

STRICTLY CONFIDENTIAL

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NATIONAL FEDERATION OF SUB-POSTMASTERS

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

held on

18, 19 & 20 OCTOBER 1999

at

THE ABBEY HOTEL, MALVERN

A G E N D A

OCTOBER 1999

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

A/2 MATTERS ARISING FROM THE REPORTS

A/3 REPORT OF THE NEGOTIATING COMMITTEE

The following reports refer:- NC/POCL 17.8.99 [PAY 99]

POST OFFICE GROUP

1. Post Office Board

- (a) Board..... PO BD
- (b) Shaping up for Competitive Success..... PO BD 03

2. Government Affairs

The Post Office Inquiry - Trade and Industry Committee PO PZ

3. Post Office Counters

- (a) Post Office Counters Board..... PO PC 02 NR
- (b) Organisation Development PO PC 03

4. **Off-Shore Islands**

- | | | |
|-----------------------|-------|----|
| (a) Guernsey | OI GY | NR |
| (b) Isle of Man | OI IM | NR |
| (c) Jersey | OI JY | NR |

POST OFFICE COUNTERS LIMITED

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|-----------------------------------|-------|----|
| 5. <u>Commercial</u> | PC CM | NR |
|-----------------------------------|-------|----|

6. **Euro Programme**

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|---|----------|----|
| Euro Programme and Europeanm Monetary Union | PC EU 01 | NR |
|---|----------|----|

7. **Human Resources**

- | | | |
|--|----------|----|
| (a) Transactional Knowledge Review | PC HR 04 | NR |
| (b) HRSAPs | PC HR 06 | |

8. **Mailwork**

- | | | |
|-----------------------|----------|--|
| Mailwork Review | PC MP 04 | |
|-----------------------|----------|--|

9. **Network**

- | | | |
|--|-------------|----|
| (a) Network Forums | PC NW 01 | NR |
| (b) Consultation on Network Issues | PC NW 02 | NR |
| (c) Counter Automation - BA/POCL | PC NW 06 01 | |
| (d) Cash Services National Meeting | PC NW 09 03 | |
| (e) Shortage of £20 Notes | PC NW 09 03 | NR |
| (f) Stock Services | PC NW 09 06 | |
| <ul style="list-style-type: none"> - Secure Stock Quarterly Meeting - Revised Stockholding Policy for Outlets - Internal Logistics Review | | |

10. **Security**

- (a) POCL/NFSP MeetingsPC NW 11 01 NR
- (b) Regional Security ForumsPC NW 11 01
- (c) Equipment.....PC NW 11 02 NR
 - Security Improvements (ISIS)
 - Access Doors
 - Anti-intruder Alarm Grants
 - Trial of Remote Alarm Signalling
- (d) Trauma Care Programme.....PC NW 11 03 NR
- (e) Bravery AwardsPC NW 11 07 NR

11. **Product Range**PC PR NR

12. **Quality**

- Guide to the Disability Discrimination Act (DDA)PC QY 01

13. **Subpostmasters Contract**

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

14. **Subpostmasters Pay**

- (a) Pay ReviewPC SP NR
 - Identifying costs of running an office
- (b) Pay Claim 1999PC SP/1999
- (c) Payment RatesPC SP 01
 - Bill Payment

- RPP Parcels - Annually Revised Offices

(d) New/Changed Products PC SP 02 08 NR

POCL CLIENTS

15. Benefits Agency

Pensions CL BA 03 NR

16. British Broadcasting

TV Licencing CL BC 03 *

17. British Gas

..... CL BG NR

18. British Telecom

BT Global Calling Cards CL BT 05

19. Electricity Boards

..... CL EB NR

20. Foreign Exchange

..... CL FX NR

21. Girobank

(a) Giro Business Deposits CL GB 08 07 NR

(b) Winter Fuel Payments CL GB 08 12 *

(c) Corporate Deposits CL GB 08 15 NR

22. Insurance

..... CL IN NR

23. Local Authorities

..... CL LA NR

24. Lotteries

National Lottery CL LO 01

- Prize Payments
- Post Office/Camelot Lottery Bid
- Satellite Sites

25. **Mobile Communications**

Pre-Pay Vouchers CL MC 02 NR

26. **National Savings**

- (a) NFSP/DNS meeting CL NS 01
- (b) Marketing..... CL NS 03 NR
- (c) ISAs - Crossed Warrants CL NS 07 08
- (d) Pensioners' Guaranteed Income Bonds..... CL NS 08 04

27. **Passport Agency**

Issue of Passports CL PA 01

28. **Personal Banking**

Personal Banking Services CL PB NR

29. **Payment Collection Services** CL PC NR

30. **Parcelforce**

Residential Delivery Trial CL PF 05 02

31. **Royal Mail**

- (a) Format Based Pricing CL RM 04 NR
- (b) Millennium Moments..... CL RM 05 06
- (c) Royal Mail International CL RM 06 NR
 - Tariff Changes

32. **Utilities** CL UT NR

33. **DVLA**

- Motor Vehicle Licences..... CL VL 04 02 NR
- Proposed Changes
 - Graduated Vehicle Excise Licence
 - Motor Vehicle Licences - Northern Ireland

34. **Water Authorities**..... CL WA NR

35. **Organisations**..... FM OO NR

36. **Conference Resolutions 1999**

- 99/RB1(F)..... Resolution 20 of 1999
- 99/RB1(Q)..... Payment for certificates of posting
- 99/2,3..... Product payments
- 99/4..... Training sessions National Minimum Wage
- 99/5..... Recovery of loss of assigned office
- 99/6..... Pay for double payment days
- 99/10..... Automation payments policy
- 99/13..... Payment for selling Postal Orders
- 99/15..... Payment for promoting products
- 99/18 to 22..... Review of holiday, sickness substitution allowance agreement
- 99/23..... Higher share of contract prices
- 99/RB2(E)..... New disciplinary guidelines
- 99/25,26,27..... Greater commercial freedom
- 99/31..... Recruitment scale - MSPOs
- 99/32..... Appeals procedure
- 99/34..... Extended hours of business trial
- 99/35..... Extension of hours outside core hours
- 99/37..... 3 months termination of contract, extend to 6, where no loss of funds
- 99/RB4(E)..... Subpostmasters callout to alarm without police support
- 99/47..... Security improvements by POCL, agreed time scale
- 99/48..... NACOS approved security engineers
- 99/49..... Unified repair package for approved schemes
- 99/50..... Losses during Cashco deliveries
- 99/51..... Cashco deliveries outside normal hours

A/4 SPARE HEADING

A/5 SUB-COMMITTEE REPORTS

A) PUBLICITY AND DEVELOPMENT COMMITTEE

1. REPORT PREVIOUS MEETINGS

- P & D MEETING** - 26/27 July 1999
- 23/24 August 1999

2. FEDERATION MEMBERSHIP

- | | | |
|-----|--|---|
| (a) | FEDERATION ANNUAL CONFERENCE
Annual Conference - 2000 Eastbourne 15-17 May
Annual Conference - 2001 Llandudno 14-16 May | FM AC
FM AC 2000
FM AC 2001 |
| (b) | MEMBERSHIP
Membership Recruitment
Training Branch Secretaries | FM MS
FM MS 03
FM MS 04 |
| (c) | FEDERATION PUBLICATIONS
"The Subpostmaster"
Subpostmasters' Handbook | FM PB
FM PB 01
FM PB 02 |
| (d) | FEDERATION PROMOTION & PUBLICITY
Sub Post Office Exhibition NEC 9-10 October 1999
Federation Posters
Caring for Customers Campaign | FM PP
FM PP 01
FM PP 02
FM PP 04 |
| (e) | FEDERATION PUBLIC RELATIONS | FM PR |

3. CONFERENCE RESOLUTIONS 1999

4. FUTURE DATES & VENUES OF EC MEETINGS

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
- (ii) Propaganda Reports FM OG 05

B) FINANCE

- (i) Treasurer's Report FI AC 02
- (ii) Management Accounts 30.6.99 FI AC 02
- (iii) Composite Branch Return FI CO 03

C) JOURNAL

- (i) Editor's Report FM PB 01

D) TRADING

- (i) Insurance FI ES 02

A/7 **CONFERENCE RESOLUTIONS PRIOR 1999**

A/8 **CONFERENCE RESOLUTIONS 1999**

- 99/65 Purchase of stamps on account from sub post offices
- 99/72 Issue of game licences
- 99/77 Savings account for small savers
- 99/78 Opening of personal bank accounts
- 99/79 Redesign of new Savings Bank account opening forms
- 99/82 Access to the full range of Royal Mail's products
- 99/83 Negotiate higher level of compensation payable for insured services

A/9 MOTIONS TO THE EXECUTIVE COUNCIL

Peter Walsh:

That in view of recent events, there should be a review of the cycle and frequency of Executive Council Meetings.

A/10 DEPARTMENTAL CORRESPONDENCE

(A) FOR DISCUSSION

POST OFFICE COUNTERS LIMITED

Human Resources

1. Annual Survey of NFSP Representation/
Consultation Arrangements..... PC HR 01

Network

2. (a) Weekly Summary of Stock Issue and
Reconciliation..... PC NW 08 01
- (b) Change to Standard Issue for Motor Vehicle
Licence PC NW 09 06

SubPostmaster's Contract

3. Christmas and New Year Arrangements 1999/2000 PC SC 05 01

POCL CLIENTS

Foreign Exchange

4. (a) Bureau De Change CL FX 01
- Take off Tuesday promotion
- (b) Bureau De Change Pre-Order CL FX 02
- Take off Tuesday promotion
- Acceptance of Debit/Credit Cards

Girobank

5. Winter Fuel Payments 1999/2000 CL GB 08 12

Inland Revenue

6. Working Family Tax Credit (WFTC)
and Disable Persons Tax Credit (DPTC) CL IR 01

Royal Mail

7. Campaign to Halt Underpayment CL RM 05 05

DVLA

8. Photocard Driving Licence Applications - trial CL VL 04 03

A/10 (B) FOR INFORMATION

Commercial

1. Market Research PC CM 02

Network

2. Helpline Update: PC NW 10

Quality

3. Disability Discrimination Act Research PC QY 01

Sub-Postmasters Contract

4. Centralising Quality of Performance for
Agency Client Data PC SC 06

POCL CLIENTS

Benefits Agency

5. Liaison Meeting with POCL Benefits Distribution Team..... CL BA 01

Foreign Exchange

6. Bureau De Change Pre-Order CL FX 02
- Take off Tuesday promotion

National Lottery

7. Millennium Dome Ticket Sales CL LO 04

8. National Savings

Interest Rate Charges CL NS

9. Passport Agency

Passport Extensions..... CL PA 01

Parcelforce

10. (a) Royal Mail and ParcelForce WorldWide
Tariff changes..... CL PF 04
(b) DPI Labels CL PF 05

Royal Mail

11. (a) Recorded Label CL RM 05 02
(b) Millennium Stamps - Market Research..... CL RM 05 05
(c) Changes to the Re-Direction Services..... CL RM 05 07
(d) Changes to International Tariff October 1999 CL RM 06 01

A/11 REPORT ON CENTRAL APPEALS

A/12 GENERAL SECRETARY'S REPORT

Employment Tribunal - Mrs Elizabeth Bain

NFSP Representation/Consultation Arrangements

A/13 NFSP TRADING LIMITED

A/14 EXECUTIVE OFFICER'S REPORTS

A/15 MATTERS RECEIVED TOO LATE FOR INCLUSION ON AGENDA

A/16 ANY OTHER BUSINESS

REPORT OF A MEETING OF THE NATIONAL EXECUTIVE COUNCIL

held on 18, 19 and 20 October 1999
at the ABBEY HOTEL, MALVERN

<i>Present:</i>	Mrs J Kendall	National President and Chairman
	Mr N Bradbrook	Mrs P Jervis
	Mr J E M Burford	Mr C Jones
	Mr A R Butlin	Miss C A Lindon
	Mr M Challinor	Mr D F Marshall
	Mr M Darvill	Mr H Morgan-Jones
	Mr R Edmondson	Mr J Peberdy
	Mr B Ingham	Mrs S Reeves
	Mr J Jannetta	Mr P Walsh
	Mrs P M Jenkins	Mr J Willshaw
<i>In attendance:</i>	Mr C Baker	General Secretary
	Mr K Davis	Assistant General Secretary
	Mr P Heasman	Assistant General Secretary

THE NATIONAL PRESIDENT welcomed everyone to the meeting and took the opportunity to especially welcome MRS REEVES to her first Executive Council meeting, expressing that she was sure to be an asset to the Executive Council as she is known to be forthright in her opinions. A welcome was also extended to MR BRADBROOK. THE NATIONAL PRESIDENT though expressed that no doubt all the Executive Officers were shocked and saddened to find out that MR ABERNETHY was no longer a member of the Executive Council. He has been wonderful in Northern Ireland. THE NATIONAL PRESIDENT informed the Council that MR AND MRS ABERNETHY had been invited to attend dinner on Tuesday in their honour and she hoped everyone would attend. THE NATIONAL PRESIDENT had received a letter from MRS LINDON offering her apologies but she would have to return home Tuesday evening as she could not find cover for her at the post office. Everyone no doubt would understand her situation.

THE NATIONAL PRESIDENT advised the Council of some papers that required a reference to be amended or moving to another part of the agenda and that MR PEBERDY would report on some items even though they were marked No Report.

MR EDMONDSON referred to Tom Coleman's letter dated 27 September 1999 which was circulated to the Executive Council under A12 on the 29 September. This letter made clear that POCL did not want the Executive Council to get involved with the organisational changes within POCL and MR

EDMONDSON asked if the Officers wanted to say anything before Mr Main's presentation.

A/1 REPORTS AND RESOLUTIONS

Executive Council Meeting held on 21, 22, 23, 24 March 1999.
Special Executive Council Meeting held on 16 May 1999.
Post Conference Meeting held on 19 May 1999.
Executive Council Meeting held on the 21, 22 and 23 June 1999.

These reports were approved and signed as circulated.

DECISION

A/2 MATTERS ARISING FROM THE REPORTS

There are few minor amendments to be made to the Minutes of the Executive Council Meeting held on 21, 22 and 23 June 1999. MR BUTLIN requested that the paragraph relating to Post Haste be re-written to reflect that he was not talking about an incident but it was something that he heard about.

ACTION

On page 40 of the Conference Report change "to" to "from" with respect to the binding of the report.

On page 19 under the section entitled "Trauma Care Programme change "Regional Secretary" to "Regional Security".

ACTION

THE NATIONAL PRESIDENT handed over to MR PEBERDY to report on the A3 section of the agenda.

A/3 REPORTS OF MEETINGS OF THE NEGOTIATING COMMITTEE

MR PEBERDY explained that the Negotiating Committee had tried to build in changes to the way that the report was given to the Executive Council. He would not report on items marked with NR (No Report) unless information had been received after the agenda was circulated but the Executive Officers could raise any queries.

