system for some reason, that it could not be changed.

The GENERAL SECRETARY assured the meeting that Mr David Miller had been informed of the difficulties in no uncertain terms. MR BUTLIN said we must insist access to ICL Pathway so that we can tell them what we would like to see. It is not difficult and does not take long to rewrite software. The problems must be resolved with Pathway and they must sort it out with POCL. We cannot continue to have experienced subpostmasters/mistresses in distress on the telephone, struggling until all hours to balance. These situations must not be permitted to arise. It was pointed out that if the Lottery offices had to deal with this situation it would not be tolerated.

Responding to a suggestion that balancing could be carried out on Thursday morning, MR MARSHALL agreed that offices with four or more positions could probably manage this, but it would not be practical for an office with only two positions as the cash balancing would take one position out of commission, for a whole morning or more if there were difficulties in balancing. Thursday morning is also a particularly busy time.

Added to the above, the NATIONAL PRESIDENT pointed out that printing out takes approximately 45 minutes and during that time the position cannot be used for serving customers.

MR EDMONDSON felt that, in general, most of subpostmasters' difficulties and complaints about the system were being largely ignored. He believes that we need someone with "clout" to speak up on subpostmasters' behalf. Mr Edmondson stressed that we cannot tell people strongly enough or often enough of the distressing problems which are being experienced. The majority of offices do not balance until between 10.30pm and midnight. All the problems must be sorted out before roll-out.

MISS LINDON commented that this seemed to be a typical Post Office Counters situation and felt that ICL could not be blamed for the problems. Letters of concern should have been published in last month's Subpostmaster but had to be cut. It is also too easy to blame subpostmasters. Miss. Lindon made a suggestion which she felt would be controversial. Pointing out that it is now three years since the project was first mooted, which is a very long time in the technological world, she suggested that a different system be tried, smaller and less complicated, which would be of greater benefit to the smaller offices and probably be a good deal cheaper and easier to operate. POCL seem to be attempting to build an audit system into the project, making the whole thing far to big, too cumbersome and too complicated.

MR BURROWS commented that roll-out was due to commence in 10 weeks. If the lessons of the trial had not been properly learned or heeded there would be mega-problems throughout the network. How quickly can this situation be resolved?

As no-one appeared to be listening to, or acting upon, the problems being experienced by subpostmasters, MR INGHAM suggested the Federation take the bull by the horns and write to whoever is Bruce McNiven's senior, stating that we have lost confidence in the system. The NATIONAL PRESIDENT confirmed that this protest had already been made to David Miller and we must now wait to see what they come back with.

MR JANETTA felt that POCL saw the problems as "people" problems not system inadequacies, believing that people were not operating the equipment properly rather than the software/hardware being unsatisfactory. He believes that POCL are convinced there is nothing wrong with the system and maintain that it is the operators who fall short, and will therefore do little to overcome the difficulties subpostmasters are experiencing. Mr Jannetta feels we should insist the software is inadequate and that POCL take another view.

MR DARVILL maintained that any counter system should be simple and easy to use. He recalled the very old style system worked perfectly well without any real training being required, but feels the new system is far too complex with programmes which do not fit requirements.

MR PEBERDY thanked the Council for their information. These were exactly the problems expressed to Dave Miller at their meeting on the 11th June. The NATIONAL PRESIDENT had taken 7 pages of faults and other things the Federation knew to be wrong, including the fact that some faults dated back to January 1997, since when POCL have not addressed the problems, only been fire-fighting. Clearly we cannot accept something which keeps people at work until after 10.00pm at night.

Referring to the Working Party which is being set up to reorganise automation as a result of the withdrawal of the Benefits Agency payments, MR PEBERDY confirmed that the group is empowered to call in whoever they want to gather information to aid their decision on the way forward. There are

three meetings before the end of July and the meeting scheduled for tomorrow may well be a prime opportunity to advise them in depth about the shortcomings of the system. Subpostmasters need to be able to work simply and easily to prevent long queues and delayed balancing. The object of the Working Group is to examine and solve all the problems and should not just be a black hole into which information disappears and nothing happens.

- 1) Ministers will be told that we must know where we are with this situation.
- 2) Matters must be brought up to speed. ICL and POCL are to tell the Working Group where they think they are, illustrate the problems and demonstrate the proposed solution.
- 3) Solicitors have been involved since December 1997 and we cannot expect a speedy conclusion.
4. A change of direction, or something similar, COULD be possible. Anything is possible. However, any change will still involve ICL Pathway.

The Working Group will examine all the issues in detail and problems will be ironed out. The system will not be rolled out until it is right.

Through the NATIONAL PRESIDENT, MR PEBERDY asked MR MARSHALL to confirm that some changes to the system have already been written. He understood that Pathway requested several changes which their software writers were able to achieve instantly. Mr Marshall confirmed that there had been minor changes to the software.

The GENERAL SECRETARY was asked by MISS LINDON to confirm that roll-out would not take place until the problems had been resolved. She said her region were being told August. Mr Baker was emphatic that this would not be permitted to happen and the resolution of problems prior to roll-out could be ensured. The Federation had equal standing with the other participants in the Working Group and our views would therefore receive equal consideration.

A conversation about ordering goods on the Internet had been recently overhead by MR ABERNETHY. He asked MR PEBERDY and the GENERAL SECRETARY to focus the Working Group's attention on the fact that the majority of people do not want to talk to machines, preferring to deal with real people.

Discussion at length took place between members as to whether a public campaign should be started. Many felt that an action should begin at once, while others felt that we may lose the goodwill of Government and the Post Office if an offensive was launched immediately. A militant attitude may also jeopardise the Federation's acceptance as an equal member of the Working

ACTION

Party. In general it was felt that no plans could be made until after the issue of the Government's White Paper in early July and the contract was signed on the 19th July. Government and POCL proposals for the future would be clearer, thus giving the Federation a better basis for protecting subpostmasters' interests in every detail. It was generally agreed that POCL/ICL must be made aware of the full extent of subpostmasters complaints and problems with the system, and insistence pressed that the problems are all addressed and solved, even if alterations to the system are required.

The NATIONAL PRESIDENT asked the meeting if everyone was happy that the agreed way forward would be decided on the 11th July and that a public campaign would not, for the moment be pursued.

Concern about the Federation's approach was also expressed by MISS LINDON who had received a report from the largest branch meeting in Liverpool for many years. Subpostmasters were very disgruntled and sought a rigorous campaign immediately. They were really angry and had considered the possibility of approaching MPs direct. Any such action would be contained until the issue of the White Paper on 11th July.

MR ABERNETHY suggested that after POCL had signed the contract, and the White Paper issued, there should be a special Executive Council meeting to decide what further action was necessary.

A lengthy discussion ensued during which almost every aspect was examined and various different views expressed. MR PEBERDY said that everyone's future was at stake and it was refreshing to hear such an open debate.

The GENERAL SECRETARY made a final point that a general decision should be made now and after the points of detail emerged in the P&D report, debate based on the reaction out in the field would be appropriate.

In view of Government's assurance that the Federation would be involved in every aspect, it was generally agreed after a lengthy discussion that any action would be reviewed after the contract had been signed and the White Paper published.

The following is a brief report on the Meeting of the Working Party for Horizon attended by Mr Peberdy and the General Secretary on Tuesday morning, 22nd June and reported back to the Executive Council later in the day :-

"Mr Peberdy's first remarks were to say he felt the meeting was extremely valuable and it had been very worthwhile temporarily vacating the EC meeting in order to take part. Members of the Working party comprised, Ian McCartney MP, - Minister of State, DTI and Chairman of the working group, Stuart Sweetman - Managing

Director, Post Office Counters, Dave Miller - Managing Director, Post Office Network Unit, Mena Rego - POCL, Derek Hodgson - General Secretary, CWU, Tony Kearns - CWU, Terry Deegan - General Secretary, CMA, Tony Harris - CMA, David Sibbick - Director, Posts, DTI, and Colin Baker - General Secretary and John Peberdy - Chairman of the Negotiating Committee, for the Federation.

The meeting began with a report on Post Office/ICL and Post Office/Benefits Agency negotiations. These were followed by a presentation which enabled Mr Peberdy and Mr Baker input to ask about any alterations that could be made to the scheme and if they would be considered under the current study. They were informed that the answers were a much larger issue. Mr Baker pointed out that the most important topics are those decisions made by Government and the changes which will result. The main change was withdrawal of the Benefits Agency Card which had been scrapped. Despite this, Ian McCartney, Minister for Trade & Industry was emphatic that re-writing the roll out programme would not be contemplated and Dave Miller confirmed that the intention of POCL/ICL was to adhere to the 2001 commitment. Automation is expected to take place within the timescale agreed and Mr McCartney was emphatic that he would not accept slippage. The Post Office delegates were told "you will make it work".

The subject of systems faults was raised and the NFSP were given assurances that there would be software improvements to cure the present difficulties. The Federation were asked for more precise numbers of Subpostmasters who were experiencing difficulties as this information would assist them to provide us with the help we require.

Post Office Counters were committed to a £68m investment when the project is accepted and signed with a further ongoing annual cost of approximately £80m. Further investment was expected to be necessary and this was a huge undertaking for POCL.

Roll would proceed as planned starting 23/25th August, reaching 300 per week by January 2000. There were some very serious issues still to confront, including training and systems difficulties which must be ironed out, but there is no question of postponement or delay which would cost approximately £8m per week. The Government commitment to the Treasury for this programme to be complete by 2001 must be upheld and credibility maintained.

So far as termination of the automation project was concerned, the Post Office would not consider this an option. They could only exit the agreement if there are material issues which render the project totally impractical. If POCL pull out it will cost £150m and the Benefits Agency will start ACT anyway. Unless something very very serious

occurs the agreement will be signed, and sealed in July and the process will duly commence.

The Benefits Agency and POCL are to meet regularly to discuss their plans for the introduction of ACT and any proposals there may be for banking facilities through post offices. They will be working closely together and see this relationship as completely integrated until 2003. For the benefit of subpostmasters the NFSP hopes they do not meet the 2003 deadline unless a practical and profitable arrangement in our members' best interests is in place by that time. (It is also noted that such a deadline has never been met yet). However, the situation will be closely monitored. There were no changes to the roll out programme.

Mr Jack Cunningham, Secretary of State, has agreed to the formation of a ministerial group to examine opportunities for Government departments to promote other work for post offices, from the present time leading into the new regime. The group have been made aware in very firm terms of the likely consequences of taking work out of the Post Office and of the need to bring more work in. A letter from Mr McCartney had been sent to ministers outlining the work of the group and a study of Post Office Network funding required to replace the loss of benefits revenue after 2003 had been requested. The implications of the vast reduction in Government usage of the Post Office Network and of non action to prevent this were emphatically outlined by Mr McCartney who appeared to be wholeheartedly in favour of preserving and improving the Post Office system. It was felt by Mr Peberdy and Mr Baker that he will be a valuable ally in the struggle for replacement of the lost benefits work with other government usage of post offices. We hope that he will remain in the job long enough to see the project through to fruition. However, there is a ministerial commitment that whomever wishes to continue drawing their benefit at post offices will be able to do so.