1 POST OFFICE GROUP

1(a) Board

PO BD

MR PEBERDY explained that SCS at Board level are continuing to move and the main work has been on the White Paper. A new 5 year strategic plan has had to be re-written for Government due to the changes in the Horizon platform. The GENERAL SECRETARY meets with the Corporate Board so

he is kept up to date with the strategic direction. The GENERAL SECRETARY'S report follows later.

1(b) Shaping up for Competitive Success

PO BD 03

Newsbrief circulations have advised us that cash handling and logistics and distribution have been moved. Security has also been separated and will be dealt with at Corporate level. The GENERAL SECRETARY continued with the report. A booklet entitled *Post Office Network - an introduction* was circulated and the structure on page 6 reviewed. However, the GENERAL SECRETARY pointed out that an article in the October edition of the *Courier* differed. This will be looked into.

ACTION

Stuart Sweetman heads up Network Banking and Post Office Network. Customer Management appears under Network Banking and this is very important to us. Post Office Network is one more delivery channel and will be marketed as that. The business units will all have their targets. The GENERAL SECRETARY has raised the Federation's concerns with John Roberts but he has been assured that this new structure is only branding. We are asking not only for a formal interface with Stuart Sweetman and BL but also an interface informally or formally with Richard Dykes and Kevin Williams' new business unit as a body. When cash was with the Counters Business we were able to stop the trial, but if it was under another Group Director's silo they will consider the impact on the network. Discussions are being held with other unions as well as on our own.

MR INGHAM said that it appeared that SSL had quite an input and asked if this booklet was aimed at subpostmasters. The GENERAL SECRETARY explained that it wasn't and was aimed at POCL staff. Some of them will lose their jobs and some will be moved. They will be affected before subpostmasters. The GENERAL SECRETARY also confirmed that SSL are not subscribers to PayPoint and are in fact an internal competitor so there is a concern.

MR BRADBROOK pointed out that that we will all have targets to meet and the Directors will be looking after their own jobs. There are three items, profit, longer hours and pressure to sell and POCL will set targets. MR PEBERDY said that he understood what MR BRADBROOK was saying. Everyone will be looking to make profits so it is essential that we get the consultation rates right and that issues which are currently fragile within the network are addressed.

To conclude this item on the agenda MR PEBERDY referred to Newsbrief 99/73 which was circulated on the subject of security. There is a new Head of Security and various territorial people. The last meeting had to be cancelled due to the changes in personnel so we are keen to get a meeting arranged as soon as possible. There is one concern that the new Territorial Security Manager has expressed a desire to continue with Regional Security Forums.

During the course of the meeting THE NATIONAL PRESIDENT welcomed Mr John Main, currently the General Manager of the Eastern Territory who gave a presentation to clarify POCL's new network structure now entitled Post Office Network Unit and offered some suggestions of consultation. The main points were:

Mr Main said that this was not at a final structural state yet and any arrangements are interim for the time being. PONU wanted to take the Federation's views into account. To be successful the unit depended very much on it being more market and customer facing than in the past. The market facing will be supported from the service delivery elements so customers and clients will know they are dealing with the Post Office. One point of contact will be through the Corporate Client marketing facing unit. There will be sixteen business units, 17 if Group Headquarters is included. The PONU comprises 90-92% of what was POCL with the commercial team broadly being what has been removed. The old organisation will actually be merged into the new one over a period of months and this will mean a reduction in headcount.

The PONU purpose statement includes:

- to understand and development commercial relationships in order to make itself UK's No 1 choice for the important business of everyday life
- to continue to deal direct with customers
- reducing unit costs and improving quality of service
- regulator - requirements around the Post Office network therefore have obligation in maintaining a nationwide network of post offices.

The Executive Council of the Post Office has two tasks: setting/ deploying direction and managing the direction of performance. The EC is the only body which can set purposes and goals. The rollout of Horizon is a number one Group priority as well as number one in the Unit.

Stuart Sweetman will have a responsibility to the Post Office Board and goals have to be agreed.

Operations will be responsible for negotiating subpostmasters' pay.

Mr Main assured the Council that no individual Business Unit can compromise the Group and say they can provide business cheaper by not using POC.

In answering MR PEBERDY's concerns of Government Gateway in essence having gone to SSL, Mr Main explained the POC's vision has not altered the drive to put Government business through POC. The

fact that it has been moved to another unit should not affect it. POC recognises that if business is lost through ACT then to sustain a network of post offices we have to find new business.

Mr Main confirmed that the major shareholder are the subpostmasters.

Mr Main advised that new business units will be having launch events. These will lay down the new principles, accountability, achieving performance, advertising, consistency conformance. The three General Managers of the Territories are committed to this. When the policies are established they will be deployed. Mr Main advised there would be Service Level Agreements in a number of areas.

With respect to reaching targets Mr Main advised that subpostmasters would have to held responsible if these are not achieved. This has to apply at all levels, sub post offices and Crown offices. However he said not to assume that subpostmasters who don't achieve will be sacked. They will be helped which is no different to how the business is run now. Mr Main confirmed that the reduction in headcount will only be from the employed workforce.

In reply to the GENERAL SECRETARY's question Mr Main advised that Network Transformation will mean as commercial pressures forces changes a policy will be prepared incorporating these changes: Horizon, Security, ISIS will fall within this area.

Mr Main responded to MR DAVIS' question with respect to who we make contact with by saying that we should talk to Mike Granville to work out the detail. Mr Main suspected that we go to the individual who has good knowledge of the issue. He confirmed that they have brought in people with a lot of knowledge, experience and background.

Mr Main moved on to the Territories. He confirmed that the key role in supporting the network was the Head of Operations Support who would be the principle point of contact for Federation officials for the future. He advised that for day to day issues that is the key role. Carol Prizler is General Manager for the West Territory, Jerry Daley for the North and they would be announcing the appointment for the East Territory in a week. He explained that POCL wanted some stability in the new organisation and some people automatically flowed through in the retail line. In the territorial terms they are heads of retail network and there was no flow through for the other jobs. Recruitment was done on paper based interviews.

In response to MR DAVIS' question Mr Main could not give any guarantees that the loop would not affect delivery but the processes put in place would make it less likely for it to happen. If there was a disagreement then the matter could be escalated to the Managing Director.

The GENERAL SECRETARY asked if Mr Main could see a potential dilemma between the good for the individual business and the Corporate good but the response was not too often and there will be occasions when the business unit could benefit. It was also asked if there was a possibility that Group could earn more money by moving cash if not moved through POC. The answer was yes but a decision could be reversed so it could be in the favour of subpostmasters. POC want to do some tracking on the view of the post office franchise, franchise being used in the widest terms.

Mr Main confirmed that Dave Miller will be discussing the external sale of stamps with his fellow Managing Directors.

Concerns were still expressed about the targets that will be imposed upon subpostmasters without them having agreed to them and the territories will be run with a strong focus on performance. Mr Main explained that the targets imposed are dictated or driven by commercial pressures to get a contract. These would then be passed through the organisation. However sales targets are different. The measurement systems are not watertight and there is more work needed in this area.

The QPA has improved considerably but it is still not where it should be. Mr Main advised that pressure will be kept up so mistakes are not made.

Mr Main continued with an explanation that an interim has been done on the final territorial boundaries. They are common geographical boundaries based on post code areas. Completion of the HORN and RNM areas was not possible by the 27 September so HORNS have been kept as they are but should be in place within 12-18 months. The final boundaries will depend on the Horizon rollout and retail line review. This is suspected to be 2001. Mr Main stressed that there is a commitment from them to the Post Office group to complete the final boundaries.

Mr Main moved on to the proposed consultation arrangements. Branch Secretaries would have a formal contact with the RNMs. District Committees (Federation definition) would have a formal interface with the Head of Operations Support but there is a need to discuss how frequent. Executive Officers would have an informal interface with the Heads of Retail Network. The Secretariat (Federation to determine) would have a formal interface with the Agency and Network Transformation Team and an informal interface with Sales and Service General Manager and other Post Office Business Units. It was agreed that Mr Main would have further discussions with respect to the above and respond.

ACTION

MR BUTLIN asked how the Appeals Procedure would fit in the new structure and Mr Main said that there was no answer as yet and he would come back to talk. MR INGHAM asked Mr Main to consider the more serious offences when the Head of Retail would more than likely be involved in the decision the RNM makes. Mr Main said he would take this away. MR DARVILL pointed out that at the moment if a subpostmaster has an appeal he has the right to go to the Regional General Manager and asked where would he go in the future. Mr Main said he didn't know and for the time being it would have to be the Territorial General Manager.

MR DARVILL pointed out that the Executive Officers now have an informal arrangement with HORNS and that there was an additional line manager in the structure. Mr Main advised that the whole of the retail line structure was under review and would be moving to the new organisation anyway. He said that HORN were still accountable for the performance of the RNM.

MR EDMONDSON asked if having had an informal meeting between the Executive Council and an RNM would there still be an ability to have decisions changed and Mr Main replied yes. MR JANNETTA brought to Mr Main's attention that under the present system the Executive Council has a formal interface with Regional General Managers. The new proposals make no provision for that at all. He asked Mr Main if that meant that the new territorial managers don't want to talk to the Executive Council. Mr Main explained that the new organisation is different and contact should be at national rather than territorial level. The appropriate point of contact ought to be the Head of Retail Network. This will be different in Scotland as the North, North West would have the expertise for the issue.

THE NATIONAL PRESIDENT asked if the informality was more a discussion over the telephone or monitored meetings and Mr Main replied it would still be in the form of meetings.

Mr Main confirmed that if there are any disagreement with the interpretation of discussions with the HORN then to go to the General Manager.

Mr Main was not able to advise how the Federation would interface with security and logistics and said that security is not part of the territorial team. He agreed to look into this. He also advised that form stock is now a separate business unit.

ACTION

MR PEBERDY expressed concern that tom Coleman's letter inferred that the Business wanted less interface with the Federation but Mr Main reassured that was not the case and it was in everyone's interest to work closer together. He said he would welcome a response to the

proposal. There is no suggestion that anyone is going to refuse or not want to talk to the Federation. The Federation will want to talk with Dave Miller from time to time and this will happen.

Mr Main confirmed that overall one of the benefits of SCS would be a total saving of circa £4-5 million a year due to a reduction in headcount of 25-30% in support rather than front line service and accommodation savings in the longer term.

In the short term Mr Main said in response to the GENERAL SECRETARY's question that the subpostmaster won't notice much difference. They will notice a clearer and sharper performance over time. By removing a chunk of the overheads will be a benefit to all. POCL believes that a clearer focus on customers and clients will attract new business which has got to be good.

In response to MR JANNETTA's question Mr Main advised that this new organisation will probably have a life of 2-4 years depending on outside changes. He said that we should expect any organisation in a competitive market to change every 4-5 years.

MR PEBERDY asked if there was a service level between the business units and the Territorial General Managers and Mr Main said their role will be to deploy. The formal interface is between customer and network. He is optimistic about the way the new organisation is settling down and doesn't get the impression that anyone is against their cause.

MR INGHAM asked for more facts so subpostmasters are able to give a good service to their customers. Mr Main said that they are committed to give one day a week in the customer facing environment. There is a customer slot on the monthly agenda for feedback. They realise they require first hand experience so they can understand the problems.

Mr Main was unable to comment on what the size of the network would be in the future because it is not known what the future holds in terms of business. We will have to wait and see what the Regulator says and it is not known what impact ACT will have on the business. Some work has already been done with Ian McCartney on what might happen with ACT.

MR WALSH advised Mr Main that there are perhaps 2 HORNS who are not performing so well on accountability and budgetary and are less successful in appeals. Mr Main said that this would be totally unacceptable.

MR MORGAN-JONES asked what would be the business line of approach on supply of posters and materials to promote that particular product and Mr Main confirmed that there were still teams in place.

MR BRADBROOK suggested POCL look at asking Government for a subsidy but Mr Main dismissed this idea. He said that business levels are not declining at a rate of knots and the BA is going gradually while other work is coming in, hopefully with banking in the future. He said that Government's aim was to have less outlets but if we can help them by providing a front line service there is a lot of opportunity. POCL probably won't become a bank unless Government want to pay them to do it.

Report ends.

THE NATIONAL PRESIDENT thanked Mr Main for his presentation which she said was very interesting and the Executive Council looked forward to seeing the results of a consistent approach.

A hard copy of Mr Main's presentation has been circulated to the Executive Council.

The outcome from the above presentation was that the Federation will be putting its own requirements to the Post Office in due course and Federation Headquarters were instructed to proceed along that line.

ACTION

2 GOVERNMENT AFFAIRS

PO PZ

The Post Office Inquiry - Trade and Industry Committee

THE NATIONAL PRESIDENT wished to take matters relating to Horizon, Federation Campaign and Government's White Paper as they exist at the moment.

MR PEBERDY first dealt with the White Paper and advised that the written and oral evidence given to the Select Committee has come to fruition. The evidence Martin O'Neill has given and put to Government is a clear indication of blame on the Benefits Agency for failure. Martin O'Neill also made a suggestion that Government had done a u-turn on the monopoly of stamps and a Regulator should be put in place. This would be important to all of us and we have received a promise that we will have an interface with the Regulatory Committee. This body will have input when an office is established or closed. The Opposition held a two hour debate on the Post

Office and some very valuable information came out of it. Many MPs heard facts they didn't know. Federation Headquarters must be praised for the hard work they have done on briefing the MPs. Martin O'Neill also addressed the fragility of the network and made specific reference to the fact that this was due in part to the withdrawal of the Benefits Payment Card. He finished with saying the Government must consider to pay to support the network which, as MR PEBERDY said, are wonderful words.

MR PEBERDY continued with Horizon. He has heard criticisms that information is not being fed back by written reports. At the first meeting held in June 1999 the group were sworn to secrecy because they are party to a great deal of information about the Post Office, including facts and figures. Just before the change of Minister MR PEBERDY and the GENERAL SECRETARY were pushing that members deserved to know but this didn't materialise. After the reshuffle of Government, Alan Johnson has taken over from Ian McCartney. He was the General Secretary of the CWU and Derek Hodgson was his assistant. The Policy and Innovation Unit has been set up and they will make sure we get our message across. The PIU is good for the network and good for Government. They have copies of the Select Committee Reports which is very important. The Federation are fully involved at two levels. There are likely to be weekly meetings, the Horizon Working Group (HWG) meet monthly and a sub group will meet between those meetings. MR PEBERDY advised that there is another issue with the Benefits Agency. Not only are they not paying for it and then walked away but they want to test the system for six months. Alistair Darling is not agreeable to this. The Minister has got to get all the Secretaries of State together. There was one more point MR PEBERDY wanted to share. Derek Hodgson, the General Secretary of the CWU asked the Minister if Matthew Paynton could be a link person for sending out correspondence. We have been given assurance that correspondence would be sent direct to the Federation and not through CWU. Derek Hodgson is not the unofficially appointed Chairman from the Union side.

THE NATIONAL PRESIDENT asked if there were questions on what had been said so far.

MR BRADBROOK pointed out that the BA, POCL and ICL have caused the trouble and it was obvious POCL didn't want the Federation to get too close. The BA wanted a cheaper system. The subpostmasters investment is at stake and if they lose 30% of their business then POCL will lose business. They are shaping up for competitiveness. MR BRADBROOK continued with the issue of bar coding which would save money for the Post Office, Benefits Agency and Government. The bar code could give all the information required including whether to pay or not, or pay and retain the book. He stressed how the fraud cannot be spotted and the system has got to be changed or we are going to lose the business. MR BRADBROOK went on to say that the GENERAL SECRETARY is doing the Post Office's dirty work. He visits them to fight for the subpostmaster and works very hard.

Government are dictating to the Post Office's terms. He asked for the GENERAL SECRETARY to go in and fight for the subpostmasters' rights.

THE NATIONAL PRESIDENT asked the GENERAL SECRETARY to respond.

The GENERAL SECRETARY said we are not talking about PayPoint here but £8-9 million. The negotiations would have gone wrong as the BA identified rightly to be the villains. ICL are free from blame because they underestimated the size of the task. POCL are to blame because they were naïve and allowed ICL to write the contract. To some extent the Federation must share some of that blame. There will now be a national audit office who will investigate the £8-9 million and a public hearing will be held.

The GENERAL SECRETARY shared MR BRADBROOK's comments with respect to bar coding. The BA could put everything on the bar code but they are not cooperating. Great effort is being made at the HWG meetings to try to persuade them but the Post Office is also working just as hard to make it work. THE NATIONAL PRESIDENT added that even though POCL are hanging the hat on the Federation it doesn't mean that they aren't supporting us.

MR DARVILL expressed concern in the rumours that he has heard that POCL still haven't signed up for Horizon. He asked if it was going ahead and if not we would be in deep trouble. MR PEBERDY advised that Dave Miller had confirmed at the Horizon meeting in the north east that the contract should have been signed and £68m paid on the 10 August. This didn't happen because things weren't right. The HWG was told at their meeting on 11 October of the problems still being experienced such as training, system instability, screen freezing, data integrity, HelpDesk. ICL have been pushed to get it operating to a sufficient level. £68m will be paid on 24 October and 950 offices will be working with 1600-1800 by 7 November. It really is happening. Government have been told that automation of the network will be complete by 2001 and they will not allow this slip. £80m has to be paid just after Christmas. The contract has been signed and accepted though there is a recourse on certain items, failure to pay being one of them.

MRS LINDON thought the Executive Council would like to know that Edwina Parcellle is still campaigning on behalf of the Federation even though she is now retired.

Moving on to the Federation Campaign MR PEBERDY advised that the Liberal Democrats are very sympathetic to our cause. He felt that if we manage to continue to get the support and get the public on our side we should be able to overturn Government's decision on ACT. MR PEBERDY handed over to the GENERAL SECRETARY to continue with the report.

The GENERAL SECRETARY updated the Executive Council with Phase 1 of the Campaign. It was decided at the June Executive Council Meeting to lobby Members of Parliament and stroke the customer. This is having an

impact. Businessmen are going into MP surgeries and the feedback has been staggering. This phase will carry on. A 2-page document **has been/will be** produced which can be left with the MP and there is going to be a reference included in the Queen's Speech which is due around the 19 November. Now the MPs are back from the summer recess it is essential to remind them again before the Queen's Speech.

Phase 2 of the Campaign would be a rally of 1000's of subpostmasters descending on London for the reading of the Post Office Bill. The report on Horizon from the Select Committee recommended that it could be forgotten and the debate of the Select Committee on the White Paper suggested a link between Horizon and the fragility of the network. There is an opportunity now to come in with the BA comments and an intention to have an amendment to the Post Office Bill with respect to the Benefits Payment Card. This doesn't mean compulsory ACT will follow.

Phase 3 would be a full ACT Campaign but we don't want to tip our hand too soon. We don't want petitions or branches of subpostmasters getting together and the GENERAL SECRETARY strongly advised that any pressure from Branches to do something must be dissuaded. We must still be seen as very concerned subpostmasters and the next step is to lobby your Members of Parliament and leave something with them. Alan Johnson is different to Ian McCartney and will steer us to the direction where we are going.

MR MARSHALL asked whether we should be discussing the Campaign with the membership but the GENERAL SECRETARY replied that at this stage he did not think we should and believes it should just involve Federation Headquarters and the Executive Officers.

MR JANNETTA asked if there had been any feedback from the document which had been sent to Branch Secretaries and advised that he was aware that one Branch Secretary had done nothing with it. He also expressed concern over the rally of subpostmasters at Westminster because it was expensive for the organisation before. In his opinion it was not cost effective. Green cards were given to the MPs but they didn't respond. We have got to be sure of its merit before we decide to do it. THE NATIONAL PRESIDENT did not agree with MR JANNETTA's comments and said that the previous attempt had been effective.

In response to MR JANNETTA's question regarding feedback the GENERAL SECRETARY advised that none had been received but it was essential we did and it was up to the Executive Officers to ensure the Branches deliver and feedback to themselves. He reiterated that the previous rally was very effective and overturned proposals meaning that pension and allowance books have been enjoyed for 20 years. The feedback that has been received has been extremely valuable and successful and urged the GENERAL SECRETARY urged the Officers to keep it up. There was one disappointment however. One Member of Parliament has sent a letter to all his subpostmasters in his constituency and not one has replied. This MP is

ACTION

very upset with us. The people concerned have been informed and will make contact with him as he will now need to be warmed up again. We must keep pressing and we must know who has been visited and who sympathises with us or not. Those who resist will build up a resistance and we don't want that.

MR BUTLIN responded to the GENERAL SECRETARY by saying that he thinks it is a mistake to approach the Members of Parliament. He believes we need to educate the MPs rather than individual subpostmasters make contact with them. They do not know what we are paid. MR BUTLIN also did not agree with holding a rally in London. His concerns were how would we get 1000 subpostmasters to London, who would pay them to go, who would cover the office. He said that there are real activists in Branches but there were not many of them left. MR DARVILL responded by saying that we have done it before and we would get them there. The MPs congratulated us on the organisation and the way we conducted ourselves in-house. The vast majority of MPs received the green cards and were happy to talk. MRS KENDALL suggested that POCL may assist by closing post offices for the day so that 18,000 subpostmasters can go. MR WILLSHAW said there had been a meeting with MPs. It was successful and a subpostmaster stayed on to talk to Dr Cable MP. He believes we need to stroke them as much as subpostmasters.

The GENERAL SECRETARY continued by saying that their agenda will be different to our. All politics is local and anything that helps them to get elected is good. The Lib Dems want to embarrass the Government. The answer is not compulsory ACT, the answer is smart card. If action is taken too soon we will close down the opportunity or at best change the decision that has already been made. It is important to get into their manifestos then it will be a campaign issue not just to embarrass Government. If we do our job right it will be a non event.

MR BURFORD returned to MR JANNETTA's comments with respect to the Branch Secretaries sitting on things. This gives reason for concern. He advised that there are no subpostmasters in Scotland approaching MPs. Individual businessmen receive sympathy from them so we have got to make certain the Branch Secretaries get this message across.

In response to MRS JENKINS question the GENERAL SECRETARY confirmed that a briefing pack was sent from Shoreham to Branch Secretaries. In her opinion MRS JENKINS thinks a lot of subpostmasters would be afraid to approach an MP and wouldn't know what to say. The GENERAL SECRETARY explained that it is a slow burning campaign which has been carefully orchestrated but it is time to turn it up. He acknowledged MRS JENKINS point.

MR PEBERDY agreed with everything that had been said and it the Executive Council's responsibility. We are elected. We have got to find out what Branch Secretaries have done as a number one priority. There is some good work filtering back. He went on to share what Alan Johnson had said.

ACTION

Government have suddenly realised that 50% of the network is under threat, subpostmasters are concerned so they have got to find out more. He concluded that he hoped the Executive Council will go away to deliver. THE NATIONAL PRESIDENT acknowledge MRS JERVIS' concerns about a brief for the Branch Secretaries and said that a good one should be produced and provide the Branch Secretaries with as many as they require.

ACTION

MR MARSHALL advised the Council that a meeting had been held with the advertising/PR agency John Walter Thompson who are the largest in the world. They have dealt with Boots, Kelloggs, Shell, Post Office Counters for example. They work very quickly and were very interested. Following discussions on all types of campaigns they have come up with the idea of posters, postcards (24 million) and a pension book cover (5 million) with a calendar on the inside front cover. Samples of these were circulated. The idea is to have 6 different posters so they can run on month by month, the postcard includes a message on the back and can be taken away and it is hoped that the cover for the pension book will be out before Christmas so they can be given away. The campaign is due to start on the 29 November and the posters will appear in the *SubPostmaster* journal.

MR MORGAN-JONES expressed his concerns on the cost of using JWT. He suggested talking to the Post Office which would be a good thing if they joined us. The GENERAL SECRETARY explained that they cannot be seen to be helping in any way and they will remain like that for the time being. The issue of distributing the postcards was discussed and the GENERAL SECRETARY advised that we will see if we can get the postage of the postcards free. It is a question of balance. The yellow in the logo is staying at no extra cost. The important thing is that the postcards go out. Subpostmasters need to be seen to be proactive. The right postcard needs to be given out to the poster being displayed. MR EDMONDSON expressed his concerns on whether the support would be there for distributing these postcards. MR BUTLIN expressed his amazement that he had heard nothing about this campaign until now and felt that something in writing should have been circulated. He was not impressed and did not appreciate receiving a knee jerk. He congratulated the P&D on the amount of work that had been done but was concerned that there could be a considerable cost involved.

MR PEBERDY responded by saying that MR BUTLIN was once a member of the Committee and this campaign has happened very quickly. The GENERAL SECRETARY tried to assure MR BUTLIN and everyone else that it was a small number of people involved. It was a thought out campaign and it was felt a very necessary one. We are looking for devices for sub-postmasters to talk to their customers. One question that the House of Commons has asked is what were we doing to help ourselves. There was no knee jerk but now were in a position to discuss it altogether.

MR JANNETTA suggested that the distribution of the postcards should involve the branches, Branch Committees and motivate the Branch Secretaries. They could pay the postage themselves. They could be told

that it cost a fortune to produce these and now they can do their bit. MR JONES said that they would have to go out on the same day and not every branch could be trusted to do this. He suggested utilising Branch money with Trustee reserves to get the job done. In his opinion central distribution was essential.

MR WALSH believed that on the first hand the distribution has to be done by everyone. If the Branch Secretaries aren't motivated whose fault was that. He said it would have been nice to see the posters etc on a screen so everyone could have enjoyed them at the same time.

In MRS LINDON's opinion she thought it was essential to involve the Branches and they must do it. Any that can't be distributed can be posted out of Branch funds. She thought this was a good opportunity for telling them that these cost a vast amount of money to produce. It is time to regenerate the Federation. We have had trouble on holding back members from doing something. This will generate interest and perhaps is the road we should go down.

MR JONES did not agree and thought this issue was too important to us as an exercise to regenerate Branches. A lot has been tried and it hasn't happened in the past. He reiterated that we do need a central distribution.

MR BUTLIN advised that he couldn't imagine the south west region going out. He said you wouldn't get Branch Secretaries to see ten members in one day. It would be difficult in the south west but it has got to be done correctly and professionally. He suggested that we may have to employ a distribution company.

MR EDMONDSON thought there would be difficulties with displaying the posters as there can be very limited space to put them up. He would like POPOS to be removed. MR WALSH said that as we don't receive an income from POPOS he will cover it up with the posters.

MRS JERVIS said that if necessary the posters would go on her windows. She would make an attractive display and customers would know about them. She was, however, concerned about the cost. She offered to give up her own time to distribute and, if necessary, come to Shoreham. She felt it was important to involve the Branch Secretaries. She has heard time and time again that they are thrilled when someone from the Fed visits them.

THE NATIONAL PRESIDENT asked the P&D Committee what was their intention to find out exactly how many pension book covers etc were required for members and non members as well. MR MARSHALL advised that an estimated average of 250 postcards would be required per office and an average of 300 pension books covers. If it is decided that they should be delivered to Branch Secretaries they can determine requirements. It has been discussed and suggested to select a Region eg the Midlands to identify

a rough correlation of the number of books required. This route could be taken.

MR WILLSHAW asked how the cost of the campaign was going to be met. The GENERAL SECRETARY responded that we will receive a bill from JWT and on the face of it we will take a look at a proper billing exercise.

MRS REEVES agreed that we have got to activate membership and that everything possible has been suggested to Branch Secretaries but it has happened. She felt the same would happen if the distribution of these items was left to them. Also the end of November is the busiest time of the year with Winter Fuel Payments and she did not think we can ask the membership and Branch Secretaries to undertake this. In her opinion a more professional approach is required.

MR JONES was concerned about the logistics of distributing 24 million postcards. MRS LINDON said that we are talking about the future of the network and the investment every subpostmaster has made and the very distinct possibility of businesses being devalued. If we can't get this message home to Branch Secretaries and Committee members we may as well pack our bags. She thought the Branch Secretaries were being underestimated.

MR PEBERDY agreed that it is a huge logistical problem. He suggested that Shoreham provide a sample letter and we direct it. We need to be advised of the dates when these items are available and a decision is required to move this campaign forward.

ACTION

MR DARVILL pointed out that there will a lot of paper involved and could weigh 1½-2 tonnes per Region.

MR MARSHALL concluded that there is a very divided opinion on this issue and the P&D Committee needed to obtain costings for delivery and provide more guidance. He highlighted the confidentiality and asked the Council to honour that.

DECISION

MR CHALLINOR said that 30% of subpostmasters would not see the campaign and asked if the material would be delivered to all subpostmasters and not just members. MR JANNETTA supported this and said that the campaign could be used as a recruitment drive. The last campaign brought a lot of new members. The GENERAL SECRETARY advised that this had been discussed with JWT and it was thought to be good idea for a certain amount of material to reach non members. It was suggested to give them one and if more was required they could then sign up to be a member. MR BUTLIN fully endorsed the GENERAL SECRETARY's comments and said it was an ideal opportunity for branches or committees to deliver and talk to non members and show them what we are doing for the whole network.

MR MARSHALL advised that as far as non members were concerned it was intended to put details of the campaign in the journal with one folder and include a membership form. MRS LINDON advised that the P&D would have to move quickly to make the November issue.

As already mentioned above it was agreed that MR MARSHALL would provide costings Tuesday morning.

DECISION

3. POST OFFICE COUNTERS

3(a) Post Office Counters Board PO PC 02

There was no correspondence on this item and nothing to report.

3(b) Organisation and Development PO PC 03

THE NATIONAL PRESIDENT asked for any response to Mr Main's report.

MR MORGAN-JONES said that it was what Mr Main hadn't said that was important. We had heard what we expected to hear. He was very concerned about where the Executive Council fit in with negotiations. With regards to security if POCL have a policy where they want to introduce it nationally and we have a problem which is not at national level who do we turn to. Do we go back to security or territory. We don't know what the security officers are responsible for and the majority are investigation officers now. Mr Main didn't know. He expanded on Tom Coleman's letter which we were told to disregard. Now we have to wait for him to come back with a response on other items.

THE NATIONAL PRESIDENT said that the presentation covered the whole business not just subpostmasters. She believed that Mr Main tried to be frank and open.