The Federation is currently enjoying quite strong Government support, and both Mr Peberdy and Mr Baker felt that government were somewhat worried about the extent of the Federations' influence and what we could achieve if we set our minds to it. The Federation representatives hold equal standing in the Group with the other participants and our input at meetings is being taken seriously. We are therefore in a position to extract the best terms possible for our members.

Grave concerns were expressed by the Federation about how the Post Office/Benefits Agency will manage benefit payments after the card is removed from the system. It is believed they will revert to benefit books, cashable at post offices, until 2003. By then a revised system for payment is expected to have been devised and set up for those people who are not compatible with payment by BACS but require to draw benefits. It is up to the Federation to rally support and ensure that

post offices retain as much of the business as possible. There may be a possibility of a network bank but, at this early stage, it is impossible to know what the outcome of discussion and planning will be.

Mr Stuart Sweetman, the Managing Director of Post Office Counters, expressed concern as to whether the automated system required re-testing after the removal of the Benefits card facility, because the system was built around the card function. However, there is no time for re-testing and the installation will, on his instruction, go ahead and be made to work.

The Benefits Agency have not yet finalised their plans for ACT. A paper for ministers will be tabled by the end of July. The timescale for the paper will be known next week.

It was generally agreed that alternative options will have to be introduced for the 15% of people who will be "unbankable" and the 2/3 million people who will refuse to consider a bank account. This business could go out to a national service which could possibly be the Post Office, and there has been ministerial commitment to this suggestion.

There is no clear definition as to government's or Post Office plans for counteracting the loss of the Benefits package or what measures they will introduce to enable benefits, paid by ACT, to continue to be claimed through sub post offices.

There is also no firm knowledge as to the position of the Post Office and Benefits Agency in 2003 other than by that date benefits will be paid by ACT. It is expected that the Working Party and various other committees will work solidly in the meantime to arrive at an arrangement which is acceptable to all and which causes minimal financial hardship to all involved in the change".

Report ends.

With the agreement of the meeting, Items d and e were taken together as they both fall under Logistics.

9(d)& Cash & Stock Resourcing and Distribution. PC NW 09.

- Internal Logistics Review
- Procedure for Discrepancies in Remittances.

The Cash and Stock Resourcing and Distribution will be one of the first business units to become active under "Shaping for Competitive Success".

Both MR BUTLIN and MR JANETTA commented that forged notes were a problem, although there were a number of detection aids on the market to assist discovery of forgeries.

Checking time for remittances in plastic banknote envelopes was again debated. There had been considerable lengthy discussion with the previous Chairman of the Negotiating Committee and it was agreed that 48 hours was an impossible timescale. MR JANETTA recalled that the timescale was previously 7 days and MR BURROWS agreed, pointing out that a letter dated 17th November 1998, signed on behalf of Ian Gosling was in existence, stating that remittances made up in Cash Centres do not have to be checked within 48 hours.

MR PEBERDY undertook to ensure a letter is written to try and clarify these. Notes go through detection machinery in Cash Centres, although not every unit has one, and it is not for the Subpostmaster to be doing the work for the Cash Centres.

ACTION

9(e) Shortage of £20 notes.

PC NW 09 03.

The Negotiating Committee have arranged a meeting with Mr Alan Carman to deal with outstanding cash related issues, including discrepancies in remittances and the shortage of £20 notes. A report of the meeting will be circulated in due course.

10. SECURITY.

10(a) POCL/NFSP Meetings.

PC NW 11 01.

The Executive Council had already been circulated with the minutes of the Security meeting on 15th April 1999. Relevant points of security were captured and a number of Conference Motions were addressed. MR PEBERDY undertook to respond to any questions which arose from those minutes.

10(b) Regional Security Forums.

PC NW 11 01

The discussion on the Regional Security Forums formed part of the minutes of the Security meeting on the 15th April and MR PEBERDY advised Executive Officers that any contributions/feedback from their regions would be welcome.

10(c) Bravery Awards.

PC NW 11 01

The latest position of Post Office Counters was outlined in a letter from Kay Hartigan dated 25th May 1999. MR PEBERDY stated that while this was POCL's view, it was not ours. Nationally we are aware that a small number of

Executive Officers are invited to Bravery Award sessions, but there should be more invitations to representatives of the Federation. We will be ensuring that this continues in our discussions with the National Security team.

10(d) Equipment. PC NW 11 02

Security Capitalisation and Screen 2000.

MR BUTLIN asked if the option to purchase Screen 2000 was still open to Subpostmasters not in ISIS and was there a payment. MR PEBERDY responded confirmation from Kay Hartigan of a pay split of 55% paid by the Subpostmaster and 45% paid for by Post Office Counters was awaited. The question of availability was a separate issue.

Some delegates considered that ISIS should be continued in the light of difficulties being experienced with the Horizon project. However, alternative views as to the wisdom of continuing this type of spend were also expressed along with some conjecture as to whether an award from the discretionary fund would be available to eligible Subpostmasters. The GENERAL SECRETARY had a meeting arranged with Mike Granville and undertook to raise the relevant questions.

MR DARVILL suggested to the meeting that in some cases Screen 2000 was being used to upgrade offices, as some of those told they must have Screen 2000 were not security risks. The NATIONAL PRESIDENT was awaiting information on a company who would supply this equipment at an alternative price. When this is received she will pass it to the Chairman of the Negotiating Committee for further consideration.

Although MR INGRAM's office is not in a bad crime area and has continued for 17 years without incident, he is being pestered to spend a lot of money on security. The GENERAL SECRETARY responded by assuring MR INGRAM that he would make enquiries as to where the proposed spend of £45m on subpostmasters security is intended to be utilised.

Access Doors

This subject is covered by the Security meeting minutes of 15th April 1999. No further discussion.

Anti Intruder Alarms

Attention was drawn by MR BUTLIN to a letter dated 23rd April from Mr Tim Wheeler, circulated on 5th May. Mr Butlin pointed out that although grants for new installations are to be increased from £370 to £395, no mention was

made about grants for the replacement of old alarm systems. Are they available? MR PEBERDY confirmed that if a system was in excess of 10 years old, POCL would look at replacement under the same terms as a new installation.

Trial of Remote Alarm Signalling

No further discussion from the matters discussed and reported in the Security meeting minutes of 15th April 1999.

10(e) Trauma Care Programme. PC NW 11 03

A letter from Mr Tim Wheeler had been circulated stating POCL's position on statements made to Retail Network Managers by subpostmasters following incidents at their post offices. MR PEBERDY advised that POCL had given assurances that the Regional Secretary and Investigation Manager attending scenes of attacks will treat each situation with sensitivity. Some discussion took place as a result of the contents of the letter. The GENERAL SECRETARY confirmed it was accepted that RNMs were not trained counsellors, only first aid. They are most likely to be first on the scene and are trained not to say anything which might inflame a situation. If counselling was required, trained counsellors would be brought in. The statement in the letter was exactly what he had set out to achieve and is exactly what was required. MR BURROWS concurred, pointing out that anything said during a counselling session cannot be held against the Subpostmaster and a situation can be challenged later if necessary. He believed the letter could prove to be one of the most important pieces of paper the Federation has ever received.

GRO

11. PRODUCT RANGE. PC PR.

No correspondence and nothing to report.

12. QUALITY. PC QY 01.

Notes and Actions on a meeting held on 8th April 1999 had been circulated. There were no questions arising and no discussion.

13. SUBPOSTMASTERS' CONTRACT.

13(a) Standards at Post Offices. PC SC 03.

No discussion.

13(b) Introductory Payment. PC SC 04.

No Discussion.

13(c) Loss of Office (Compensation Agreement). PC SC 12.

MR BUTLIN referred to the Federation's meeting with Mr Stuart Sweetman and asked what his stance was. MR PEBERDY advised that Mr Sweetman wished to discuss with us the projected size and shape of the Network and at that time we will want to review compensation. Some things may not be relevant and there may be other matters, around the corner, for which we require more money.

13(d) Paypoint. PC SC 21 01.

The meeting heard from MR PEBERDY that Paypoint continued to be a threat within the bill payment market. Their stated objective of 7,400 agencies was claimed to be achieved. The Federation will continue to monitor their activities. Some of their statements are unsubstantiated and there are continuing reports that a number of their agents are unhappy with their current treatment. It is hoped that Post Office Counters will regain some of their lost work and some progress has been made with Scottish Power. The Executive Council will be updated regularly on developments.

MR JANETTA said that any progress made with Scottish Power would be most welcome in Scotland. MR ABERNETHY was disturbed to report that Cabletel make no charge for payments through Paypoint. It was reported by MR EDMONDSON that Paypoint was growing rapidly and one office in the Newcastle area was taking in the region of £11,000 per week. MR BURROWS agreed that in the North Thames and East Anglia region there appeared to be a migration towards Paypoint. POCL's "hard luck chaps" attitude towards this drain away from post offices seems to be very disturbing and they seem reluctant to take action to prevent this type of business going over to Paypoint. Cabletel and East Coast Cables are, allegedly, about to be taken over by NTL and, if this is the case, subpostmasters will have no cable transactions at all. Mr Burrows requested that enquiries be made as to why existing contracts are not honoured following a take-over. NTL are the biggest in the country and Post Office management seems blasé about the loss of this business.

MRS JERVIS said that 47% of people using Paypoint actually made a purchase in the private shop. Mrs Jervis also pointed out that little or no publicity had been given to the facility to make payments to Powergen at the post office and customers would not know they could make these transactions. Mrs Jervis requested some advertisements and posters to advertise transactions which can be made through post offices. She felt that Paypoint was taking more and more of the subpostmasters' salaries and the matter should be taken up with Post Office Counters to take some action.

It was pointed out by MR JANETTA that Manweb swipe cards work through Post Office machines, but most subpostmasters are being told they should not be doing this business, only the ones in the trial. MR MORGAN-JONES advised that the Post Office was ahead of the game here. There are only a

few offices involved in the trial but all the machines in the Manweb area were subject to the programme.

A great deal of discussion took place regarding the effects of Paypoint and the need for replacement work. MR PEBERDY said that much more information was required regarding these payments and that he would speak to Dave Miller the next day following their meeting. Mr Miller has stated that he can achieve certain things for the Network and we will be pressing him to prove what he can actually do to improve the situation.

13(e) Counter Losses and Gains Policy. PC SC 27.

MR PEBERDY continued his report by confirming that the Negotiating Committee is continuing to work with the Network Directorate to fine tune parts of the document that was released into the Network prior to the agreement last November. The various points raised at the Executive Council meeting in March 1999 have been put to the Business and their formal response is awaited.

13(f) NIPOC. PC SC 28.

No correspondence and no matters to discuss.

14. SUBPOSTMASTERS' PAY.

14(a) Pay Review. PC SP.

- Identifying Costs of Running an Office.