MR PEBERDY pointed out that Mr Main said that the Head of Operations Support was extremely important and would deal with security, HRSAPs, Comms. In MR PEBERDY's opinion he sees the Head of Operations Support equalling Commercial Development Managers and the Horizon Liaison Manager who are people the Federation want to interface with. MR PEBERDY said that it is up to us to go back to POCL to tell them who we want to interface with. MR PEBERDY suggested that Headquarters prepare a paper and circulate to the Executive Council for them to make any comments, agree and return to Headquarters. Headquarters can then make our demands on POCL. THE NATIONAL PRESIDENT pointed out that Mr Main did say it was a proposal. MR JANNETTA felt that we have got to go to them now and there can be no compromise.

ACTION

MR BRADBROOK stressed that we must have an independent arbitrator. The system is corrupted in his opinion. The reshaping of the management team will work all the way down and put pressure on subpostmasters to sell. It is not always their fault when the sales go down. The eventual outcome is the threat of termination of contract.

THE NATIONAL PRESIDENT pointed out that we were supposed to be debating what we should be doing and saying to POCL. Mr Main says the Post Office will be for the network so let's give them a chance.

MR JANNETTA said that clarification is needed and it would appear that the appeals system works different in the south east. THE NATIONAL PRESIDENT acknowledged that this had been heard.

The GENERAL SECRETARY suggested that the Executive Council now allow Headquarters to prepare a paper for their interaction. He did, however, share the comment on subsidy from Government because of what the Select Committee had said in their report about the possibility of getting money from them.

MR PEBERDY's proposal as mentioned above was agreed to take forward with none against.

ACTION

4. OFFSHORE ISLANDS

4(a) Guernsey OI GY

There was no correspondence on this item and nothing to report.

4(b) Isle of Man OI IM

There was no correspondence on this item and nothing to report.

4(c) Jersey OI JY

There was no correspondence on this item and nothing to report.

POST OFFICE COUNTERS LIMITED

5. COMMERCIAL PC CM

There was no correspondence on this item and nothing to report.

6. EURO PROGRAMME

PC EU 01

There was no correspondence on this item and nothing to report.

7. HUMAN RESOURCES**7(a) Transactional Knowledge Review**

PC HR 04

MR PEBERDY asked the Executive Council for permission to discharge this item as it has moved on. It has been looked at, trialled and is now out there. Subpostmasters have been invited to do product knowledge events. It is no longer necessary to negotiate. MR DARVILL mentioned that he understood we were trying to seek payment for attendance to meetings. THE NATIONAL PRESIDENT advised that it could always be brought back if required. It was agreed to discharge this item.

DECISION

7(b) HRSAPS

PC HR 06

MR PEBERDY advised, as everyone was aware, that the new system has been a complete failure. The Negotiating Committee visited Salford on 19 August and tried to put certain things in place. A letter was circulated on the 15 October by MR DAVIS. We have now got to wait and see. It has been noticed that the deductions for the Benevolent Fund are not being made. The pay advices are showing that some have been paid and others not. MR PEBERDY said it was the intention of the Negotiating Committee to make another visit to Salford in November to see how they are progressing. They requested 3 months to sort the problems out. We have requested a Service Level Agreement from them. The design of some new forms is being worked on and we want to be involved in this.

MR EDMONDSON, MR MORGAN-JONES and MRS JERVIS all expressed their concerns about inefficiencies and lack of service from HRSAPs.

MR DAVIS advised that subpostmasters are still facing 2 or 3 problems each week. He is looking into individual cases but if they are moved to the top of the list it means someone else is pushed down. MR DAVIS is also concerned that the Post Office are telling us to sort it out and avoiding their own responsibilities. We will continue to pursue and keep the pressure on. No output has been received from the August visit.

MRS JENKINS asked if we are still receiving a monthly payment from the Post Office from membership. MR EDMONDSON was able to respond that we are receiving a regular payment and it is accurate. He has been advised that the mandates have been actioned but the preparation of reports to be sent to Headquarters is difficult.

8. MAILWORK

PC MP 04

MR PEBERDY reported that a Mailwork Forum was held in August and we engaged with the Business to sort out the payment on vans. It would appear that we are still waiting for information from Royal Mail. Another meeting is required. We think the matter is resolved and then we hear that it hasn't happened. In some cases we have not heard from subpostmasters who are resolved. A complaint has been logged with Mike Granville and his team. There is still a mystery as to where £5 million is. MR PEBERDY offered congratulations to MR WILLSHAW for his work around the Ashford area. The scheme in Doncaster has also been stopped and those subpostmasters retained. THE NATIONAL PRESIDENT pointed out that papers have not been received. Outputs were not received from the meeting held in August.

ACTION

9. NETWORK9(a) Network Forums

PC NW 01

MR PEBERDY reported that a meeting had been held with Alan Barry and Mike Granville to discuss stocks. There is a desire to return to the conditions of appointment issue. Standards are being set but they need to be formalised.

MR PEBERDY advised that an RNM in Leicester has been given the job of reviewing the network. She would actually be doing a trial between South Wales and South West and the Midlands. This was very new information. She had to sign a declaration of secrecy but this would be ripped up if it doesn't happen. MR PEBERDY told of an incident with a post office which was put up for sale but stopped as it wasn't cleared by the RIB. Then twice the assigned office payment was offered as compensation but the subpostmistress was told she couldn't talk to anyone. It followed that there were a couple of similar incidents.

A meeting will be arranged for the Negotiating Committee to discuss network issues with the Post Office.

ACTION

MR MORGAN-JONES expressed his concern as to where the money will be coming from for the Discretionary Fund. He hoped subpostmasters would not be asked to take 1% out of their increment and said he would not be surprised if the Post Office would go down that line. He said he found it disgraceful that someone purchases a post office, improves it but then there is no business for it. That is bad management. How can you represent a member who made a bad business decision in the beginning. This is a worry.

THE NATIONAL PRESIDENT responded by saying that MR PEBERDY didn't say the Federation or Discretionary Fund would be part of this deal. It would only come up if a subpostmaster doesn't have the right to sell. 1% is not actually paid. It is a national amount. MR PEBERDY confirmed there was no mention of Discretionary Fund. The Council should be aware that POCL

might be looking at various methods of shrinking the network. He suggested that nothing should be mentioned for the time being and Executive Officers would be kept informed.

MR DARVILL said that we have got to face the fact that the network is too large to sustain but asked if we are going to investigate or do something so we are in a position to defend.

MR PEBERDY responded by saying that the HORNS are in a dilemma. they are telling Government that the network is to be protected and the Regulator will be requesting the reasons why it should be reduced. On the other hand the network can't sustain itself. There may be a day when we need to do something with different money. The Discretionary Fund is near its limit.

The GENERAL SECRETARY said that we are fighting a campaign to retain the network but there is a private agenda and the Post Office has a similar one. They would have to prove the network is too big. The rural network could be someone else's problem but it is our problem at the moment. The pay system robs Peter to pay Paul but Europe may come in to help. Those are private agendas. A meaningful meeting has not been held with the Post Office yet. As far as the urban network is concerned it was a different problem with a different solution. Maybe this argument may not be a bad way of making two post offices into one if both parties agree. We want to get involved in that but it won't involve the Discretionary Fund. Government have said they will maintain a nationwide network of post offices so we don't want to go to the Regulator and say that we want to reduce it. We want banks and building societies to use it.

MR EDMONDSON asked if anything had been done with respect to MSPO membership. MR PEBERDY said the Negotiating Committee had been asked to come up with a wish list of negotiations to include in the pay claim and one of those items would be MSPOs.

The GENERAL SECRETARY advised that he has met with Fourbouys (who are now with Martins) and Alldays who haven't paid membership since May 1999. He had received a categoric assurance from Alldays that they would resume their membership back from May when it expired but the cheque had not been received as yet. Fourbouys had given a commitment that they would consider and if they come in it would be for Martins as well. We are still waiting for a response. A lot of effort has gone into chasing them.

9(b) Consultation on Network Issues

PC NW 02

There was no report for this item and had already been covered.

9(c) Counter Automation - BA / POCL

PN NW 06 01

Most of this discussion had already been covered under PO PZ. MR PEBERDY said but there was cause for some concern with bar coding books

and Horizon printing Girobank forms. The Post Office and ICL have gone to independent assessors to check the bar coding and a report was expected last week. The rollout will stop on 7 November when everything will be reassessed. The reports should be provided at the Horizon Working Group meetings. The Negotiating Committee have received draft proposals to deal with the offices which can't be solved.

THE NATIONAL PRESIDENT advised that the Post Office and BA have been into an office in Newcastle for a week and found no problems with the bar code.

MR MARSHALL showed the Council the gift received from Bruce McNiven sent to 300 offices, subpostmasters and assistants thanking them for their time and effort. He understood that many have been sent back. MR MARSHALL asked what would be checked in the 2 month break. There are still concerns about balancing which is taking far too long, is not user friendly and is too complicated a system to adopt. The focus groups decided with Bruce McNiven have not happened and now he has been moved. Hopefully they will be happening again but there are lots of things still not working.

MR BUTLIN pointed out that the south west area was going to be the last for Horizon to be installed. However bar coding is not a problem in this area. He hoped the 2 month break would be used to rectify the problem and said there is no reason why Horizon can't balance at closing.

MR EDMONDSON advised that the Minutes of the north east meeting which were 10 pages long had been circulated. Some of the offices had been included in the trial. A questionnaire had been sent to all these offices. At the end of the meeting the attendees were asked if they would like Horizon scrapped. Everyone agreed to stick with it but halt and reintroduce it right. Complaints were received on balancing and training though some trainers were excellent. After having received training some subpostmasters did not feel competent to do a balance. He explained that one subpostmaster ended up with a breakdown through the stress and pressure and many were very distressed. MR EDMONDSON went on to say that we have got to back Horizon because we want it to happen but asked are we being fair to subpostmasters. He felt that we have got to go back to the Post Office and get them to get things right before national rollout.

The GENERAL SECRETARY responded saying that the difficulties are known and there are a number of issues. The modifications required are costing an additional £13m and will be marketed as a success for the Federation. He went on to say that in spite of the pressure Ian McCartney put on Dave Miller, Ian McCartney was of the view that Horizon had to make the deadlines. Alan Johnson has a different view. When Dave Miller asked him if he wanted Horizon to rollout he said no, not until it has been improved. Different training and software was essential. We can claim credit that the programme was brought forward to stop at 7 November. The review will answer questions to everything and we will be involved as users. If it is still

not right in January it won't rollout any further. £60 million has changed hands but that's not all. The next payment is meant to be £85 million but they will be holding back £5 million as too many things are still wrong with it. These 2 months are very important and it is essential the deadline of 2001 is met. 1600 post offices will have been automated by 7 November.

MR DARVILL brought attention to the fact that allocation of equipment was given before a survey was done and it was found that the printer had to go into the footwell. This meant that staff could not sit down and had to crawl on the floor to use the printer. MR JANNETTA thought we were being shortsighted with respect to the ceiling of £4 million for office modification. He would like the ceiling to be raised. MR PEBERDY offered a word of caution on this point. MR BRADBROOK pointed out that Tesco and Sainsbury for example would not put up with the problems subpostmasters are experiencing with bar codes and said that for a company which is making millions of pounds POCL is not up to scratch.

THE NATIONAL PRESIDENT asked if there was any discussion required.

The GENERAL SECRETARY raised the issue about Health and Safety and screens as there were a number of people who are concerned. He reminded the Council that a booklet was issued to every subpostmaster some time ago. An extract on the Horizon equipment does fall under the display screen regulations but does not apply at present because the operator does not use the equipment enough to be certified as a user. This has been accepted by the CWU and CMA.

MR EDMONDSON advised that it could be worthwhile for subpostmasters to acquire a copy of the Health and Safety Act. He gave an example of a subpostmaster quoting from it when equipment was being installed and the engineer decided to back down.

9(d) Cash Services National Meeting

PC NW 09

MR PEBERDY reported that a circulation has already been sent out. Meetings have been held with the new Cash and Distribution Unit and two figures have been offered to the Negotiating Committee for payment on Christmas and the Millennium. MR CHALLINOR had prepared a slide presentation but unfortunately THE NATIONAL PRESIDENT had to move the meeting ahead. She apologised to MR CHALLINOR for going to the trouble of preparing the presentation and not having the time to view the presentation.

MR PEBERDY went on to say that there are huge concerns by all banks and cash providers of what is going to happen over the length of time, the potential fears of the Millennium Bug and running out of money. Guesstimates have been made of £8 billion being required. The Post Office have expressed their concerns that BA are going to issue Winter Fuel Payments over two separate periods. The first stage is from 8 November

when 1½ million cheques of £100 will be issued and the second stage of 5¼ million cheques, ½ of £50 and ½ of £100 will be issued on the 22 November. The payments will be issued over our counters. Along with that will be the £10 Christmas bonus being issued on 6 December and the winter fuel cheques will be cashed around the same time. Therefore, the Business have decided that they will not be making additional funding this year without subpostmasters ordering it to cover the £10 bonus payments. The Negotiating Committee have seen the draft instruction and have made some alterations. Advance payments of pensions and allowances will be made as follows:

Christmas Eve	-	due 17 December
27 December	-	due 20 December
28 December	-	due 21 December
31 December (Bank Holiday)	-	due 29 December
3 January (Bank Holiday)	-	due 29 December

Even though offices in Scotland will be open on 4 January, the BA have insisted that benefits due that day are to be paid on 29 December. Preorder coins for delivery in certain weeks and £2 coins week commencing 6 December. Each individual office will also receive a letter advising them of the proposed funding arrangements and will be requested to amend if necessary. The problem will be offices not having enough space. We have spoken to Security and Audits. They realise there will be a problem and they have said they won't hold the subpostmaster responsible.

Concern was expressed from MR JANNETTA, MR BRADBROOK, MR EDMONDSON and MR MORGAN-JONES with respect to automatic defunding after the holidays, the Post Office appearing to think they know more than subpostmasters, the possibility of too much money being supplied and how they worked out their figures.

MR DAVIS was able to assure the Council that subpostmasters have the opportunity to change what the Post Office suggest. He advised that a very important message to report back to members was to contact Cash Management. He confirmed that POC had based their planning on industry standards which involved all the banks who have been tracking customer requirements. Additional notes were being printed purely for the Millennium and they were quite happy to over fund so subpostmasters had more money rather than the reverse. Secure carriers have the same problem. POCL had been receptive to what the Federation have been saying, particularly on security which was the most vulnerable. He advised that the Federation had had input into the letter dated 25 October which would be sent to RMNs. Although not totally happy because of the massive funds offices would be holding given the criteria it was the best possible. MR DAVIS was pleased with the level of consultation. MR BUTLIN congratulated Headquarters for having some input into this issue. MR JANNETTA asked if subpostmasters could be contacted before defunding. MR PEBERDY said that this would be taken back to POC.

ACTION

THE NATIONAL PRESIDENT said that the agenda had to moved along and MR JANNETTA requested that the discussion be consistent with other subjects.

9(e) Shortage of £20 notes

PC NW 09 03

There was no correspondence on this item and nothing to report.