The draft questionnaire, announced at Conference, has now been agreed and finalised and will be circulated to Subpostmasters shortly. When Executive Officers are addressing Branch Meetings they should use every opportunity to stress the importance of the questionnaire to members and insist that it is not overlooked or ignored. Completion of the questionnaire may, in the long run, mean more money for subpostmasters.

14(b) Pay Claim 1998. PC SP/1998.

At this meeting It is usual to formally discharge the Pay Claim for the previous year. Discharge of this item from the Agenda was recommended and agreed.

DECISION

14(c) Pay Claim 1999. PC SP/1999

There have been no developments on this front since it was last discussed at the pre-Conference meeting. Another meeting is scheduled for 5th July. We are now aware of settlement reached by the CWU for some guards which

they represent. The recently circulated Newsbrief shows an agreed increase of 2.3%, which is much less than our ambitions. However this could be misleading as the 2.3% is added to the bonus for QPA and in real terms means subpostmasters are getting more. MR BURROWS confirmed that those with good QPA do get rewards, and MR JANNETTA considered that this should be promulgated to other regions, and that all should be rewarded somehow by the Business. MR PEBERDY indicated that it was preferable now to go back.

14(d) Payment Rates. PC SP 01.

The outputs from the meeting on the 31st March have been circulated. A reply to a number of the action points had been received from POCL and circulated under A10(B) PC CM 03.

Bill Payment

No Discussion.

RPP Parcels - Annually Revised Offices.

The Federation has formally confirmed acceptance of the method of remuneration. A letter was circulated at Malvern, prior to the meeting, detailing the baseline content to monthly paid subpostmasters.

Revision of Postage Stamp Unit Credit.

The agreed, revised payment for this work has been agreed and advised at Conference in May. It was agreed that this item should now be discharged from the Agenda.

DECISION

14(e) Intermittent Allowances. PC SP 02 03.

This item was recommended for discharge from the Agenda and this action was agreed.

DECISION

14(f) New/Changed Products. PC SP 02 08.

This subject will be discussed at a meeting yet to be arranged with Paul Harris, where Counters will be requested to provide more information on the bill payment schemes as they transfer from paper to plastic.

14(g) Pay Advice. PC SP 08.

HRSAPS, Section 7(a) reference PC HR 06 now covers this subject. It was recommended and agreed that this item be discharged from the Agenda.

DECISION

15. BENEFITS AGENCY.

Pensions. CL BA 03.

- BES 'Casual' Agents.
- All Benefits at One Post Office.

Both the related matters here are no longer relevant with the withdrawal of the Benefits Payment Card and it was recommended that this item be discharged from the Agenda. Discharge was agreed.

DECISION

16. BRITISH GAS. CL BG.

There was no correspondence under this heading and no discussion.

17. BRITISH TELECOM.

17(a) BT Payment Cards. CL BT 04.

This matter is now settled and discharge from the Agenda was recommended and agreed.

DECISION

17(b) BT Global Calling Cards. CL BT 05.

The issue regarding payment for selling these cards has now been agreed and we are awaiting formal payment proposals. Post Office Counters will be reminded.

ACTION

18. ELECTRICITY BOARD. CL EB.

No correspondence and no discussion.

19. FOREIGN EXCHANGE. CL FX.

Although the project is under trial at the moment, assessing the demand, MR BURROWS stated that there have been increasing difficulties following the move from Hounslow to Sheffield because of problems with Royal Mail. Some deliveries are not being made until two or three o'clock in the afternoon and he asked that pressure be brought to bear in order to make deliveries earlier in the day. Improvements must be made to the service or business

will be lost. The trial is to be extended to the North West and North East regions by the end of May 1999. An update on Foreign Exchange has been circulated under A10(B).

20. GIROBANK.

20.(a) Girobank/NFSP Quality Forum. CL GB 01.

Discharge of this item from the Agenda was recommended and agreed.

DECISION

20(b) Giro Business Deposits. CL GB 08 07.

This item relates to correspondence circulated earlier this year and is closely associated with matters under item 20(d) Corporate Deposits. Both items were discussed together under heading 20.(d).

20(c) Winter Fuel Payments. CL GB 08 12.

Correspondence and a report has already been circulated. The project should run smoothly for subpostmasters if they are requested to do the business. The recommendation for discharge from the Agenda was declined. MR BURROWS pointed out that this item was likely to appear again on the Agenda for the EC meeting in October and MR EDMONDSON indicated that the payment Agreement only ran for two years. The matter would therefore remain on the Agenda.

20.(d) Corporate Deposits. CL GB 08 15.

At the six-monthly review meeting with the General Manager of Girobank, Mr Richard Banks, the question of corporate deposits was strenuously raised. A fairly robust defence of the situation was launched by the General Manager but, after receiving the Federation's reminder of the wider benefits the Network offers, he has agreed to reconsider Girobank's policy on diversion of corporate deposits from sub post offices to cash centres. It was recognised that not all the deposits are diverted at the behest of Girobank. Some diversions are client requested.

Vigorous discussion took place and a number of ideas emerged as to the reason for these diversions, security being the principle one, despite the fact that none of the offices involved were thought to be "at risk" or to have had incidents. However, the loss of the work was not good for the subpostmasters involved and every effort would be made by the Negotiating Committee to prevent any more offices losing their cash deposits. MR DAVIS

ACTION

would pursue a date for a meeting with Ray Lakeland, Head of Retail Network NWNW Region to discuss the specific problems being experienced in Liverpool, as there was concern that it could grow into a national problem. In the meantime the Federation would investigate which offices were affected, how much cash was involved and how much income was being lost by those offices.

MR JANNETTA voiced the question as to what happened to the subpostmaster when his business falls below survival level due to the withdrawal of the cash deposits, and would Post Office Counters offer more compensation for "loss of office" in these circumstances? He requested that these issues be referred back to Tom Coleman and Mike Granville.

21. INSURANCE. CL IN.

No correspondence circulated and no further discussion.

22. LOCAL AUTHORITIES. CL LA.

No correspondence circulated and no further discussion.

23. LOTTERIES.

National Lottery. CL LO 01.

LSNs. Correspondence from Mr John Main, Deputy Network Director, dated 10th December 1998, committed Post Office Counters to pay any subpostmasters who provided a satellite link and had a concentrator supporting five or more terminals. Payments would be made by the end of the financial year and, where appropriate, backdated to 1994. An ACC has already been issued for this, although no agreement had yet been reached regarding reimbursement for the electricity used, and MR PEBERDY assured members that the Negotiating Committee will continue their endeavours in this direction. In addition, the Negotiating Committee are continuing to pursue POCL for payments for subpostmasters who have less than five terminals linked to a concentrator. This matter would not be allowed to drop.

Prize Payments. There was nothing to report on this matter and it was recommended for discharge from the Agenda. However, MR BUTLIN mentioned that there was still no proper payment arrangement for prize payments for Thunderball which was due to start shortly. Recommendation for discharge was declined as the subject would need to be re-instated later in the year when negotiations restart.

DECISION

Lottery Sales - Under 16's. MR PEBERDY reminded the Executive Committee that Lottery sales to the under 16's was the subject of a report to

DECISION

Annual Conference. There was nothing further to add at this time and the item was recommended for discharge from the Agenda. Discharge agreed.

Millennium Dome Entrance Tickets. A payment of 4% of the sale value has been agreed for the sale of Millennium Dome Entrance Tickets the same as the National Lottery. It had been confirmed that retailers were being paid at the same rate as for the sale of lottery tickets. It was recommended that the item be discharged from the Agenda. Discharge agreed.

DECISION

24. MOBILE COMMUNICATIONS. CL MC

Pre-Pay Vouchers. The issues surrounding this item appear now to have settled down with subpostmasters generally appreciating their right to sell vouchers on the private side of their business as well as over the post office counter. Correspondence already circulated shows the latest offer received and confirmation that some payments will be backdated to the date the product went on sale, with the exception of One-2-One £20 vouchers which was only backdated to June 1999 remuneration payments. MR PEBERDY advised the Council that the Negotiating Committee would like to review this again with a view to obtaining retrospection on the One-2-One vouchers to the date they first went on sale.

ACTION

25. NATIONAL SAVINGS.

25(a) NFSP/DNS Trade Union Meeting. CL NS 01.

No correspondence and no discussion.

25(b) Marketing. CL NS 03.

No correspondence and no discussion.

25(c) ISAs. CL NS 07 08.

MR PEBERDY reported that whilst ISAs were perceived as another avenue of business for subpostmasters it was disappointing that National Savings have not yet been able to produce paying in books for use across the counters. It is not acceptable to have customers having to complete transcash slips to make deposits. This matter would continue to be pursued.

MR BUTLIN said that one of his staff bought ISAs and is still waiting to receive a letter about paying in at post offices. Also, a customer of his asked about purchasing Premium Bonds by credit card which had also been advertised but no literature is available to subpostmasters. DNS seem to say

one thing and do something quite different. Mr Butlin enquired if the planned meeting with them had been arranged to see what they have to say.

MR PEBERDY and the GENERAL SECRETARY both agreed that words had not been backed by actions here and the promised meeting would be arranged.

ACTION

A leaflet had been faxed to Shoreham headquarters by MR INGHAM which showed how to top up premium bonds. It contained an application form which made no mention of bonds being available at post offices.

26. PERSONAL BANKING. CL PB.

Personal Banking Services.

As there is now a requirement to accept loose cheques for deposit to personal accounts, the Negotiating Committee is endeavouring to seek an improved payment for that element of work and which required a physical examination of these cheque deposit envelopes.

ACTION

27. PAYMENT COLLECTION SERVICES. CL PC.

No circulations and no discussion.

28. PARCELFORCE.

28(a) Alternative Delivery Trial. CL PF 05 01.

From the circulated correspondence dated 7th June, it can be seen that a higher payment is being sought for parcels left at sub post offices for collection as part of the alternative delivery trial. A response from Post Office Counters is still awaited. MR DARVILL expressed his view that the current payment is totally insufficient for the amount of work involved.

Executive Officers had received many complaints from subpostmasters involved in this trial. These comprised, not enough space for storage, parcels hanging around for up to three weeks, and postmen not trying hard enough to deliver - just putting a note through the door at the first opportunity.

Although it was understood that the trial only applied to Home Shopping, Parcelforce appeared to be dropping every parcel they were unable to deliver in to participating sub post offices - and to some who are not in the trial. One parcel was in excess of 30kgs and neither the pregnant post office assistant

nor the customer was able to lift it. In addition, there were a lot of forms to complete and often the subpostmaster was required to do this for the customer. 17.9p per transaction was not considered to be enough.

It was obvious that in many cases the system was being abused and a number of the complaints had already been taken up with Kay Hartigan of POCL, who was anxious to get the abuse stopped. It was suggested that Executive Officers give as much feed-back to headquarters as possible so that complaints can be passed on to Post Office Counters.

28(b) RPP Parcels. CL PF 02.

This item was dealt with under item 14(d) and it was agreed to discharge this item from the Agenda.

DECISION

29. ROYAL MAIL.

29(a) New Sales Posts for Royal Mail. CL RM.

The Federation's views have been expressed on this issue and requires no further involvement. It was agreed that this item should be discharged from the Agenda.

DECISION

29(b) Format Based Pricing. CL RM 04.

When moving Clause 6 at Annual Conference in May, delegates were made aware that this project had been deferred for 12 months. The Negotiating Committee will continue to monitor the position to ensure subpostmasters' best interests are safeguarded.

The availability of electronic scales was raised by MR MARSHALL who advised that some subpostmasters were experiencing difficulty in obtaining electronic scales, particularly since the deferment of the project. MR PEBERDY said he believed the contract with Avery Scales had been withdrawn and the matter was now "out to tender" with other suppliers. He promised that this issue would be re-addressed and the current position established.

ACTION

29(c) Priority Services. CL RM 05 02.

It was recommended that this item be discharged from the Agenda. MR BURROWS said he believed the Negotiating Committee were still pursuing an outstanding claim for Recorded Delivery items, to which MR EDMONDSON agreed. MR PEBERDY responded that with the advent of Product Payments as part of pay he believed that Priority Services should not now be a separate issue. After some discussion, it was agreed to discharge this item from the Agenda.

DECISION

29(d) Do Not Redirect. CL RM 05 07.

As this item is more relevant to the Mailwork Forum it was recommended and agreed to discharge this item from the Agenda.

DECISION

At this juncture, MR BUTLIN brought up the issue of "Post Haste" which appeared to have gone extremely quiet and which he requested be brought forward to the front burner. He mentioned an incident he had heard about an insurance salesman in Exeter ~~who had heard about~~ who was selling these stamps from the back of his car and was so successful he was given his own Account Manager. He had access to all Royal Mail products, has a sizeable credit and earns £60,000 p.a. from a turnover of £1.3m. A lot of Exeter subpostmasters had suffered as a result. Similar stories of these sales to the detriment of subpostmasters were reported from other parts of the country. MR JANETTA requested clarification of Poste Haste and was advised it was a form of direct marketing of stamps where the vendors received substantial discounts. ~~No intelligence was available regarding how the discounts were calculated.~~

GRO

GRO

The GENERAL SECRETARY assured the meeting that the matter was still a "front burner". A meeting which had been previously arranged had not taken place as planned but the lawyers were busy looking into European Contract Law to see what, if anything, can be done to prevent this practice.

ACTION

30. UTILITIES. CL UT.

No correspondence and no discussion.

31. DVLA. CL VL 04 02

Motor Vehicle Licences.

Proposed Changes / Graduated Vehicle Excise Licence.

Payment has been accepted and the necessary instructions have been issued to regions to enable subpostmasters to be paid for this work. MR BUTLIN commented that this was just another case of Post Office Counters getting it wrong. Confusion was created about what to pay on V10 and the helplines were not readily available. They did not issue the answers to questions until late the following Thursday when the staff had all gone. He believed the QPA error rate would be about 150% and felt that a letter should be written to POCL to point out the shortcomings. MR BUTLIN proposed that the Executive Council write to POCL complaining about the lack of

ACTION

been requested from a number of organisations who possibly used such organisations, and although replies were still awaited it appeared that charges would be in the region of £50/60 for each person recruited. However, this approach did appear to be relatively successful. The gamble the Federation would take would be whether the member would remain with the Federation long enough to recoup the outlay.

MR JANETTA reported that Dundee Branch took a decision to employ an ex office employee who had been very successful in recruiting non members. He was paid £25 per member plus expenses, which usually worked out to a cost of around £40 per member. This was paid from branch funds. He considered that this should be looked at nationally, endorsed and encouraged.

MR ABERNETHY congratulated the Publicity and Development Committee on the idea but wondered whether it would work in practice. He believed that the best people to recruit, were subpostmasters themselves because their line of business was very different from others. This was the overall opinion, but it was equally acknowledged that this had been tried in various ways, and had not worked.

MR BUTLIN did not consider that the Publicity and Development Committee needed authority to investigate such an idea, but that they should have made enquiries and presented a package to The Executive Council for consideration. He thought that the best recruiters were subpostmasters and referred to the training guide for recruiters that had been discussed previously, but had not been produced. Subpostmasters were the only professionals needed for recruitment.

MR CHALLINOR disagreed that nothing had progressed in this area. The Membership Officers had developed a training pattern for people in the regions. They had called meetings with Branch Secretaries, solely to train them in recruitment procedures. This was done with the use of slides and had gone down well. However, this year had been less successful and the matter was on the Regional Council agenda for their forthcoming meeting. The next step, he felt, was for the Publicity and Development Committee to produce a paper on their findings concerning outside agencies, for this to be analysed and responded to by the Executive Council, giving the Publicity and Development Committee the opportunity to start making progress before October. They should be trusted to do it.

MR BURROWS applauded the Publicity and Development Committee for the idea but he saw this as an extension of the offices payment scheme for Branch Secretaries. It was outhousing the Federation's responsibilities and to do this in totality would mean that the Federation would not be in control of its own destiny. He cautioned that the length of time needed to investigate this matter could mean that in 18/24 months time nothing further will have been done and with the possibility of the launch of an ACT campaign it was imperative that the Federation increased membership and had the facilities to do the job.

MR CHALLINOR proposed that:

The Publicity and Development Committee prepare a paper for all Executive Council Members to consider using an outside agency to recruit new members, before the October Executive Council meeting.

- **This was seconded and CARRIED.**

DECISION

MR MARSHALL thanked The Executive Council for their support and undertook to move rapidly. He agreed that there was a necessity to sharpen communications and although the request of a colour printer/photocopier had previously been turned down, this would be requested again.

MR MARSHALL invited questions on his report.

MR MORGAN-JONES referred to items outstanding from the previous Publicity and Development Committee (his last as Chairman of that committee), and asked if the Committee had found the opportunity to discuss them:

1. What progress had been made since his meeting with Mr Heasman, where bullet point headings had been made in relation of Training of Branch Secretaries?
2. What progress had been made on posters?
3. What was the result of the investigation concerning advertising on the front cover of *The SubPostmaster*?
4. Who would be responsible for Conference arrangements in the future?

MR HEASMAN advised that these had all be addressed in the Publicity and Development Committee meeting held on Sunday 20th June. Each Publicity and Development Committee member had taken responsibility for a particular area of work, training, membership, printing etc. There had been limited opportunity to do this in the last 6/8 weeks due to other work such as the Doncaster Exhibition, Annual Conference and a special Executive Council meeting. However MR HEASMAN assured The Executive Council that these would be progressed and the fruits of that work would be seen in the very near future.

- The Report of the Publicity and Development Committee meeting held on 19th & 20th April 1999 was MOVED AND ACCEPTED.

DECISION

Meeting held on 20 June 1999

MR MARSHALL continued, moving a verbal report of the Publicity and Development Committee meeting held the previous day. He reported that the

agenda had been re-arranged in order to give full attention to the future of the Automation Project. THE COMMITTEE had a full in depth discussion on the first three main points listed in BSC 12/1999.

1. Customer Focus - "Keep your customers warm"
2. Tell non members
3. Government awareness

The fourth point - Final Resort was left for discussion at a later meeting.

The Committee had decided to launch the campaign as soon as possible, with a gentle approach. Mr Darvill had presented to the Committee a card that he used in his office for distribution to his customers and this they considered to be an ideal way to commence the campaign. The card was a useful size for keeping in a purse or wallet, or to be kept by the telephone. MR MARSHALL described the proposed layout of the card. The front would give information of what services were available at local post offices and the reverse would feature telephone numbers that would be useful to subpostmasters. It was intended that these cards would be printed on an A4 sheet, with 14 perforated cards on each. Every subpostmaster, including non members, would be provided with 10 sheets as an insertion in the August edition of the Journal. Text would appear within the margin of the sheet, giving details of how to re-order.

MR MARSHALL advised that during the General Secretary's attendance at their meeting THE COMMITTEE asked if he could approach POCL to request they print the cards at their own expense, which he agreed to do.

ACTION

MR MARSHALL also called upon the assistance of the Editor to run a campaign in the Journal for a slogan competition and to advise subpostmasters how to obtain further supplies of the cards. THE EDITOR was happy to do this and suggested a re-jig of "Use Us or Lose Us". MR MARSHALL suggested that there was not time to consider an appropriate slogan during the course of the meeting, but urged The Executive Council to give it some thought, the key message being that the sub post office was there for the community, and would continue to be.

In order to re-establish the coverage the Federation had previously had in women's' magazines MR MARSHALL advised that it was intended to invite Tim Cobb to the next Publicity and Development Committee meeting to discuss the issue. This meeting was scheduled for 26/27 July 1999 and it was also intended to invite the Editor to discuss publicity in an attempt to encourage subpostmasters to become involved with local events in their communities, and to maintain a presence.

THE COMMITTEE also believed that subpostmasters should be encouraged to involve their local MPs. However, it was important that this be done in a proper manner and although THE COMMITTEE had discussed the possibility of MPs being invited to branch meetings, it was felt that this may be used as an opportunity to criticise, and would therefore not convey the impression that

the Federation was trying to put across. It was suggested that a Branch Secretary, together with a branch committee member, and local Executive Officer should meet with one or two local MPs to discuss the situation and invite them to visit two or three sub offices. This would give them an insight into the work of a subpostmaster and the services they offer.

It was agreed that the involvement of MPs was vital. MR BUTLIN saw the merits of the branch visits but was concerned about what subpostmasters might say to MPs. He called for a guide to be produced, in order that it was clear what the Federation's message was.

MR MARSHALL reported that upon publication of the forthcoming White Paper, THE COMMITTEE had instructed Mr Heasman to prepare a guide on the best way forward in approaching local MPs and the order of discussion.

ACTION

MR MARSHALL called upon MR EDMONDSON, National Treasurer, to explain a paper which had been handed to the Executive Council concerning the recruitment of MSPOs.

MR EDMONDSON advised that from the information he had received, and that obtained at Annual Conference, it was apparent that MSPOs were struggling and wanted the Federation to obtain negotiating rights for them. He referred to the circulated letter, with a questionnaire attached, addressed to MSPOs seeking their views on MSPO representation with POCL. Also enclosed with this letter would be a recruitment form as he believed that POCL would give negotiating rights if sufficient MSPOs became members of the Federation. The letter would be on Federation letterhead, but would be addressed from one MSPO to another. MR EDMONDSON advised that although this had been instigated by subpostmasters from Modified Sub Post Offices, they did not have the resources to pay for it and had therefore approached him in his role of NATIONAL TREASURER, in the hope that the Federation could assist with the financing of the operation. It was estimated that the cost to be around £470.

- **MR MORGAN-JONES applauded the initiative and proposed that the spend be authorised. This was seconded and AGREED.**

DECISION

MR MARSHALL advised that Honorary and Retired Members would be approached with a view to obtaining their services to assist in recruiting new members. Additionally the Committee would be looking at the possibility of introducing new membership categories.