9(f) Stock Services

PC NW 09 06

Secure Stock Quarterly Meeting

MR PEBERDY reported that quarterly meetings have been held at Hemel Hempstead. The output from the meeting on 2 September has been circulated. The next meeting is scheduled for 26 October at Hemel Hempstead to discuss Christmas arrangements and the revised stockholding policy for outlets. A letter from MR DAVIS dated 11 October 1999 to Dermot Martin had also been circulated with respect to the internal logistics review where we brought to their attention the problems that we are experiencing.

MR DARVILL pointed out that a lot of errors were happening due to the design of the order form, for example if 10 sheets of stamps were ordered and only 10 stamps were received. There was no emergency delivery now and Royal Mail can't handle the numbers of special delivery out of Hemel. In MR DARVILL's opinion as more orders go to Hemel the problem will worsen and will return to having to wait for two weeks to receive stock.

MR PEBERDY advised that Hemel are now presorting the special delivery items because of that problem and it is understood that problem is now cured. If that is not the case then the issue will be raised again.

THE NATIONAL PRESIDENT asked for any problems to be directed to MR DAVIS. She asked for no more discussion on this matter.

MR JANNETTA continued to advised that it now takes 20 minutes to prepare an order. When Hemel receives it they can't read it. They don't return a copy with the order so it can't be checked. He does not understand how this ordering system was accepted by the Federation but if it can't be changed then he insisted that a copy must be returned.

MRS REEVES raised a question about stores. Was the faxable preprinted form from Swindon still happening. Was it known how long the trial at North Thames & East Anglia was going on for. She had expected to see an item reported at the last meeting and asked when it was discussed within the Executive Council. This issue has not been reported before or at this meeting.

In MR BUTLIN's opinion the Federation should not have agreed to the trial in the first place as more work was required and there had been no agreement on the pay claim.

MR PEBERDY explained that the computer checks the value and will pick up any errors. A disk is currently being trialled and enquiries will be made at the next meeting as to the status. MR DAVIS advised that the current system in use at Hemel cannot cope with anything different and cannot be changed yet. MR JANNETTA found it unbelievable that that their system couldn't cope with ordering stock by number and stressed that we must tell them that we need this. THE NATIONAL PRESIDENT reminded everyone that the Federation represents all members and that the Negotiating Committee would no doubt make their feelings more strongly than MR JANNETTA had.

ACTION

In response to MRS REEVES question MR PEBERDY advised that there was a card produced to order by fax but it was too thick. He understands that an alternative was being worked on so it could be faxable. MR DAVIS understood this had been produced. He will check with Dermot Martin at their forthcoming meeting.

ACTION

Revised Stockholding Policy for Outlets

MR PEBERDY reported that a paper had been circulated on 6 July 1999 requesting comments by 15 July. On the basis that the trial was for 2 months as agreed the Post Office were adamant to push ahead with it. MRS REEVES pointed out that there may have been a difference of words. The paper had asked for a minimum of 2 months for the trial which she felt had left it rather open ended. MR DAVIS could not advise the results of the paper ballot as he hadn't got the papers with him but he could give categoric assurance that the results was that the trial could go ahead and he pointed out that the letter sets out our terms for the trial. The trial must be evaluated in January 2000 and POC have said that they will not rollout the policy until the trial has been properly evaluated and the Negotiating Committee would not want to agree to rollout if the success criteria was not achieved. We have asked them to record all enquiries on the trial on their own helpline.

MR WILLSHAW asked how many people responded and what was the response. He said there have been no other meetings to discuss this and it was a very serious subject.

MR DAVIS responded that if there was a suggestion that the papers were being used to avoid a decision or discussion that was not the case. He thought the majority probably did not reply but he would always act on replies received.

MR EDMONDSON pointed out that the Washington stores would cease to exist on 25 October but nothing had been received. He wondered if that was exceptional or should they have been received. MR PEBERDY advised that a letter was sent to Dermot Martin on 11 October requesting a date as there

ACTION

had been no confirmation on this. No response had been received. THE NATIONAL PRESIDENT said that the matter would be taken up.

10 SECURITY

10(a) POCL/NFSP Meetings

PC NW 11 01

There was no correspondence on this item and nothing to report.

10(b) Regional Security Forums

PC NW 11 01

MR PEBERDY advised that correspondence had been circulated on 18 October with respect to Tim Wheeler's departure and other staff changes. A meeting with Tony Marsh, Head of Security is being sought. Although security is being brought back into the Centre there are signals that there is going to be Regional Security Forums. With THE NATIONAL PRESIDENT's permission it proposed that Mike Wood be invited to next year's conference. He is a friend of the Federation and has done a great deal for subpostmasters. This proposal was agreed.

DECISION

MR BRADFORD made a point that at a Regional Security Forum in the south east they did not like criticism and gave 5 minutes to attendees.

10(c) Equipment

PC NW 11 02

Access Doors

Some time ago MR DARVILL had suggested to the Council that it be put to the security people to move the door locks up and so it wasn't so easy for people to get their hand through a gap but this suggestion has not been taken up.

MR BUTLIN had previously asked in June what the situation was if someone wanted to buy Screen 2000 on a joint basis. He had been told this was still available but the security people in the region have advised there is no budget. He asked that this be taken up with Territory.

MR BRADBROOK stressed that more Screen 2000 would make the problem worse. The door has to be sorted out first and requested that someone listen and strive to solve the problem. THE NATIONAL PRESIDENT acknowledge that the problem had been heard.

Anti-intruder Alarm Grants

MR JANNETTA asked where the claim for annual maintenance grant was to be sent now and it was confirmed that they be sent to HRSAPs.

MRS LINDON advised that the new Screen 2000 parcel interchange unit is easily kicked in and requires looking into.

The GENERAL SECRETARY responded to these issues. With respect to the access doors this issue had been raised with security and now will have to be readdressed. The old agreement of 55/45 is still in place for Screen 2000 payments but there is no budget for it at the moment. The GENERAL SECRETARY confirmed that the matter of the transfer unit will be raised with POCL.

ACTION

MR BRADBROOK expressed his concern with respect to the amount of money that will be held in the post office for Christmas and the security issue with the doors. He asked that it be made clear at the security meetings that we do not want the RNMs coming in and saying how much the subpostmaster has to pay following a robbery.

MR CHALLINOR advised that the HR Service Centre are not doing annual maintenance grants and the Regional Security Team are still doing them. MR DAVIS confirmed that following the meeting on the 19th POCL were asked the question and were told that the anti intruder alarm grants had gone back to security for processing and to be advised. This still hasn't been cleared as far as MR DAVIS knows.

10(e) Trauma Care Programme

PC NW 11 03

There was no correspondence on this item and nothing to report.

11. PRODUCT RANGE

PC PR

MR PEBERDY requested that this be discharged from the agenda as there was nothing to report and this item has been included in bill payment issues.

DECISION

12. QUALITY

PC QY 01

MR PEBERDY believed that POC should be congratulated on this item. Disablement & Disability Act was the main focus of their stand at the Exhibition, they have issued a CD and the seminar was very good and they are supporting subpostmasters with it. Our concerns have been flagged up to them and it has been agreed in discussions of the Losses and Gains Policy that these issues will be addressed. They are doing a good job.

13. SUBPOSTMASTERS' CONTRACT

It was THE NATIONAL PRESIDENT's intention to discuss Mrs Bain and all items relating to the National Minimum Wage etc. Correspondence has been received from the Low Pay Unit. All of this was discussed.

The GENERAL SECRETARY advised that the letter from the Low Pay Unit has been faxed to the solicitors, Clifford Chance. THE NATIONAL PRESIDENT, MR PEBERDY and the GENERAL SECRETARY met with them and they are considering the implications of Mrs Bain's case on

subpostmasters generally. An interim verbal report has been received. The Low Pay Unit are supporters of the case in the sense that one subpostmaster has been actively engaged with them. They have made some fairly sweeping statements which are a little disturbing. The GENERAL SECRETARY explained that the Low Pay Unit is a charity which does some good work and act for the low paid. The letter was reviewed and the Federation needs to take much caution with the sweeping statements with respect to hours of attendance and set hours. The letter does recognise the difficulty of the Federation to preserve the freedom of subpostmasters and understands the dilemma as the offices vary considerably.

The privileged information is that Clifford Chance have said that the Bain's case looks almost certain to win. If the Post Office challenge it the Post Office will go down. This is a product of extreme facts in the Bain's case. She works 37.5 hrs for that much money. There are 280-300 other subpostmasters in that category who are full time but earn the minimum payment. The subpostmasters employed by Fourbouys, Alldays, Martins etc would not be within the legislation as they are employed by someone else. The other subpostmasters vary considerably in the way the office is operated so each case would be different and would have to be considered on the merit of that one case. The solicitor has suggested the Post Office might want to test this and suggest if possible we try to do it together to select tiers of different types of subpostmaster and test the contract to see whether or not they qualify. The timeframe could be 2 to 3 years and end up in the House of Lords. You could be entitled up to the National Minimum Wage even if you give no time to the business. The Working Time Regulations would also mean that a subpostmaster would be entitled to 4 weeks holiday. This is why each subpostmaster would have to be judged on its merit. The solicitors are also reviewing the removal of staff and non staff costs. The implications for the network judged by the hours being divided by the net pay would mean many more subpostmasters not receiving the National Minimum Wage if the costs can be renewed. However, the Working Time Regulations could still apply and there is an issue how the Post Office would deal with providing cover for 4 weeks holiday. The implications for the network are there to be seen. The solicitors have also said that the Post Office can change or revise the contract unilaterally. The Post Office is considering their position. The working assumption is that the Post Office will appeal. The solicitor says that the Post Office is in a very difficult situation and it will be up to them and individual subpostmaster to prove that they are in business on their own account and have a portfolio of interests like a grocery shop and a post office. Therefore you might get outside of the definition of worker. But if a subpostmaster is within the definition of worker and the Working Time Regulations apply then the costs of running the network would significantly increase and therefore a network review would be much more rapid than currently envisaged.

MR BRADBROOK pointed out that the Post Office is in a very difficult position because the Government won the election on National Minimum Wage and it would be difficult for a department such as the Post Office not to

agree to pay. He does not think we should get involved. With respect to the 4 weeks holiday MR BRADBROOK thought that this should be paid the same way as POCL pay their staff and subpostmasters could be much better off with the work being done for us. The press will pick this up and he is sure that we can fuel the press to get a good write up for ourselves.

MR JANNETTA pointed out that the letter from Mrs Bain dated 19 April requesting financial assistance was not circulated until after the case was heard with the GENERAL SECRETARY's response. He pointed out that the Federation, especially in Scotland, got a lot of flack from the press because they picked up on the fact that we did not pay her bill to go to the Industrial Tribunal. In his opinion the Federation will be in more trouble if we don't support her with financial assistance for the next stage. He made the point that the Federation can't influence the decisions now but if she wins this will affect all those subpostmasters that are in the same category as her and if we don't support her the Federation will end up with a lot of egg on our face.

MR BRADBROOK replied that if we support one case then we would have to support all the others. This could cost thousands. The legislation has only been in for 6 months brought in by the Labour Government and it is being challenged by an individual.

MR WALSH agreed that Mrs Bain should be supported by the Federation but for the right reasons only.

In MR BUTLIN's opinion a decision has got to be made one way or the other. We can't give her moral support and not financial support and vice versa. But when he has explained his own personal opinion at meetings the members have understood where the Federation are coming from. MR BUTLIN does not want to be an employee. This will mean that the Post Office will cut hours. He believes that more legal advice is required before a decision is made and would like to see more information and comments from Post Office Counters. What happens if they win the appeal.

THE NATIONAL PRESIDENT reiterated that the decision was not that Mrs Bain was an employee but that she was a worker. If the Post Office does not appeal then it will go to a Merit Case who would decide how much award would be given to her and arrears if any should be paid and the Act only came into force in April 1999.

MR JONES agreed that we are not in a position to make a decision today. He reminded the Council that Federation's policy has always been not to provide legal support. If we supported one case we would have to support others. He personally would also like to see legal opinions.

MR BRADBROOK reiterated that we should not get involved with this particular case as we didn't start it. We can provide support by talking but not financial. There would be further implications and the Post Office could

say that perhaps there is something wrong with the contract. He believes we should take a step back and leave it to the Post Office to take the flack.

THE NATIONAL PRESIDENT pointed out the wider implications because we have an opinion that it rolls over to Working Time Regulations.

MR PEBERDY said there are two distinct issues. We have got to wait for advice a see how it sits with the ramifications of everyone else's contract. We could find we are addressing something that doesn't suite all subpostmasters. The Post Office have only got 42 days from 23 September to decide to show their hand. We would need to know how much this case would cost and how long it would take. The solicitors have warned that the costs could end up in the House of Lords. He said that it is the Federation's job and there may be letters prepared at Headquarters that the Council are not aware of.

The GENERAL SECRETARY responded that there have been many applications for financial assistance and not one had been successful so far at a Tribunal. The decision was made to continue the policy set by the Executive Council. If Mrs Bain had lost this discussion would not have happened. Others have not been debated because they were kicked out. We must await the solicitors' opinion and wait to see if the Post Office appeal.

MR PEBERDY said that Mrs Bain's latest will be circulated to the Executive Council with a copy of the Judgement for deliberation and response to Mrs Bain.

ACTION

THE NATIONAL PRESIDENT asked for any requests. MR EDMONDSON proposed that the GENERAL SECRETARY replied to Mrs Bain saying that after due consideration the Executive Council had decided that at the present time the Federation was not in a position to offer any financial assistance. The position would be reviewed as information comes forward.

MR BUTLIN preferred that it be said that it has always been the policy of the Federation not to provide financial assistance in legal cases and expressed that his view remain unchanged.

These proposals were not seconded.

MR JANNETTA responded that it has always been the policy of the Federation to support members in litigation. But in this case the first hurdle has been won. The Tribunal were now taking on the Post Office. This member has asked for representation and he could not see how the Federation could refuse to support her.

MR WALSH said that he was happy to second MR EDMONDSON's proposal.

MR DARVILL reminded the Council that financial assistance had been offered in Northern Ireland so it could not be said that the Federation's policy

was not to support a member. He agreed with the GENERAL SECRETARY that we haven't got the full story yet. Mrs Bain may not need financial assistance. He agreed that we wait and see what the outcome is.

MR WALSH sympathised with MR JANNETTA but felt that we should show some sympathy towards Mrs Bain. However, if it is a no win no pay situation why should we supply finance.

The GENERAL SECRETARY pointed out that Mrs Bain's second letter was not asking for money but support. If the Post Office do not appeal then Mrs Bain and the other 280 subpostmasters would get the National Minimum Wage. But there could be another Employment Tribunal the very next day in a different category and we would not have control of the situation. This is in the hands of the legal people and we are recipients of what's going to happen whether we supported Mrs Bain or not. We need to understand the implications of Mrs Bain's case for every subpostmaster. This could be the Pandora's box that closes the network therefore the GENERAL SECRETARY advocated no action yet.