2. FEDERATION MEMBERSHIP

2 (a) ANNUAL CONFERENCE

FM AC

Annual Conference 1999

FM AC 1999

Many complaints had been received concerning the Headquarters Hotel including unclean rooms, bad service, swimming pool closed, untrained staff at the Cocktail Reception and a shortage of glasses at the Reception. MR MARSHALL advised that it was intended to write to the hotel detailing The Executive Council's feelings and requesting a reduction in the bill.

Discussion followed concerning the amount charged for partners attending Conference. Rates advertised within the reception area at the hotel were far below those being charged to the Federation, and it was questioned whether the costs of the suites and the function rooms were incorporated within the bedroom prices.

MR MARSHALL explained that the partners were charged the difference between the single occupancy rate and the double. THE NATIONAL TREASURER advised that because of the poor condition of some of the rooms, he and the General Secretary had agreed that partners would be charged £45 rather than £60. Anyone who had already paid £60 on departure would receive a refund of the difference. If the final bill at The Royal was substantially reduced, then if was possible that the amount charged for partners could be reduced in accordance.

MR HEASMAN advised that he had spoken with the owner of the hotel during Conference and pointed out concerns about the level of cleanliness, and suggested that she needed cleaning routines. Having received the bill, the Publicity and Development Committee had already taken the decision at their meeting on 20th June to challenge certain aspects of the account.

MR BUTLIN's region had received a quote from The Royal for £40 per night, but this had been for a late booking, and he was aware that the Federation was not able to take advantage of such offers, as bookings had to be made 2/3 years in advance. The Federation was also very restricted on their choice of hotels because of the other facilities required.

Discussion turned to the prices quoted at the Hydro Hotel in Eastbourne for Annual Conference 2000 and MR HEASMAN clarified the situation regarding the suggestion that Shoreham had overridden the booking from the Scottish Region. He advised that prior to a decision being made on the Headquarters Hotel for 2000 he had a discussion with the Regional Secretary in Scotland who informed him that as much as they would like to go to the Hydro they were unable to negotiate the price down to an acceptable figure and had booked The Wishtower. However, THE CHAIRMAN advised that this was not the issue for discussion. The issue was whether or not inflated priced were being quoted as a Headquarters Hotel. MR JANETTA confirmed that there was no conflict between the Regional Secretary, himself as Regional Officer or Headquarters, he had merely been relaying the prices quoted, which had been firm prices, and highlighted the fact that Shoreham were quoted prices 50% higher.

MR HEASMAN advised that the requirements for the headquarters' hotel were very different to those of the regions in that the necessity to have

function rooms and suites limited the choice significantly. His preference for hotels in Scarborough had been the Palm Court and the Crown but neither had appropriate facilities.

MR CHALLINOR sought clarification as to whether charges were made at a Conference rate or as individual delegates. He believed partners should be charged the bedroom price which should not incorporate other facilities. MR HEASMAN advised that this needed to be dealt with by the National Treasurer, Philip Bloor and the tax authorities because the way partners' charges were calculated had been worked out and negotiated with the tax office, and if changes were made this could well have an effect on other arrangements with the tax authorities. However he believed that this could be investigated at Shoreham.

ACTION

THE NATIONAL TREASURER confirmed that there were no differences between the quotes received for headquarters hotel this year than any other. Discussion had suggested that it may be cheaper for the Federation to negotiate the price of bedrooms separately to those for Conference facilities, in order to avoid being charged a conference rate for the whole package. Although this had not been a problem in the past, with the exception of the Eastbourne Conference, he undertook to speak to the Chairman of the Publicity and Development Committee and Mr Heasman to see if the best method was being used, and report back.

ACTION

Annual Conference 2000 - 15, 16 & 17 May

FM AC 2000

MR MARSHALL reported that the Committee had considered whether savings on costs could be made by investigating an alternative style of civic hospitality. Many delegates felt that two nights of dancing was too much and the Monday night was not well attended. The Committee was therefore looking at the possibility of the Local Authority providing a Civic Banquet free of charge. Mr Heasman had been requested to investigate and report back.

The cost of a repeat monitor was also to be investigated. This would be positioned at the rear of the Conference hall and would enable those seated on the platform to see the delegates as they spoke at the rostrum.

2. (b) MEMBERSHIP

FM MS

Already dealt with.

2. (c) FEDERATION PUBLICATIONS

The Subpostmaster

FM PB 01

Mr Heasman had obtained details of costings concerning the bound copies of the Journal. MR MARSHALL advised that 40 copies were produced at a total

cost of approximately £2,000 and he sought The Executive Council's views on whether this was something they wished to continue to produce.

It was strongly felt that these bound copies should be produced every year. They were not only used as a point of reference, but were the very history of the Federation and it was considered that the cost was very small in relation to the importance of the volumes.

2 (d) FEDERATION PROMOTIONAL & PUBLICITY

Sub Post Office Exhibition

FM PP 01

Doncaster - April 1999

MR MARSHALL reported that the Doncaster Exhibition had been a success, with a sum of around £8,000 being due to the Federation from Paul Webster at Pan Presentations. However, Mr Webster was experiencing a cash flow problem and he still owed money to the Federation from the Wembley Exhibition, of around £4,268. This, together with the payment due from Doncaster totalled £12,268. MR MARSHALL therefore suggested that Philip Bloor be asked to run a credit check on Pan Presentations. In the meantime Mr Webster was to be invited to the next Publicity and Development Committee meeting to discuss the situation.

MR MORGAN JONES urged the Publicity and Development Committee to be very careful in their meeting with Mr Webster. He considered that if they handled it in the wrong way they could be in danger of losing the Exhibition.

MR BURROWS thought that Mr Webster's financial problems should not affect his payments to the Federation. If he had been paid by exhibitors for stands at Wembley, then payment should be passed on to the Federation. He referred to rumours about Mr Webster being approached by another organisation which was interested in running a similar exhibition to the Federation's. He was concerned that Mr Webster may be withholding the money and may then give the sponsorship to another organisation.

MR BUTLIN thanked the Publicity and Development Committee for bringing the matter to the The Executive Council's attention. He expressed concern that if Pan Presentations collapsed, then the Federation would have no right to the October Exhibition, because it did not belong to the Federation but to Pan Presentations. MR BUTLIN thought the Publicity and Development Committee should be allowed to do everything they could assess the situation and act accordingly.

Discussion followed concerning the possibility of the Federation getting its income from the Exhibition in a different way, but the event was the property of Pan Presentations and if the Federation was to stop its sponsorship it was considered that this would be taken over by another organisation, probably POCL.

MR HEASMAN explained that Mr Webster's cash flow problem had been generated by a number of factors, the main one being an unsuccessful Racing Exhibition he had organised at York the previous year. MR HEASMAN confirmed Mr Morgan Jones' earlier comment that POCL were one of his creditors, further advising that this year Royal Mail had signed contracts but not paid anything. As the size of the Exhibition had grown, then so had the costs and the NEC was much more expensive than venues such as Telford. Although Mr Webster always tried to get money in advance, but now bigger names were being attracted such as British Gas and British Telecom, and the larger companies tended to pay a very small amount in advance and then request an invoice after the event. MR HEASMAN reminded The Executive Council that the Exhibition was in fact a PR exercise and the fact that over the years it had grown to generate an income was a bonus.

MR MARSHALL referred to the presentations made at the Exhibitions. Humberstones and Christies, for example gave very professional presentations using colour slides and overhead projectors. However, the Federation was only able to use black and white slides and MR MARSHALL requested that the Federation's equipment be updated to incorporate an overhead projector with colour slides.

The Executive Council agreed that this issue needed to be addressed and it was suggested that a colour printer at Shoreham should be considered, together with the possibility of a lap top computer. MR HEASMAN advised that this type of equipment was now standard, and without it the Federation would be diminished by what other organisations were doing. It was time to take the step into modern technology.

It was envisaged that this equipment could be used at Exhibitions, Annual Conference, presentations at pay meetings and circulations to Executive Officers. Only two weeks previously at the Special Executive Council meeting, circulations in black and white had been unclear and it was necessary to have these photocopied outside of Shoreham and re-circulated. Additionally, with the General Secretary and the Chairman of the Negotiating Committee holding meetings with the DTI and Government, it was important that the Federation portrayed itself in a professional manner.

- **Costs of various types of equipment would be investigated and presented to the Federation Trustees for consideration.**

DECISION

NEC - 9 - 10 October 1999

MR MARSHALL advised that it was intended for Executive Officers to be outside the Seminar hall during presentations at the October Exhibition in order to hand out cards giving information about membership of the Federation, and inviting want to be subpostmasters to the Federation stand. It was thought that these could be produced at no cost to the Federation, as

advertising could be sought from organisations such as Humberstones and Christies.

MR MARSHALL sought authorisation on the spend for the Federation stand. The cost at Wembley the previous year, had been around £10,000 but this had incorporated the recycling of a number of panels from the previous year. This would not be possible this year as the panels had a limited life, and had now become tatty. It was anticipated that the income from the Exhibition would be in the region of £22,000.

- **A spend of up to £15,000 was AGREED.**

DECISION

MR MARSHALL advised that as was normal practice, it was intended that the stand would be manned by the following:

Publicity and Development Committee
President
Vice President
Editor
Local Executive Officers.

However, opinion was that there were insufficient people on the stand at the last NEC Exhibition, and MR JANNETTA pointed out that if this criteria was followed every year, then the Scottish and Northern Ireland Executive Officers would probably not ever have a chance to attend because the Exhibition usually didn't visit their areas. MR BURROWS believed that the Chairman of the Negotiating Committee should be present as that person's expertise was important.

- **It was decided that any Executive Officer who wanted to attend the Exhibition should be allowed to do so and it was AGREED that an Orange Paper would be sent from Shoreham to ascertain who would be available and on what days.**

ACTION

OTHER MATTERS

Conference Report

- In its present format the binding of the Conference Report was 'perfect bound', and MR MARSHALL advised that if this was 'saddle stitched' a saving of around £3,000 could be made on the production costs. He therefore sought The Executive Council's approval to change to the 'perfect bound' method. This was AGREED.

DECISION

Subpostmasters' Handbook

MR MARSHALL estimated that this would be ready in the next two weeks.

MR MORGAN JONES sought an update on progress made on matters arising from the Publicity and Development Committee meeting in April, when he had been chairman. MR HEASMAN replied to each of them.

- Progress made on the bullet points identified by himself and Mr Heasman on Training of Branch Secretaries.

No progress had been made as the meeting had been very close to Annual Conference. However, this would be taken up again upon MR HEASMAN's return to the office following this meeting.

- Progress on Federation posters

Again, this had been delayed in order to concentrate on arrangements for Annual Conference, but would be progressed upon MR HEASMAN's return to the office.

- Introduction of different membership categories

This was to be addressed by the Publicity and Development Committee at their next available meeting. MR HEASMAN explained that the previous Publicity and Development Committee meeting had been immediately prior to the Doncaster Exhibition. That had been closely followed by Annual Conference, a Special Executive Council meeting and then the present Executive Council meeting. Efforts had been concentrated on the immediate priorities brought about by these events and those subjects that had been pushed back would be caught up with once this Executive Council meeting was over.