MR BURFORD endorsed everything the GENERAL SECRETARY said even though this case was within his region. He advised that he had addressed 3 branch meetings and when he explained the situation they endorsed what the Federation had done. He reminded the Council that Mrs Bain became a Cash Account office which made her revisit what she was doing and being paid. Peter Abraham was very supportive and advised that we were very cautious and make sure we acquire all the information required and was very supportive of what the GENERAL SECRETARY had done and said so far. MR BURFORD believed we were on the right course.

MR PEBERDY in his opinion believed another holding letter was required saying the Executive Council have debated the issue and feel that sufficient facts having taken further legal advice themselves on the implications for the network as a whole are not yet in a position to fully quantify your request. The Executive Council also ask her what she means by "prepared to take this into the next stage as a Federation representing us should the hearing vote in my favour". This kind of letter does not close the door.

MRS LINDON asked for guidance on whether anything should be published in the journal. She asked to put on record her thanks to the GENERAL SECRETARY for his guidance and Kate Davis for the splendid job she did researching and providing answers. But now they being criticised and letters are coming in protesting because they are not published. This was due to lack of room. MRS LINDON asked if they should be published or ignored. The GENERAL SECRETARY asked to avoid publishing letters until we are in a better position after receiving legal opinion. MR JONES asked if that meant not publishing any letters on the subject or just our opinion. The GENERAL SECRETARY responded that the letters was entirely up to MRS LINDON.

13(a) Standards at Post Offices PC SC 03

There was nothing to report.

13(b) Introductory Payment PC SC 04

There was nothing to report.

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

There was nothing to report.

13(d) PayPoint PC SC 21 01

There was nothing to report.

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

There was nothing to report.

13(f) NIPOC PC SC 28

There was nothing to report.

14. SUBPOSTMASTERS' PAY

14(a) Pay Review PC SP

- Identifying Costs of Running an Office

There was nothing to report.

14(b) Pay Claim 1999 PC SP/1999

MR PEBERDY commenced his report by saying that hopefully the Executive Council had been kept up to date with the correspondence. The members have been kept informed through Branch Secretaries Circulars and reports in the journal. Following discussions with Dave Miller a letter has now been sent to Stuart Sweetman requesting a meeting with the Corporate Board. He hoped support from the Council was forthcoming so far. Subpostmasters are struggling more than ever. The Business has got a responsibility. It is the view of the Negotiating Committee that the offer of under 2% is not acceptable and subpostmasters are not expecting this to be accepted. No complaints have been received. It is felt that our demand to see the Corporate Board will make those aware who move the budget around that not enough is being directed to subpostmasters if they want the network to remain. However MR PEBERDY warned that Board of the Post Office does not negotiate but it is hoped we will get there. It is not known who the Board will see, the whole of the Negotiating Committee or the GENERAL

SECRETARY on his own. MR PEBERDY requested that any input from the Executive Council be put in writing to him anything else they can think of.

MRS REEVES asked if the Hartley McMaster survey had gone out identifying the costs of running a post office. MR PEBERDY advised that to our knowledge it hadn't but Mike Granville has said that it is ready. The format has been agreed but the time has got to be right.

MR BRADBROOK pointed out that as far as London is concerned the Negotiating Committee had their full support. He said that we have a high profile with the GENERAL SECRETARY negotiating with Government Ministers. He said to let it run, there was no hurry and subpostmasters do not want to accept the pay offer as it is. But there was a worry that it might be imposed. He asked the GENERAL SECRETARY if he could be enlightened with respect to introductory payment and the contract. He understands that the introductory payment can be negotiated out and removed provided there was a change in the contract. The GENERAL SECRETARY advised that it could be included in the claim as a string but POC might not accept that as they do make money out of it but we do have a policy. MR BRADBROOK reminded the Council that Alex Docherty had asked to change the contract to a 5 year contract, and as a thought, if this had been accepted we would have been in the position to decide what should be removed.

MR BUTLIN advised that members do not appear to have a view on the pay issue when asked. He agreed with adding strings and wanted self inking date stamps to be included as there was a concern about limited space on the counters due to the Horizon equipment.

14(c) Payment Rates

PC SP 01

- Bill Payment

The Negotiating Committee met with Paul Harris on 1 October. The outputs were only received on Friday and would be circulated to the Council. Paul Harris was told that things were happening which required our input. A list of schemes and rates would be provided prior to any change was made. The gas agreement ends in April 2000 and the negotiation on the split on the payment to subpostmasters has to be agreed and we get up to a 40% share. They have been asked to break down the categories into the old and new payment rates. However they are into renegotiations with BT and BBC on their contracts. MR PEBERDY advised that POC business unit are about to engage in negotiations with BT and BBC and we will be closely involved once they have progressed further. There is a concern if they decide to use bar codes on bills which is one option or use the savings card instead of stamps. Research will be done by ourselves.

MR DARVILL advised he had seen a an article in a North London paper that Campden Council are changing from a Giro inpaying scheme to a plastic card because there were 45 PayPoint offices within the area and this would help to

alleviate some of the queues in post offices. It would also save £168,000 in admin costs because the post office had put their rate up. He believes that the Post Office is pricing subpostmasters out.

MR PEBERDY confirmed that Girobank are trying to get out of it and a number of Councils are receiving letters advising that the voucher scheme will not continue. MR PEBERDY suggested that when speaking to local MPs and Councillors to ask them why they are trying to stop this scheme. MR PEBERDY asked MR DARVILL to provide the Negotiating Committee with the example of the BT bill received by the post office.

ACTION

MR MORGAN-JONES advised that BT bills have been advocating the use of plastic cards in recently delivered bills so we will see a reduction in the savings stamp system.

MR EDMONDSON made the point that the cost of the plastic card scheme is very excessive. MR JANNETTA advised that Girobank are charging Councils 50% more than for the voucher scheme, so why are they paying us less. There are added extras which most Councils don't want.

MISS LINDON advised that sales of savings stamps are diminishing quite rapidly but the bar code doesn't save time as it doesn't work and you still have to input. This could be included in the negotiations. The saving in time isn't there and is affecting quality in service. THE NATIONAL PRESIDENT said that Horizon would alleviate part of that problem but understood the problem currently.

The GENERAL SECRETARY responded that we will insist an opening of the books for prices. These are the rules of engagement which they have agreed to do again. As far as BT negotiations concerned PO don't get paid for stamps by BT as part of the global settlement they are therefore not making anything on savings stamps. The GENERAL SECRETARY advised that the issuing of cards would be part of the negotiations. Also the utility bills are being driven down by the regulators but we would see what we can get for these so it is unlikely that we will manage to increase the pay. The GENERAL SECRETARY congratulated those offices who are doing MANWEB. It is working and is successful.

- RPP Parcels - Annually Revised Offices

MR PEBERDY reported that we are still trying to sort out monthly revised offices and the question of arrears. We are still waiting to receive proposals for the method of annually revised offices but we want to clear the monthly ones first.

14(d) New/Changed Products

PC SP 02 08

MR DARVILL asked if there is any news on the amount being offered on the £5 coin. He said that the savings are not being passed onto us. MR DAVIS

advised that currently the payment is 3.9p per coin sold and there is an agreement to increase this by the movement in pay each year. POC have refused to tell us how much they are getting. The cost of distribution and cost of return of coins is very high and they are under contract to the Bank of England. MR DARVILL replied that the Post Office were trying to encourage more coins to be sold throughout the network and disputed the cost of distribution. Royal Mint deliver direct to some of the CRUs. If coins are returned to the CRU and reissued they get another 35p so if it is not a lot of money why is the Post Office pushing so hard. THE NATIONAL PRESIDENT closed this matter and said an attempt would be made to get 34p.

ACTION

MISS LINDON raised an incident where a subpostmaster had not received payment for the £5 coin and when he contacted HRSAPs was told that subpostmasters had to request payment. This issue has been addressed in the GENERAL SECRETARY's letter.

15 BENEFITS AGENCY

Pensions

CL BA 03

MR BRADBROOK raised issues with respect to the cameras. The film cannot be passed on to the Benefits Agency and fraudsters are caught on film. When this issue is raised at the House of Commons it looks bad on the Post Office. Our job is to catch these fraudsters and save our money. The Post Office sits on the film or throw them away. The cameras are meant for fraud and attacks. MR BRADBROOK's second point is that subpostmasters are being suspended when the dockets are found in the tin and they go back through the dockets. MR BRADBROOK would like these issues addressed with POCL.

The GENERAL SECRETARY thought the camera issue had been resolved. They were meant for attacks and were never designed for fraud. The only issue was £30 for developing the film. This issue will be readdressed with Security. On the second issue the GENERAL SECRETARY thanked MR BRADBROOK for contacting him about sending benefit books to Alistair Darling. This might have inspired Mr Darling to take more work away from the post office. But MR DAVIS and the GENERAL SECRETARY could not spot the fraud and this issue will also be raised.

ACTION

ACTION

16 BRITISH BROADCASTING

TV Licencing

CL BC 03

MR PEBERDY reported that since the agenda was formed there has been a letter circulated dated 30 September to Dave Miller because we received a copy of a statement with the PayPoint logo on the bottom of it. A response is awaited from Dave Miller. The bill is sent out by Revenue Management Services Limited and they reserve the right to include details of alternative methods of payment.

17 BRITISH GAS

CL BG

There was nothing to report.

18 BRITISH TELECOM

BT Global Calling Cards

CL BT 05

MR PEBERDY reported that these cards are being sold mainly in bureau on demand offices and we are still trying to get a payment for it. At the moment sales are low but once the Post Office have established volume of sales we shall receive an offer which the Negotiating Committee will consider and put to the Executive Council.

MR JANNETTA had already communicated to MR DAVIS the problem with BT bills accepted after cut off on Day 'A' on and asked if there was any progress. MR DAVIS responded that the issue MR JANNETTA is enquiring about is where a QPA error is issued for Day 'C' receipt for a bill that was accepted 2 days earlier. MR DAVIS has written to Mike Granville and is awaiting a response.

19 ELECTRICITY BOARD

CL EB

There was nothing to report.

20 FOREIGN EXCHANGE

CL FX

There was nothing to report.

21 GIROBANK

20(a) Giro Business Deposits

CL GB 01

There was nothing to report.

20(b) Winter Fuel Payments

CL GB 08 12

MR PEBERDY reported that POC an offer has been circulated. The Negotiating Committee have discussed this and gone back to the Post Office. We are hopeful of moving those rates slightly. MR PEBERDY asked for the Council's permission for the Negotiating Committee to continue with its efforts to increase the payment to subpostmasters.

MR MORGAN-JONES asked for clarification on pensions and allowances. MR PEBERDY said it was based on those people who were likely to be true recipients of winter fuel payments but this would be checked, so in essence not group 5.

MR JANNETTA advised that advertising from the BA has been through Spar, newsagents etc but not post offices and this was presumably because the Post Office want to be paid to distribute leaflets. If this is the case can it be investigated how the BA distributed these leaflets. The opportunity has been lost to give this information to our customers and we may lose some of them.

MR WALSH presented one of the booklets. He explained that it is in Londis stores with PayPoint next to it. Giro cheques and payable orders are mentioned in it and he wondered if this was a new way that the BA was going to distribute the winter fuel payments.

MR BUTLIN advised this was investigated in the south west and PayPoint had signed a contract with the BA to distribute. MR EDMONDSON advised that there had been a problem in Newcastle with people cashing green Giros but then told the DSS that they had never had them. The problem had been taken up directly with the DSS.

MR PEBERDY requested that any information that the Council manage to get about the leaflets be passed to Shoreham. It could have been investigated and might have some relevance on the payment. MR JANNETTA had only received his information on Friday.

it was unanimously AGREED to seek an improved payment for the work.

DECISION

20(c) Corporate Deposits

CL GB 08 15

There was nothing to report.

22 INSURANCE

CL IN

There was nothing to report.

23 LOCAL AUTHORITIES

CL LA

There was nothing to report.

24 LOTTERIES

National Lottery

CL LO 01

MR PEBERDY reported that we have been in communication with the business for some while. An offer is imminent for payment on prize payments. A meeting is required to discuss other issues for example reimbursement of electricity costs for those offices which have got satellites but not in receipt for the rental for the satellite.

ACTION

Concern was expressed about the Helpline cutting off and crashing and MR PEBERDY pointed out that it was a BT message on a BT phone system in relation to the new licence to operate the lottery. MR PEBERDY reiterated that the Post Office Corporate Board will only pay £20m if Camelot are the successful bidder. It is not a payment being made out of Post Office Network. The Post Office have said that the network will be available to the successful bidder which is a smart move.

25 MOBILE COMMUNICATIONS

CL MC

There was nothing to report.

26 NATIONAL SAVINGS

26(a) NFSP/DNS Meeting

CL NS 01

The Negotiating Committee met with National Savings. They are under Peter Bareau the new Director and are keen to move back towards the Post Office. It is good to meet a client and we were able to let them know that the reason the Post Office has moved away from them is because they have moved away from us. They are paying the Post Office an element for displaying leaflets. NS want to move away from transaction based payments but it would appear that the PO want to keep this. NS were told that subpostmasters would be incentivised if the leaflets on display earned them money. The new Commercial Director, Chris Mocksy, was keen to look into this. A new product is coming out on the 29 October which is a Fixed Rate Savings Bond. It would be available over post office counters with inpayment system by Girobank. The Post Office want payment to be the same as the Giro system and they will also pay the ad valorem on it. Likely payment will be 18.63p per transaction plus ad valorem.

MR MORGAN-JONES was delighted to see the NS was moving towards the post office again and said it was down to Peter Bareau. He had no hesitation in proposing that we accept the payment for that work.

The application form for this transaction is very simple, just like a Premium Bond.

The proposal was seconded and carried.

DECISION

26(b) Marketing

CL NS 03

There was nothing to report.

26(c) ISAs - Crossed Warrants

CL NS 07 08

MR PEBERDY advised that there a new Fixed Rate Savings Certificate out. Again if there was a method of displaying these leaflets and subpostmasters would receive some payment they would do it. There is a payment offer of

28.6p for ISAs - Crossed Warrants. The Negotiating Committee recommend acceptance subject to any increase resulting from 1999 pay settlement being applied.

This payment was accepted.

DECISION

26(d) Pensioners' Guaranteed Income Bonds CL NS 08 04

This item has been transferred from A10 as it contained an offer of payment of 18.63p. The Negotiating Committee recommend acceptance, subject to any increase resulting from the 1999 pay settlement being applied.

DECISION

This payment was accepted and moved.

27 PASSPORT AGENCY CL PA 01

Information had been circulated with respect to the emergency situation. It was agreed to discharge this item from the agenda though the reference will remain on file.

DECISION

28 PERSONAL BANKING

Personal Banking Services CL PB

MR PEBERDY and the GENERAL SECRETARY have received paperwork on automatic teller machines. The Post Office are actively trying to get into outlets, post offices and various places. There may be some urgent discussions required with the Negotiating Committee. It is known that multiples are looking at this.

The GENERAL SECRETARY advised that the intention is to install 3000 machines which they want to get in within 13/14 months into a more convenient store post office which is open after hours. Discussions are required to talk about a percentage rate. More information will be advised when known.

MR MARSHALL advised that the Post Office are already surveying certain post offices. MRS JERVIS expressed her concerns about CashCard's marketing of ATMs. They are charging retailers £100 per week to have these machines and there is a concern that subpostmasters will be taken in. The GENERAL SECRETARY advised to warn them away from this for the time being.

29 PAYMENT COLLECTION SERVICES CL PC

It was agreed to discharge this item.

DECISION

30 PARCELFORCE**30(a) Residential Delivery Trial**

CL PF 05 02

This was a trial of home shopping items. A higher payment is being pursued on the basis that more work is involved than for normal P739 work. THE NATIONAL PRESIDENT advised that the trial ceased on 15 October to be brought back with national rollout according to the Post Office. MR WALSH said if that is the case he hoped the 17.9p would be increased and Mailwork offices would be included within the payment because they are not currently paid for P739s.

31 ROYAL MAIL**31(a) Format Based Pricing**

CL RM 04

There was nothing to report.

31(b) Millennium Moments

CL RM 05 06

The original offer for this work was 16p but the Negotiating Committee went back and asked for £1.50. Each Millennium Moment costs £12.99. The offer has been increased to 18p. The Negotiating Committee wished to reject this offer. MR BUTLIN reported that a lot of work is involved in filling out the forms required and subpostmasters should be paid £1.

The proposal to go back and try for an increase was agreed.

DECISION

31(c) Royal Mail International

CL RM 06

Tariff Changes

It was agreed to discharge this item.

DECISION

32 UTILITIES

CL UT

It was agreed to discharge this item.

DECISION

33 DVLA**Motor Vehicle Licences**

CL VL 04 02

- Proposed Changes**- Graduated Vehicle Excise Licence**

The Post Office has been advised of our dissatisfaction. The Post Office advised that the counter operation and client satisfaction was successful but

there were difficulties with client settlement and the resolution of errors. The important thing is that the client is satisfied.

- Motor Vehicle Licences - Northern Ireland

As of Monday 18 October this will be available in a total of 64 post offices in Northern Ireland with plans to add another 2 in the New Year. It has been deemed as a success and post offices now have 36% share of the market. Error rates are low and operational aspects working well. There is hope for further work. We will re-engage with POCL in negotiating the rates which are currently interim at 32p.

MR PEBERDY advised that the Negotiating Committee are very aware of the Courier article about DVLA. Although the Post Office have secured a longer term contract they are committed to look to new methods which could include the internet. Bar coded reminders are being used in Northern Ireland for car tax. We will endeavour to get the payment up to the manual payment that exists.

MR BRADBROOK advised that laser printed cover notes are being used which are acceptable by DVLA in Swansea. MR DAVIS responded that this has been raised with POCL and the instructions that exist already of not accepting anything except the document still applies. It is not acceptable in post offices and the client won't make it acceptable at the moment. This is being pursued. If confirmation is received then we will take it back to POC and DVLA.

34 WATER AUTHORITIES

CL WA

It was agreed to discharge this item.

DECISION

35 ORGANISATIONS

POUNC

FM 00

Due to the contents of the White Paper POUNC are in the process of changing personnel and a first meeting is awaited.

36 CONFERENCE RESOLUTIONS PRIOR TO 1999

A schedule has been circulated to the Executive Council this year from Headquarters. Mike Granville visited Shoreham to go through this. It was thought the chart was a much better way to circulate the information rather than a lot of correspondence. THE NATIONAL PRESIDENT asked if anyone had any comments to raise on the chart. There were none.

MR PEBERDY moved A3.

A/5. SUB COMMITTEE REPORTS

A) REPORT OF PUBLICITY & DEVELOPMENT COMMITTEE MEETINGS.

MR MARSHALL, Chairman of the Publicity & Development Committee, gave his report as follows:

1. FEDERATION MEMBERSHIP.

1(a) FEDERATION ANNUAL CONFERENCE.

Conference 1999, Scarborough. FM AC 1999

MR MARSHALL's, opened his address by reporting that a discount of £1,350 (almost 6%) had been negotiated with the Royal Hotel. There are some last loose ends to be tidied up with regard to the videos and the correct tape from Savilles required copying, but that was all.

Due to the staffing situation at Shoreham there had been some delay in production of the Conference Report. However, copies had now been circulated. As soon as the various comments and amendments received from Officers have been incorporated into the report, it would be transmitted to the printers.

Conference 2000, Eastbourne. FM AC 2000

The matter of sponsorship had been given serious and considerable thought at various P&D meetings. An offer of £5,000 for the Tuesday night event has been received from Eagle Star although this offer is conditional upon the Federation accepting a reconstruction of our agreement with them. This matter will be addressed later in this meeting. Last year's sponsor of the Cocktail Reception, Nationwide, who originally indicated interest for this year are, unfortunately, reviewing their marketing spend and have declined to offer sponsorship again this year. It may be possible to revisit this in a later year, but not this year.

Other organisations have shown definite interest including Girobank, and the Co-operative Bank. However, all trading partners have been circulated with a small brochure, listing the various aspects for which sponsorship is sought. Offers of sponsorship will, of course, be looked at carefully before anything is finalised.

Girobank have specifically requested to be advised of the cost of the Monday night entertainment and are enthusiastic about idea of a race night, although

it is accepted that the approval of the Executive Council is required before anything can be concluded.

A variety of social events had been considered by the P & D Committee. Attendance for the traditional coach trips and been dropping in recent years and, in some cases, would prevent people from attending other events taking place or leave little time to prepare. Questionnaires submitted by delegates indicated that enthusiasm for civic sponsored events appeared to be waning and it was felt by the P & D Committee that changes could be made to the traditional nature of some social events.

Race Night. There was a great deal of debate as to whether a suggested 'race night' was an acceptable form of entertainment for an established organisation such as the Federation. While it was accepted that such entertainment could be well run and was often used to raise money for charity, some members would not find the gambling aspect of such an evening agreeable. It was also pointed out that the long gaps between races did not satisfactorily 'fill out' an evening and that many people may well consider it dull. While change was not in itself a bad thing this type of change was not generally felt to be favourable. Serious concern was expressed by many officers as to whether a race night was the type of evening Subpostmasters would be willing to support. It was felt by some Executive Officers that the traditions and dignity of the Federation would be considerably devalued. However, when a vote was taken it was agreed that the race night should go ahead.

DECISION

ACTION

Following the comments received from a number of Executive Officers MR MARSHALL requested that they offer some suggestions themselves and let the P & D Committee know what other kinds of entertainment they would like.

Tuesday Evening. This evening is being sponsored by Eagle Star and Ray McVay and his band will provide the music for dancing. Eagle Star are happy to leave the choice of cabaret to us and are confident that our choice will be acceptable to them as sponsors.

Karaoke. Another recommendation was to stage a Karaoke night on the Wednesday evening, perhaps at a venue outside the hotel. This event would be properly controlled by a compare with no pressure on anyone to take part. MR INGHAM suggested that the Karaoke could be supported by an artiste who would perform solos and fill in the flat spots, and MR EDMONDSON suggested that the Karaoke could be coupled with something else, perhaps taking the entertainment outside the hotel.

MR HEASMAN advised the Council that discussion had taken place about where such an event should be held. The hotel did have facilities which could be used but the Committee felt that a more convenient venue may be

more popular. Enquiries are being made for a multi-purpose, multi-use, venue.

A number of the Council were reluctant to support Karioke, in particular MR EDMONDSON and MR BUTLIN. MR EDMONDSON was also concerned about moving Wednesday evening's entertainment out of the hotel. He remarked that Conference often goes on longer than normal and may delay dinner and evening preparations. If personnel have to go outside the hotel as well as deal with reduced preparation time, they may decide not to bother and functions do not receive full support.

After an enquiry from MR BRADBROOK, MR MARSHALL confirmed there would be no difference in the charge for room hire, in or outside the hotel for the Karioke function.

A vote, for or against the Karioke on the Wednesday of Conference 2000, was taken and resulted in a majority vote against.

DECISION

Coach Trips. Amongst ideas contributed by members a coach trip to France was suggested. It would probably take place on the Monday from 8.00am to approximately 8.00pm and would cost between £15-£20. At the moment is just an idea.

It was pointed out by MR EDMONDSON that many people coming to Conference like to be there for the start and it gives an opening boost to see a full gallery. If people elect to go to France on the first day of Conference, the level of support at the opening of Conference may diminish. MR EDMONDSON felt that Monday was the wrong day to choose for a day trip.

MRS REEVES felt that too much may be crammed into the time available. For example, the support for evening events is likely to be lower after the day trip to France as people will be tired. MR JANNETTA agreed with MRS REEVES and MR EDMONDSON.

Having clarified for the meeting that the coach trip would only be available to wives and families of delegates and not members who were required to attend Conference, MRS KENDALL asked for a vote on a Monday trip to France. This proposal was carried by majority. THE GENERAL SECRETARY did remark that in view of the current anti-French feeling, this trip may not prove a prudent move, but it was generally felt that the situation should be reviewed nearer the time.

DECISION

Other coach trips which had also been suggested were a Sunday afternoon trip to Beachy Head and Alfriston from 2.00pm to 5.30pm and a trip on Tuesday afternoon through "1066 country", also from 2.00pm to 5.30pm. It was felt that the Tuesday trip should be kept reasonably brief in order to give people time to prepare for the evening function with Ray McVey.

DECISION

Name Badges. Sponsorship was being sought for the conference name badges. MR MARSHALL asked the Executive Council for their views on the format for the badges. For example, whether or not the sponsor's name should appear along the bottom of the badges. Following his enquiry MR PEBERDY was assured that the Federation's logo and name would appear on the badges. MR MORGAN-JONES expressed the view that some members may not necessarily like to see a sponsor's name on the badges. MR BUTLIN proposed that a sample of the badge be provided for Executive Officers' consideration before any decision is reached. This was seconded by MR MORGAN-JONES and carried unanimously.

Presidential Car. Continuing with his report, MR MARSHALL advised that Nissan had agreed to provide a car for use by the President during Conference. It was also hoped that Eagle Star would provide free insurance. Two volunteers, JOHN WILLSHAW and PETER WALSH, had come forward to drive the Presidential car whenever necessary during the week.

There were a number of issues which Executive Officers raised in connection with the use of the car and the volunteer drivers. The car itself was quite small, although this would be economical. While the volunteer drivers should be commended for their offer, they were asked if they had seriously and deeply considered the matter and understood the onerous task and huge responsibility their offer entailed. There were also insurance implications in the plan, especially when the car was carrying visitors, and the element of tiredness after a long day at Conference should to be heeded. MR WALSH confirmed that both he and MR WILLSHAW were completely willing to make this contribution to the savings on Conference expenses.

THE GENERAL SECRETARY pointed out that they could find themselves compromised with the logistics of Conference, particularly on the Wednesday when there would be a great deal of 'to-ing and fro-ing' between the Conference venue and Headquarters hotel. MR BUTLIN agreed that the willingness to give their time and energy in a bid to save money was admirable but he felt that a chauffeur driven car was more desirable and would project a more dignified image of the Federation.

DECISION

After further discussion had taken place, MR BUTLIN's proposal not to accept the Nissan and hire a professional chauffeur driven car was seconded by MR JANNETTA and carried by majority.

Conference Video. Avcom have been selected to provide the Conference Video at a cost of £2,000. The Co-op Bank were considering sponsoring this.

Electronic Voting. MR MARSHALL advised the Executive Council that the question of electronic voting had been addressed and discarded as

too expensive. One quotation states £13,500 and, although the other two quotations have not yet been received, figures of this magnitude were completely out of the question.

HQ Hotel. MR HEASMAN assured MR BUTLIN that the Hydro Hotel was no further from the Conference Centre than the Royal was from the Spa last year. He also confirmed that they had contacted the Hotel again in an attempt to clear the confusion regarding rates quoted to MR BURFORD and those quoted to P&D for Conference. The rates quoted to MR BURFORD were, apparently, provisional figures and based on 1998 rates.

MR HEASMAN continued that the rate is, in fact, £60 per person per night, which includes dinner, bed and breakfast. MRS KENDALL asked if this figure included single occupancy of a double room and was advised that the rate for this was £75.00.

So far as the rate charged for partners accompanying Executive Officers, MR HEASMAN indicated that he would leave that to the Federation's Treasurer, Finance Manager and General Secretary to decide an appropriate rate.

Following a number of questions regarding the quality and service at the hotel, MR HEASMAN confirmed that he had only heard good reports about the hotel. It was family run, the food was good and it had an excellent local reputation. He was expecting to attend a function there in the near future and would be able to report back on the quality of facilities.

Broaching the subject of extra rooms, MR EDMONDSON asked MR HEASMAN what the situation is. MR HEASMAN advised that there were two organisations at the hotel at the same time, ourselves and a Bridge Group. Our booking requirements currently totalled 37 rooms and there were precious few other rooms available.

Car parking does not present a problem as besides a car park provided, there is plenty of on-street parking available which is considered safe.

Conference 2001 - Llanduddno.

FM AC 2001

Three hotels had been visited with a view to arranging accommodation for Conference 2001 in Llanduddno. These were the Imperial, St Georges and the Empire. St Georges was not very good. Despite the fact that they were aware of the reason for the visit, service was poor and the group were most disappointed and the Imperial hotel did not appear to be interested in doing business with the group.

MR EDMONDSON expressed puzzlement at the fall in standards at St Georges and indicated that he was quite impressed last time. He wondered why standards had fallen so much. MR MARSHALL believed it was lack of

trained staff who displayed a "couldn't care less" attitude. Considering the staff were aware of the reason for their visit no real effort was made. He and MR HEASMAN were not impressed and would not recommend it.

Although the Empire hotel is much smaller (we could take it over completely) the group were made most welcome and the service and facilities seemed much better. The P&D Committee strongly recommend this hotel for Conference 2001. It is situated just off the front on the far side of Llanduddno with a short walk to the Conference Centre.

It was agreed that the P&D Committee should investigate further, negotiate rates with the Empire Hotel for Conference 2001 and make a provisional booking.

DECISION

Training of Branch Secretaries. FM MS 04

Proposals for the training of Branch Secretaries had already been circulated with an indication of the preferred programme. It was felt that the programme deserved full support and MR PEBERDY pointed out that the onus was on the Executive Officers to make sure Branch Secretaries received proper training. Acceptance of this will also satisfy the 97/98 Conference Motion. After it was decided that the suggested programme would be adopted for the training of Branch Secretaries, MR MARSHALL requested feedback from Executive Offices of how the training programmes were working around the various regions. In this respect, the P&D Committee could review and improve the scheme in the light of any comments or practical hints provided by Executive Offices. MR BAKER also undertook to contact Peter Abrahams in connection with this training.

DECISION

ACTION

2(b) MEMBERSHIP FM MS

Following on from the last P & D Meeting, MRS JENKINS had requested to visit Shoreham in order to observe how Membership was dealt with. An arrangement was made but, she was disappointed to learn during a telephone call on another matter, that Lisa Saunders would not be at HQ on the day of her visit. In the event she was made most welcome and Andrew Watts was able to take her through anything she needed to know. The results of her enquiry were deeply disturbing. There was no information from HRSAPS regarding new members since June 1999. The membership programme in HQ's computer is not currently doing the job required and although Miller Technology are still working on the problems, resolution does not yet seem to be at hand. MRS JENKINS told the Committee that the Membership Programme at Shoreham needs updating and HRSAPS must be chased for up to date information. ROY EDMONDSON has confirmed that some money is coming in from HRSAPS but, at the present time, there is no knowledge of what it represents.