- Clarification on whether or not advertising was permitted on the front page of the Journal.

MR HEASMAN had consulted the General Secretary in his capacity of advertising manager and it appeared that advertising on the front cover of the Journal had at no time been banned. In fact, the advertising rate card quoted for front page positions. The only problem that had occurred concerning front page advertising had been when an inappropriate advertisement had appeared next to a certain story. The advertisement being disputed represented about £5,000 worth of income to the Federation over the course of its run and was part of a much larger advertising budget by Christies. MR HEASMAN advised that Marot & Co had been instructed to increase advertising revenues, keeping it within the 50/50 ratio, which they had done. The results of their efforts could be seen over the course of the last year or more. With £40,000 coming to the Federation in revenue, the Federation was very close to a break even point. However, the decision of whether or not to accept front page advertising needed to be taken by The Executive Council.

THE EDITOR recalled that this matter had been discussed at a time when additional revenue was needed, and she thought it had been decided to trial it for a year. As far as she was aware this had not been reviewed. However provided advertisements were suitable and not offensive, she saw no reason not to trial it for a further year.

- MR BUTLIN highlighted that The Executive Council had discussed, at previous meetings, many ways in which to save Executive Council's time at meetings and yet on two occasions during the Publicity and Development Committee report the Chairman had asked permission to investigate something. He urged the Executive Council to give the Publicity and Development Committee authority to investigate whatever they felt appropriate, only seeking permission if it involved costs. This was AGREED.

DECISION

3. CONFERENCE RESOLUTIONS

No discussion

4. FUTURE DATES & VENUES OF EC MEETINGS

- It was AGREED that the March 2000 Executive Council meeting would be at the Abbey Hotel, Malvern.
- However, it was felt that the facilities and service at the Abbey Hotel had deteriorated, and the Committee was requested to investigate alternative venues for Executive Council meetings.
- The verbal report of the Publicity and Development Committee of 20th June 1999 were MOVED AND ACCEPTED.

DECISION

ACTION

DECISION

B) FEDERATION TRUSTEES REPORT

MR ABERNETHY, Chairman of the Federation Trustees advised that Trustees had met on 20th June. Apologies had been received from Mr Bradbrook who had been unable to attend due to holiday arrangements.

Report of the Meeting held on 22nd March 1999

- The Report of the Trustees meeting held on 22nd March 1999 had been circulated and approved.

DECISION

Property

Miller Technology and Membership System

It was reported that again the work being done by Danny Pond of Miller had been suspended due to the needs of the Federation, with regard to the

payment of Union Facilities and Conference Grants. It was anticipated however that Mr Pond's work would be resumed again shortly.

The General Secretary had advised that it would soon become necessary to replace, update and possibly expand the Federation's main computer system and a proposal was currently being prepared which, when ready, would be circulated to the Trustees for their consideration.

The General Secretary also reported that following the permission given at the last meeting he would soon be in a position to circulate quotations for the re-decoration of Federation Headquarters, room by room.

Treasurer's Report

The National Treasurer was able to confirm that following Conference approval for subscription increases, and together with other prudent housekeeping measures, he hoped that the Federation's accounts would be back on an even footing by the end of the current financial year.

Investments

The Trustees decided to accept the Broker's Advice as follows:

Sell 31's Group Bond and purchase 5½% Euro Bond
Sell 6¼% Treasury Stock 2010 and purchase Abbey National 5.3/8% issue
Sell 1/3 Blue Circle holding and the proceeds to acquire equal investment in Boots and Allied Zurich.

THE CHAIRMAN invited questions from The Executive Council.

MR DARVILL expressed great concern regarding the progress made by Miller Technology and questioned whether other companies had been approached, should it prove necessary to change.

THE CHAIRMAN advised that a meeting was being set up at Shoreham between the Federation Trustees, Miller Technology and the personnel at Shoreham using the equipment. However he reiterated that a certain amount of the delay in progress made had been due to the Federation's work taking priority over that of Miller Technology.

MRS JENKINS believed that the Federation's hardware was running on Windows 3.1 and sought confirmation on the matter. MR HEASMAN confirmed that this was the case, but referred to THE CHAIRMAN's report in which he made reference to a general review of the computer systems and the need for replacement, upgrade and possible expansion. This software was a prime candidate for replacement as although it worked on the Federation's system it would not be compatible with technical applications that may need to be added to the system.

MR JONES considered that Miller Technology were not performing as they should, and suggested that the Federation should re-access its IT equipment using an independent advisor to ascertain just what the Federation's requirements in this area were.

THE TREASURER advised that they had been in contact with such a person but they were reluctant to move away from Miller Technology because they were aware of the faults. A meeting between the Trustees and Miller Technology was to be held at Shoreham in order that a decision could be made as to whether to continue with their services, but THE TREASURER thought it only right that Miller Technology be given the opportunity to correct things. It was considered that there had been 'giant strides' in computer technology in the past five years, and the Federation had been 'caught short'.

MR WILLSHAW was concerned that Windows 3.1 was still being used because he considered that it was not Year 2000 compliant.

MR HEASMAN reported that Miller Technology advised that their software was Year 2000 compliant and that the machines had been inspected by Worthing Computers, the Federation's computer maintenance people, who had certified the system at Shoreham as Year 2000 compliant.

MR DARVILL disagreed that Windows 3.1 would be Year 2000 compliant. He could not understand why Miller Technology had not put Windows 98 on the system, as trying to update the membership system on such an outdated application was not feasible. He was unhappy that five years after the commencement of the project, various reports from the system were still not available.

Mr Davis was called upon to clarify the difference between the two computer systems at Shoreham. He advised that the Federation's general computer system was serviced by Worthing Computers, who had checked it for Year 2000 compatibility and had placed a sticker on each piece of equipment, confirming its compliance. He was not able to say whether this confirmation of compliance was right or wrong, but had to accept their advice as sound. MR DAVIS' further advised that his computer at Shoreham was switched off because although it was able to access the membership system, it was too slow to run properly. He confirmed that replacement of the equipment was being investigated and a report would be presented to the Trustees.

The membership system was entirely separate from the general system, and was the responsibility of Miller Technology. MR DAVIS recommended that the Trustees be allowed to meet with Fuad El Hadery and Danny Pond, from Miller Technology, together with Andrew and Lisa at Shoreham. After which a decision could be made on whether to move away from Miller Technology.

Referring to this forthcoming meeting, THE CHAIRMAN stated that he would welcome any questions that The Executive Council may wish the Trustees to put on their behalf.

Broker's Advice

MR BURROWS requested that the Broker's advice to the Trustees be circulated to the Executive Council prior to the Trustees' report on the Monday morning.

THE CHAIRMAN had not been aware that this had not been circulated, and apologised for the oversight.

- **The Report of the Federation Trustees was MOVED AND ACCEPTED**

DECISION

C) BOARD OF BENEVOLENCE REPORT

MR PEBERDY, Chairman of the Board of Benevolence and Trustees to the Board of Benevolence, advised that the Trustees to the Board had met on Sunday evening, 20th June. That had been Mr Burrows' last meeting of as a Trustee to the Board of Benevolence.

- The Trustees had some concerns about the content of the Broker's report, and with the approval of the Board of Benevolence, they suggested that they meet with Bill Eason to discuss certain issues. They wanted to ensure that the suggestions coming from the brokers were being made to best benefit the fund and not to generate income for themselves.

ACTION

- The Trustees had then discussed the replacement for Mr Burrows as Trustee for the Board of Benevolence. It was part of their remit to appoint a new Trustee and for the Board of Benevolence to ratify that appointment. MR PEBERDY advised that the Board had appointed Mr Morgan-Jones, who was happy to accept the position.

DECISION

- MR PEBERDY advised that at the Board's annual review meeting they approved payment on the en bloc list from 5th July to 31st October 1999 of £7,021. One off grants for immediate assistance totalled £3,306.50.

DECISION

In closing, MR PEBERDY, on behalf of the Board, thanked Mr Burrows for the time and work he had contributed as a Trustee and as a member of the Board of Benevolence.

- **The Report of the Board of Benevolence was MOVED AND ACCEPTED.**

DECISION

A/6 SPECIAL MATTERS

A) MEMBERSHIP

(i) Membership Statistics

FI MR 04

THE CHAIRMAN invited questions or comments on items on membership that had not already been covered.

MR BURROWS was concerned that the latest figures he had received were as at the end of April, and was disappointed not to have received those for May. He questioned how often figures were sent to branch and regional secretaries and when the last disk was supplied to them, did they have to request them?

MR HEASMAN was not in a position to answer this fully. He reminded The Executive Council of the difficulties that had been experienced concerning issues around the HR SAPS situation and the work being done at Federation Headquarters, and this had taken its toll and had a knock on effect on other work. Consequently work had stopped on the disk. He was well aware of the importance of providing branches with this information and acknowledged that it was highly relevant to the work of the Federation over the coming months, as the database would be one of the major tools in the campaign that would be fought.

MR BURROWS highlighted the importance of branches receiving up to date membership figures and suggested that the figures that are circulated to the Executive Council should also be sent to branch and regional secretaries. Other shared this view. MR CHALLINOR advised that when he received his figures, he circulated them to secretaries and membership officers in his region.

MR HEASMAN confirmed that the figures were sent to regional secretaries if requested. The information was also available on disk upon request, although this had not been widely publicised. He concurred with Mr Burrows and assured The Executive Council that the production of this information was being treated as a matter of great urgency, and was one of the issues that the Trustees would be addressing with Miller Technology. However, he cautioned that there was an issue of manpower implications and the work that was in progress at Shoreham had an impact, but membership figures were vitally important to the future, as was the accuracy of the figures.

MR BURROWS felt that the supply of membership figures to branches should not be hampered by other work being done at Shoreham. Without members there would be no Federation. He considered that everybody had busy workloads and excuses could always be found not to do something. He proposed that the membership figures be circulated, on a monthly basis, to branch secretaries, regional secretaries and membership officers.

MR HEASMAN confirmed that the problem with sending printouts automatically to everybody on a monthly basis was that it tied down the printer for a very long time. At peak times when a large number of printouts had been requested, the printer had been running for around four days each month to meet the demand. He suggested that Shoreham re-assess what information was actually needed on the printouts.

MR HEASMAN further advised that the statistics that the Executive Council Officers received was a set report which was generated by the membership system. It didn't show London as a separate region because it had to be re-programmed to do this, which was one of the things that Miller would be working on.

The Executive Council referred to the minutes of the March Executive Council Meeting, which gave the responsibility of membership to the Publicity and Development Committee and it was considered that they should assess what information was needed by the branches. MR MARSHALL, Chairman of the Publicity and Development Committee, suggested that this be left with them for consideration. However, THE CHAIRMAN thought that this was a matter to be dealt with by the membership office at Shoreham and not the Publicity and Development Committee. MR DAVIS advised that the list referred to by Mr Burrows was fairly easy to produce on a monthly basis but he was unsure as to whether a non-members list being produced on a monthly basis would be helpful, and should perhaps therefore not be done automatically. If The Executive Council wanted to change the format, then Miller Technology would have to re-programme the system and this would therefore mean a delay in the information being supplied.

- **It was DECIDED that the branch secretaries, regional secretaries and membership offices would be sent copies of the membership statistics, as circulated to the Executive Council, on a monthly basis.**

DECISION

B. FINANCE

(i) Treasurer's Report

FI AC 02

THE NATIONAL TREASURER reported that the financial position of the Federation was the same as it had been at the close of Annual Conference. Despite the two resolutions lost at Conference he still believed that sufficient slack had been allowed in the forecasts to be able to keep the accounts in balance over the financial year. These calculations had taken into account the fact that the increase in subscriptions by check off being delayed by one month, e.g. August instead of July. He thanked Mr Darvill for bringing this matter to the attention of the Executive Council and advised that by the end of the coming week, the Federation will have gone back to POCL to try to persuade them to include the subscription increase more quickly. If however, this wasn't successful they would have to accept the situation and absorb the cost. The Federation had learned by Direct Debit that the collection of subscriptions did not come cheaply. The 'Check Off' agreement was long

standing and one which the Federation had gained from, since its commencement. THE TREASURER believed, however, that if the Federation started dictating to POCL they would, in the present climate, want to re-open the 'agreement' and this time charge for the service given.

THE TREASURER referred to the Interim Financial Review from Mr Bloor, which gave a projection of the future finances of the Federation for the coming months. For the past two years, a large chunk of Mr Bloor's time had been spent producing quarterly accounts, so much so that the Treasurer had suggested to Mr Bloor that accounts be produced yearly and half yearly and for the other two quarters, an Interim Financial Review be produced. THE TREASURER considered this to be better use of his and Mr Bloor's time, and advised that it was a faint production which had been worked out over the phone. He hoped that it met The Executive Council's requirements, but if it didn't Mr Bloor could revert to producing the accounts.

THE TREASURER reiterated the hope that the Federation's accounts for the present financial year, ending 31st December 1999 would show a surplus, and not as in the previous years, a deficit. If this was achieved, it would not have been an easy task and he cautioned the Executive Council not to let complacency take over. The main part of the Federation's income, subscriptions brought about by membership, had not improved and the only sure way to improve finances was to increase membership. Factors that had contributed to the Federation's improved financial situation were that there had been no Special Conference or Branch secretaries' Seminar and the number of Executive The Executive Council meetings had decreased since the Pay Review. Members of the Executive The Executive Council had done well in the claims they had made, possibly by better use of meetings, and the previous Chairmen of the two sub committees had arranged meetings in such a way that costs were reduced. Greater efforts had been made to find sponsorship and other income, the costs of *The SubPostmaster* reduced dramatically due to the new advertising format, and the General Secretary and Shoreham kept their costs under control and practised good housekeeping. THE TREASURER urged The Executive Council to keep these improvements going and not to allow the Federation to go into decline.

THE TREASURER thanked The Executive Council for their support over the past 3 months, and he invited questions on his report.

MR JANNETTA referred to postage costs for the January edition of *The SubPostmaster* which it had been reported was due to a stationery magazine that had been distributed with in Journal, and he questioned whether the Federation had received any payment for this.

MR HEASMAN advised that no charge had been made for this insert, but he believed that the figure quoted for postage in the report was a typing error. He also advised that the magazine had been one of four inserts that month, and it would therefore be wrong to attribute the cost of that mailing to one particular insert. The postage costs for January were £5489, and by

comparison later in the year a mailing charge of £5205 was made for a edition carrying three inserts.

MR BUTLIN congratulated the Treasurer and Mr Bloor for their good housekeeping. MR BURFORD also offered his congratulations. He felt that he had handed over the Federation's finances to somebody who had had a very difficult time. He considered that the Treasurer had done a tremendous job, he had taken tough decisions and kept The Executive Council focused and he deserved all the credit that was due to him.

- **The Treasurer's Report was moved and ACCEPTED.**

DECISION

(ii) Outstanding Branch Accounts FI AC 02

THE CHAIRMAN advised that branch accounts were still outstanding from Bedford, Bicester, Heart of England and Barnstaple.

(iii) Audit of Branch Accounts FI AC 02

(iv) VAT Registration FI AC 13

THE TREASURER advised that it was anticipated that the Federation becoming VAT registered would assist substantially to finances in the coming 12 months.

(v) Union Facilities PC HR 03

The following branches had not submitted their Union Facilities claims: Gloucester, Bedford and Derby. Claims from the South East and North Wales North West Regions were also outstanding.

C) JOURNAL

(i) Editor's Report FM PB 01

THE EDITOR was pleased to report that there were no problems with the Journal. She expressed her gratitude to Mr Heasman and Mr Cobb for their continued assistance, and extended this to all members of staff at Shoreham. The advertising revenue sales had increased on last year for the quarter ended March 1999. Beverley Wright, who was responsible for selling the advertising at Marot & Co, [REDACTED] GRO [REDACTED]

GRO [REDACTED] would be replaced by Julie, who THE EDITOR advised was equally as enthusiastic.

Letters continued to arrive, more than could be published, and THE EDITOR regretted to report that most were letters of discontent. She had adopted a policy on occasions of obtaining a factual response from Federation Headquarters, on major issues and hoped that The Executive Council viewed this as an acceptable use of journal space.

MR BURROWS reminded The Executive Council that it was the responsibility of the Treasurer and the Editor to submit their written report for circulation to the Executive Council, prior to the meeting and he requested that this be observed in future.

THE EDITOR offered her apologies to Mr Burrows and The Executive Council for not submitting a written report, but this had been due to the pressure of work. She was, in fact, interrupting her annual leave to attend the meeting.

THE CHAIRMAN appreciated the recent difficulties and workloads of both the Editor and the Treasurer, but warned against The Executive Council letting the standards it had set itself slide. She suggested that the reminder was given with the best intentions and was confident that these items would appear on the October agenda.

- **The Editor's Report was MOVED AND ACCEPTED.**

DECISION

D) EAGLE STAR

MR HEASMAN advised that following the announcement made at the last meeting that Eagle Star had offered £50,000 to the Federation in return for their commitment to stay with Eagle Star whilst they went through their re-organisation process, he had now received an outline of the basis under which they would like to try to proceed. He was arranging to meet the person responsible for the Federation's account in order to start the process of fine tuning the agreement. This would be circulated to the Executive Council prior to the October Executive Council meeting, with a view to making a decision on the acceptability of the proposal at that time. The Federation was continuing to be paid commissions for the current year on the existing basis, but if the Federation remained with Eagle Star it was thought that the new scheme would be run on a share of profit basis, claims against income.

MR HEASMAN also reported that Colin Stoner, from Eagle Star, had written to the Federation expressing interest in being a sponsor at next year's Conference. He was particularly interested in the Tuesday evening, and MR HEASMAN was hopeful that this could be developed as part of the package.

A/7 CONFERENCE RESOLUTIONS PRIOR TO 1999

99/88 Environmental Policy

This issue was considered very important and with Mr Burrows' forthcoming retirement from the Executive Council, it was necessary to select a replacement representative on the Environmental Committee and MR BURROWS considered this to be an ideal opportunity for his successor to express the Federation's concerns, especially those relating to responsibility

for disposal of containers. MR BURROWS wished his successor luck in what he had found to be a very frustrating task.

MISS LINDON, whose office was included in the Success Through Sales Trial, advised that she had to regularly take 50% of the literature she received as part of that trial to the tip in her car and she considered that no one should be put in that situation.

A/8 CONFERENCE RESOLUTIONS 1999

A/9 MOTIONS TO EXECUTIVE COUNCIL

Michael Darvill: That Standing Orders for the Executive Council be amended as follows. Add: No Executive Council member shall be entitled to put his name down to stand on more than one committee.

MR DARVILL explained his reason for the suggested amendment in that he believed that when a person put their name forward to be on a committee, they should be doing so because they believed that they had something to contribute to that particular committee rather than looking just to get on a committee. As it is not possible to serve on two committees, he considered it pointless to put names forward for two.

THE CHAIRMAN sought clarification that this motion was referring to the Negotiating Committee and the Publicity and Development Committee. It did.

MR MORGAN-JONES seconded the motion

Discussion followed, in which it was accepted that people should not merely put their names forward for two committees in the hope of getting on one of them. Executive Officers should consider where they could best serve the Federation. It was also felt that some saw membership of the Publicity and Development Committee as a progressive move towards sitting on the Negotiating Committee, using it as an opportunity to gain experience, and this was not necessarily a bad thing.

- A vote was taken and the motion was LOST.

DECISION

A/10 FOR DISCUSSION

POST OFFICE COUNTERS LTD

1. Network

1(a) Initial Distribution of New definitive Stamps

PC NW 09 06

ACTION

- There was nothing further to report, but MR DAVIS advised that things needed to be addressed in terms of Hemel Hempstead's method of advising subpostmasters of the need to order. The Federation met regularly with the manager of the supply centre and MR DAVIS would seek assurance that next time there was a need for distribution of stamps of this nature, subpostmasters would be properly advised of what they should do in order to get supplies.

It was considered that the way in which information for subpostmasters was set out in the Counter News could be improved in order that it could be more easily identified. Perhaps a heading saying '*Actions by Subpostmasters this week*'. It was suggested that where a special order needed to be made, an order form should be provided.

1(b) SSL Trial for Handling External Customer Calls PC NW 10

MR DAVIS advised that the move towards one central point for contact was proceeding and would be monitored to ensure that the central enquiry point serviced the needs of the subpostmaster.

1(c) Emergency Cascades by Telephone PC NW 10

This was being dealt with by the General Secretary. Correspondence of 13th May from POCL detailed the current situation, offering subpostmasters the option to choose whether or not they wanted to use the facility.

Some concern was expressed that subpostmasters may not receive the message clearly and then be held responsible if they relayed information incorrectly. However, it was pointed out that there was the facility to ring the helpline if necessary.

POCL CLIENTS

2. Insurance

2(a) PO Travel Insurance - Product Extension CL IN 01

MR BUTLIN expressed concern about the way POCL was moving forward on new projects and advised he had received correspondence saying that because he had not sold any travel insurance, his office was not guaranteed to be selected to provide it in the future. THE CHAIRMAN requested that Mr Butlin let him have a copy of the letter. MISS LINDON reported that she had received a letter from an angry subpostmaster whose facility for travel insurance had been withdrawn because there had been no previous transactions.

MR DAVIS advised that there were two forms available to customers for travel insurance. One for use at offices who were able to issue a policy, on demand, over the counter and the other where customers wishing to apply for their insurance by post, for which the subpostmaster received payment once

ACTION

the policy was written. MR DAVIS thought that perhaps the facility to sell travel insurance on demand was withdrawn because no policies had been sold. However, he undertook to investigate the matter.

Discussion followed on the likelihood of subpostmasters providing the form to customers, but then not receiving payment for policies written. However, there was provision on these forms for the post office FAD Code to be entered, which should ensure that payment was received.

MR DARVILL suggested that the cover of the 'on demand' insurance form be a different colour from the other. He held both in his office and it was difficult to tell the difference between them.

2 (b) General Insurance

CL IN 02

MR DAVIS drew attention to correspondence dated 15th June advising the withdrawal of Everyday Cover Insurance Products from the Network. The intention was to re-launch in September at Branch Offices who had produced 60% of the sales during the trial. This was disappointing and he welcomed comments from The Executive Council.

MR BURROWS referred to the cost of transactions when providing general insurance and urged The Executive Council to bear this in mind when negotiating for pay increases.

3. Personal Banking

3 (a) Personal Banking and POPOS

There was nothing to add to the correspondence circulated.

3 (b) Lloyds/TSB Personal Banking - Extension of Service

MR JANNETTA asked when this would be available in Scotland and Northern Ireland, as they had been waiting for it since 1998.

MR DAVIS reported that he had hoped to be able to announce the provision of this at Annual Conference, but were told that no decision had been taken. He would however, put the question again.

ACTION

4. Parcelforce

Parcelforce Worldwide and Royal Mail Tariff Changes CL PF 04

Approximately 5 Orange Papers had been received at Shoreham concerning the review process and MR DAVIS advised that the circulation dated 15th June was an amalgamation of the comments received by Executive Council Officers in response to that circulation.

- MR MARSHALL reported a problem with the DPI labels, in that the international labels used to be a different colour than the inland ones, and now they were the same colour. MR DAVIS undertook to look into the matter.

ACTION

5. **Royal Mail**

5 (a) Tariff Changes CL RM 04

MR DAVIS advised that the correspondence under the previous heading was an amalgamation of comments received concerning the tariff increase by Royal Mail and Parcelforce.

5 (b) Millennium Products CL RM 05 06

Nothing to add to correspondence

6. **DVLA**

6 (a) Rates of Motor Vehicle Licence Duty CL VA 04 02

MR DAVIS reported that to some extent this item was historical as it was a problem that arose because DVLA introduced wrong rates for motor cycles and tricycles. Details had been advised at Annual Conference, and there was nothing to add to the correspondence circulated.

6 (b) Photocard Driving Licence Applications - Trial CL VL 04 03

- MR JANETTA queried how many offices would be involved in the network when the trial was complete. From correspondence received so far, MR DAVIS was unable to answer, but undertook to follow it up.

ACTION

A/10 (B) FOR INFORMATION

1. **Commercial**

1(a) Market Research PC CM 02
1(b) Advertising PC CM 03

2. **Sub-Postmasters Pay**

Withdrawal of the Ideas Scheme PC SP

3. **Euro Programme**

Preparation for EMU

PC EU 01

POCL Clients

4. National Lottery

New National Lottery On Line Game

CL LO 01

5. Network

(a) Centralisation of Vouchers

PC NW 08 01

(b) New Variant £20 Banknote

PC NW 09 03

(c) Integration of Helpline (Market Research)

PC NW 10

6. Benefits Agency

Benefits Distribution Team Update

CL BA 01

7. Foreign Exchange

Foreign Exchange Update

CL FX 02

8. Royal Mail

(a) New Salesforce Posts

CL RM

(b) Briefing Meeting

CL RM 01

A/11 REPORT ON CENTRAL APPEALS

Nothing to report

A/12 GENERAL SECRETARY'S REPORT

Applications for Sponsorship - Macmillan Sahara Hiking Challenge 2000

FM PP 03

THE GENERAL SECRETARY had sent an interim reply to Mrs Hicks, setting out the Federation's policy on such matters. However, he sought a decision from The Executive Council on the matter.

THE EDITOR reported that she had featured an article in the journal on Mrs Hicks' behalf, asking anyone who wanted to sponsor her to contact her directly.

Although The Executive Council sympathised with people seeking sponsorship, the Federation already supported the Centenary Charity and they therefore AGREED that the General Secretary should advise her accordingly and wish her well with her venture.

DECISION

Working Time Regulations

A series of correspondence had been entered into with Mr Mark Baker of Larkhill Post Office, who held the view that the Working Time Regulations and Minimum Wage should apply to subpostmasters. Mr Baker had not agreed with the answers that Federation Headquarters had provided and had therefore written directly to the Executive Council on the subject. He had also been trying to drum up support from other subpostmasters, via the Internet. The Executive Council considered whether a subpostmaster should be governed by this legislation, as subpostmasters did not necessarily offer personal service to the Post Office. THE GENERAL SECRETARY quoted Section 1, paragraph 5 of the subpostmaster's contract:

"The Subpostmaster is not obliged to attend the sub office personally, but he is required, whether he is there or not, to accept full responsibility for the proper running of his sub office, and the efficient provision of those Post Office services which are required to be provided there."

The very nature of the subpostmaster's contract was such that it enabled any subpostmaster to manage his or her business with freedom to operate in the way they wanted to. It was considered that the Working Time Regulations and National Minimum Wage were not relevant to subpostmasters as they did not work contracted hours.

It was suggested that if Mr Baker was sent copies of the correspondence from IRPC perhaps he would accept that the Federation had tested it as far as it needed to be, and therefore not pursue the matter. THE GENERAL SECRETARY did not consider this would be the case.

Executive Council considered that it was often the freedom within the subpostmaster's contract which made it attractive to the businessman or woman alongside the Post Office. It was the Executive Council's view that the lack of freedom would not be appreciated by the majority of members and the Federation's legal advisors had pointed out that there were other ramifications which members would find detrimental.

The Executive Council therefore concluded that the testing of the contractual status of a subpostmaster to prove personal service is provided was not in the interests of the membership generally, and could indeed be dangerous. The

Executive Council also believed that to pursue a complete review of the holiday and sickness arrangements with POCL as the Conference Motions instructed was a much better way to proceed and would avoid the potential long term detrimental effects with testing the contract in law was likely to produce.

It was DECIDED that the General Secretary would write to Mr Baker, on behalf of the Executive Council, advising their views on the matter.

DECISION

A/13 NFSP TRADING LTD

MR HEASMAN reported that gift voucher sales presently totalled £92,000. A considerable amount of work had concentrated around telephony products and the Trading Company was involved in three at the moment, National Calling Cards, Least Cost Routing and Pre Paid Mobile Phone Vouchers.

The International Calling Cards had originally been arranged by Martin Dawes with the support of the Federation's logo. When Martin Dawes was taken over it became necessary to source a different card supplier.

Another cause for concern had been on the Least Cost Route side because the Federation's contact at First Call Direct had left to set up their own company, First Phone. It had therefore been necessary to ensure that this departure had not left financial holes in the company. An advantage of this was that MR HEASMAN had been able to establish a direct contact with the ultimate supplier, Rocom, who were based in Yorkshire. He had received their assurance that they were more than happy to deal directly with him on behalf of the Federation, should he feel the need to move. Similarly he had received the assurance of New World Telephones that they would be happy to deal directly with the Federation. This was something that MR HEASMAN suggested that The Executive Council may wish to consider next year as revenues grew because it currently required a great deal of administration and he therefore considered that First Call Direct earned their keep. He was confident however that they could continue to do it in spite of the changes.

Another product that had been very successful was the Pre Paid Mobile Telephone Vouchers. Around three months previously the General Secretary had advised that MR HEASMAN to proceed with these because of the situation with regards to POCL and his negotiations with them. Within that time a product was put together and launched at the Doncaster Exhibition and in the following weeks the total turnover exceeded £113,000. The last two week's figures were reported at £26,700 and £23,185, and it was anticipated that orders would stabilise at around £100,000 per month. Although the Federation only earned around ½% in commission and members were very happy with the product.

Referring to the decision to shelve the Trading Company at the end of the year, MR HEASMAN asked that The Executive Council consider how they were going to structure and organise themselves going forward. He advised

that they needed to have freedom and be able to deal in a flexible manner. He considered that it would not work if it became a sub committee of the Executive Council seeking ratification of decisions at each Executive Council meeting.

- **MRS JERVIS** reported that she had experienced difficulties in receiving point of sale material from First Call Direct, and requested that Mr Heasman look into this on her behalf.

ACTION

MR CHALLINOR confirmed that the decision to shelve The Company would be put into place on 31st December and he agreed with Mr Heasman that The Company needed to enjoy freedom to operate. He suggested that 2/3 people with commercial experience needed to be appointed, these to be a point of reference for Mr Heasman so that he could consult with them when approached by a would be supplier of a service. He envisaged that this would not incorporate meetings, but be conducted over the phone or by fax, with a commercial report being made at the Executive Council meeting on the activities of that branch of the Federation.

MR CHALLINOR proposed that three people be selected as points of contact and it was suggested that these be selected from the existing Trading Company Directors. The Executive Council agreed with this but as there were four Directors, all of these individuals should be selected. In acknowledging MR HEASMAN's view that The Company should not be run by committee, MR CHALLINOR sought his comments on the proposal.

MR HEASMAN reiterated that the Trading Company had provided a vehicle to operate in a flexible way and although it was within the constitution of the Executive Council to maintain a degree of control and responsibility, he felt that if this was run in the same way as the Publicity and Development Committee or the Negotiating Committee, then it would not work. He considered that The Company should enjoy the freedom to operate almost as it did at present, reporting to the Executive Council every quarter.

- **MR CHALLINOR** advised The Executive Council that the way the Directors of the Trading Company had worked to date with Mr Heasman, was that Mr Heasman would telephone him, as the central person, who in turn would speak to the other Directors, and then relay their comments back to Mr Heasman. MR CHALLINOR proposed that the current Trading Company Directors be elected as members of the Company to carry on the work under the banner of the National Federation of Subpostmasters. This was AGREED.

DECIS

A/14 EXECUTIVE OFFICERS REPORT

MR WALSH reported that he and Mr Willshaw were arranging a cycle ride within their area during which they would visit sub post offices in an attempt to increase membership and raise money for the Benevolent Fund. He would report further at the next meeting.

MR BURROWS had received a letter from POCL, in relation to his resignation from the Executive Council, in which it was stated that he was held in very high esteem within the Post Office and that he "always presented the subpostmasters' case with vigour". He had also received letters from other senior Post Office managers and from subpostmasters, wishing him well.

MR BURROWS thanked The Executive Council for the social event held on the Monday evening and the kind words and gifts, and also for the dinner that was attended by some on the Tuesday evening. He expressed the difficulty he had in reaching his decision to retire from the Executive Council, but knew that it was the right one. He wished luck to his successor, Mr Peberdy, expressed his confidence in Mr Baker, the General Secretary, and conveyed his best wishes to everyone for the future.

A/15 MATTERS RECEIVED TOO LATE FOR INCLUSION ON AGENDA

There were none.

A/16 ANY OTHER BUSINESS

There was none.

MR MORGAN-JONES offered a Vote of Thanks to the Chairman for the way the meeting had been conducted.

THE CHAIRMAN closed the meeting, wishing everyone a safe journey home.

GRO

MARIAN JONES
LESLEY HARRIS

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