MR CHALLINOR remarked that he had visited Shoreham approximately two years ago and it did not sound as though any progress had been made with the Membership System since then. MR CHALLINOR and MR MARSHALL both questioned whether the problems can be resolved and what is presently being done to overcome the difficulties.

MR BURFORD advised that it was the intention of the Federation Trustees to visit Shoreham the following week to investigate the problems in fine detail and to find a way forward.

So far as HRSAPS is concerned, THE GENERAL SECRETARY advised the meeting that had promised to send a disk giving the up to date membership position at the End of September. He had reported this to the Federation Trustees at their earlier meeting, but said there had since been a suspicion that this disk holds only the end of June figures and does not update anything to September. If this were the case the hole in the middle, end June to the present, would not be recoverable. In any event the format on the disk is Excel (a very basic universal programme) and the computer system at Federation HQ is unable to access it. HRSAPS would be requested to provide a disk with a format that could be used at HQ so that the information could be obtained.

ACTION

It is essential that the problems with the membership system are resolved at the earliest possible time. Membership cards are now ready to be put on the system. The intention is to review the card every three years. Annual renewals and those paying by Direct Debit would be reviewed every year. However, progress on this is being thwarted at every turn because we are relying on POCL for the information we require.

Federation Trustees have interviewed another systems company who are willing and able to replace the existing system, but a complete change at this point is an enormous decision. There is a huge amount of good and hard work being done by the Membership Office. New members' mandates are arriving at Shoreham but what cannot be established is when, or whether, HRSAPS have commenced collecting the money. How the true position can be established has not yet been resolved.

MR PEBERDY confirmed that HQ needs a system which could be compatible with our outside contacts so that fax attachments and disks can be accessed successfully. He advised the meeting that none of the suggested equipment or upgrades were nearly as expensive as one might first think. He also stated that the Federation should receive membership deductions dating from the date of the mandate and not from the time HR Service Centre started to deduct the money from Subpostmasters.

It was pointed out by MR JANNETTA that it might be a good idea to consult the UCW and CMA to ascertain whether their subscriptions are paid correctly. The current position being suffered by the Federation is totally unacceptable.

ACTION

A good deal of discussion took place regarding the inadequacies of the present computer system, but it was understood that conservation of funds was important and, at the moment, the upgrade appeared to provide all the attributes necessary. However, Federation Trustees would examine the current position with the system and the financial implications, and obtain further quotations to cover all the perceived system requirements at HQ. It was agreed that the Trustees would review and discuss requirements and report back with their recommendations.

MR MARSHALL reminded Executive Officers that a previous Executive Council meeting had given leave for the P&D Committee to investigate the charges for a professional sales organisation to set about the task of selling Federation Membership. Their system was based on persistence, similar to that adopted in Northern Ireland, with repetitive contact by telephone and by letter. Marot's suggested one-off charge is £50 for the higher and £40 for the lower fee membership which equates to the Federation surrendering most of the first year's membership fee gains would be made in years 2, 3 and 4, ongoing. MR MARSHALL continued that the way forward now is to agree this in principle. For anybody to work a system like this quality information is required and, heeding the current situation with HR Service Centre, we will not be able to fulfil this as well as we might like. If the idea is agreed in principle, some progress could be made but nothing confirmed until further information is available.

The legality under data protection was questioned by MR MORGAN-JONES, who also remarked that he would be interested to see how the proposal would work on a 'no win no fee' basis. In pointing out that the Federation are having little success with encouraging new members MR MORGAN-JONES suggested Marot might.

As some Subpostmasters were not aware of the benefits of being members, MR BUTLIN pointed out the need for a "parrot pack". He queried who would prepare the script for Marot to use and who is going to list the advantages and benefits membership offers. MR INGHAM felt that the Federation had nothing to lose and everything to gain from further investigation of this venture. He suggested that the P&D Committee should be relied on to sort out all the problems and proceed with the project.

MR PEBERDY's reservations were that Marot would attack this issue with their high pressure sales force and in some way damage the Federation's image. Close attention must be paid to the methods used and the tone of the campaign. MR EDMONDSON expressed his concern that once the Branch Secretaries learned of this outside campaign for members, the motivation at Branch level may be diminished, and he hoped a combination of the two would succeed. A good deal of further discussion covering this issue took place, with Committee Member expressing concerns about sales methods, wording of 'scripts' and the advantages/disadvantages of using an outside operator for sourcing new membership. Some present held the view that the

Federation had an obligation to process this matter themselves and that officers should go out into the regions and motivate people.

Moving ahead with this project was the important thing, and MR MARSHALL reassured the Executive Council that Christopher Marot himself was handling it. He suggested that when all the appropriate information was available, scripts would be prepared and a trial could take place. There was unanimous agreement from the Council that the project should be moved ahead and more detailed information obtained.

DECISION

ACTION

2(c) FEDERATION PUBLICATIONS

Subpostmasters' Handbook.

FM PB 02

Due to the reorganisation of the Post Office and the resultant changes, it would not be possible to publish the handbook as planned. MR MARSHALL suggested that it is retained in its present form and updated as soon as the new information is available. It was suggested that, in the interim period, a Branch Secretaries' Circular be issued with amendments to Rules and any other basic changes. It was suggested that a Branch Secretaries' Circular be issued with all information required to keep them up to date and to bring out the Handbook as soon as the fine details of the new Post Office organisation are to hand. This course of action was agreed unanimously.

DECISION

ACTION

2(d) FEDERATION PROMOTION & PUBLICITY.

Sub Post Office Exhibition

FM PP 01

The Exhibition was reported as a huge success with the Federation's stand receiving 2½ thousand visitors. 78 people took part in the Treasure Hunt and the winner will be announced in the next edition of the Journal.

MR BUTLIN offered his congratulations for a successful venture, and asked what the financial position is and how the Federation currently stood with Pan Presentations. It was confirmed that Pan Presentations' back liability to the Federation was completely clear and only the recent exhibition was now outstanding. A legal document had been suggested by Paul Webster which would protect the Federation if he experienced future difficulties. He had provided a letter which would give the Federation leave to take over the exhibition should he fail. MR HEASMAN assured the committee that while the Federation would not wish to take responsibility for the exhibition, they would want the right to decide which company should have the responsibility of running the exhibition. The letter would be passed to the Federation's legal advisors for their examination.

MRS KENDALL congratulated the Executive Officers who attended the Federation stand and thanked them for their long hours and hard work. She said they had done a magnificent job and should be well applauded.

At this juncture, MR INGHAM excused himself from the meeting to attend to important business matters. He announced that he hoped to exchange contracts on his premises the following day, and would then be tendering his resignation as an Executive Officer at the January 2000 EC meeting.

Caring for the Customer Campaign.

FM PP 04

Posters

MR MARSHALL continued his address by advising the Executive Council that the posters for the "Stroking the Customer" campaign, and the "Did you Know?" cards had all gone out on time. 80 re-orders had been received.

MR PEBERDY commented that a number of visitors to the exhibition stand had expressed the view that the A4 posters might have achieved better impact if sized A3. However, MR MARSHALL responded that it was a question of cost and the fact that all the Post Office posters were sized A4. Mr Marshall went on to say that the P&D Committee would be revisiting this, with a view to using the Journal to distribute A3 posters as a centrefold.

With regard to the suggested J Walter Thompson campaign, THE GENERAL SECRETARY advised that, although the budget allowed was quite generous, the costs of distributing posters and cards etc., was quite phenomenal. Paper for the posters alone would cost about £60,000 exclusive of printing and photography. The postage involved would also be inordinately expensive. A meeting was being arranged with J Walter Thompson to explore where compromises could be made and costs reduced.

3. CONFERENCE RESOLUTIONS.

Work has begun on the Conference Resolutions. In connection with Resolution 99/94 which dealt with the time taken by Executive Officers responding to a motion, investigations carried out by MR HEASMAN indicated that the average time was 2½ minutes. Asked by MR BUTLER if the Ayes had been included as well as the Oppose, MR HEASMAN confirmed that the Ayes had not been included in his calculations.

99/98 Resolution concerned the organisation of fringe meetings outside conference hours. The P&D Committee believed it may be acceptable to have Branch Secretaries' meetings, say, at lunchtimes, beginning at next year's conference. It really depended what the members want. THE GENERAL SECRETARY stressed that the motion requested the Executive

Council to consider and report back on the introduction of fringe meetings. He was alarmed to find people being invited to address Conference. THE GENERAL SECRETARY's second concern was that the correspondence had not originated from Federation Headquarters and if this escalates HQ will not know what is going on and who is writing to who. Agreement must be reached on an appropriate way to proceed and it was generally agreed that such correspondence should be dealt with centrally under the Headquarters banner.

MR WILLSHAW said he had written to ACR and CPRE to ask if they would be prepared to speak, but fully accepted the procedure laid down. He did not feel that any relationships had been damaged by his action, but apologised if he stepped on any toes. The response from his contacts would come through him directly to the Executive Council.

MR MORGAN-JONES supported THE GENERAL SECRETARY's view that Executive Officers should not write out inviting people to Conference. Invitations should be issued by Federation Headquarters on a national basis. MRS KENDALL drew the attention of the meeting to the actual Conference Motion we instructed the Executive Council to report back next year with recommendations. After earlier discussions with THE GENERAL SECRETARY, MR MARSHALL felt that it had been resolved, and asked the Executive Council whether they preferred to start branch meetings this year or respond to the motion only.

MR MORGAN-HONES felt that answering the motion, as put to Conference, was the most important thing. He suggested that the response should say "consideration has been given and we are pleased to tell you that fringe meetings are acceptable", and see how members want to take this further.

THE GENERAL SECRETARY queried whether the meetings would be arranged by the Executive Council, whether rooms would need to be arranged, and whether literature would need to be supplied. MR BRADBROOK was of the opinion that as Conference was controlled by the Executive Council through the Federation, approval for any fringe meetings at Conference should also be approved by the Executive Council. He continued by saying that Conference is for members, and if members want to arrange fringe meetings they should be free to do so with the Executive Council's co-operation. MR MORGAN-JONES felt that "fringe meeting" was a undefined term and questioned whether the meetings would be of use to the Federation as a whole. He felt that if some of the people could be persuaded to speak at fringe meetings it could be extremely helpful and might assist the Subpostmasters' fight for the future.

A proposal was put by MR MORGAN-JONES that branch meetings should be permitted at next year's Conference and seconded by MR BRADBROOK. MR BUTLIN suggested an amendment to restrict the meetings at first to Branch Secretaries and ask them what they and their members want. MR WILLSHAW however, believed that the motion was put forward just to test

DECISION

whether fringe meetings were available. Reaction to the reality of meetings would need to be sought and he suggested a meeting with the P&D Committee and Branch Secretaries first. This was considered to be acceptable and was agreed unanimously.

4. FUTURE DATES & VENUES OF EC MEETINGS.

MR MARSHALL advised Council members that the Abbey Hotel had been extremely slow to respond to the Federation's request for our usual accommodation for the March 2000 Executive Council meeting. After taking so long to reply they have informed us that they have accepted another booking and cannot, therefore, fulfil our requirements.

A provision booking has been made with West Mead Hotel in Birmingham as an alternative. MRS JENKINS and MRS JERVIS have both visited the West Mead and found it acceptable and other Council members may already be familiar with it.

A general discussion took place with regard to the prevailing deterioration of standards at the Abbey Hotel. Apart from dropping standards of service, the fact that the Federation had patronised the hotel regularly for more than 25 years appears not to be significant to the present owners. For the present visit, use of the function room had been charged at £150 for the evening, whereas in the past this had been provided free, balanced out by the extra income received by the hotel from the bar.

The Publicity & Development Committee had been looking at other hotels with a view to changing altogether and excommunicating The Abbey. It was generally felt that after so many years business with the Federation The Abbey management should have had the courtesy to advise us they were considering another booking at a time we usually book.

Discussion took place on the benefits/advantages of finding a new venue for Executive Council meetings, and it was decided that the P & D Committee be empowered to investigate and trial other hotels.

DECISION ACTION

5. OTHER MATTERS.

5(a) TRAINING FOR BRANCH SECRETARIES.

FN NS 04

Proceeding with his report MR MARSHALL reminded the Council that some long time ago media training for Council members was discussed. PAUL HEASMAN confirmed this was referred from an Executive Council meeting in June 1996. The recommendation at that time was that the General Secretary, Assistant General Secretaries, Chairman of the Negotiating

Committee and Chairman of the P&D Committee should receive media training. As it was close to the elections for Executive Officers it was expected that the aforementioned training would be followed by similar training for all those elected to the Executive Council.

The P&D Committee were now looking to update this and has ascertained that the current cost is £1,400 plus VAT and plus mileage at 32p per mile. In addition a cameraman and interviewer for half a day would amount to an extra £150. MR MARSHALL asked the Council whether they wished to proceed with the trial. He clarified the content of the trial by advising the Council officers that usually an interview was undertaken, then the tape replayed while pointing out all the defects. Then the interview was re-done, incorporating the improvements made, including dress, stance, presentation etc.

MR CYRIL JONES asked if professional training companies had been considered as an alternative to Tim Cobb carrying out the training. MR MARSHALL confirmed that no other company had been contemplated as Tim Cobb was the most cost effective.

A proposal that the provision of training and costs be looked into further was agreed.

DECISION

ACTION

5(b) CHARITY DONATION

£1,600 had been donated by branches prior to the Centenary Appeal. This was as a direct result of John Brennan's announcement in 1993. It was felt inappropriate to donate it to the Macmillan/Childrens' Hospital Fund as that was not the purpose for which it was given. However, no alternative has been decided and nothing has yet been done with it. It had been suggested that the least controversial route would be to transfer the money to the Federation's Benevolent Fund and that this would require the Executive Council's agreement. MR PEBERDY remarked that this was a wonderful gesture and asked if the money had, specifically, to go to a charity or whether it could be put back into Federation funds to replace the losses of £98,000 incurred during the Centenary celebrations.

DECISION

ACTION

MRS JERVIS offered her opinion that the money was intended to go to some kind of charity. MR PEBERDY then suggested that Mr Brennan be contacted for his preference. This recommendation was seconded by MR BUTLIN. MR BAKER added, (very tongue in cheek), that if the money went into the Benevolent Fund and contributed to the cost of computer equipment for Head Office, the money would still be going to a charity! In spite of the jocularly, it was decided that Mr Brennan's choice would be sought with regard to the final destination of the money.

5(c) HELPLINE

MR EDMONDSON recalled that since June a paper had been received from Central Personal Register Services quoting a new, increased contract price. This was identified as being under reference A/5 - FM MS 06 - Federation Helpline.

There was a great deal of discussion regarding the Helpline and its perceived benefits. Some Executive Officers had grave reservations about this service and suggested it be closed down. Others preferred to ascertain the level of use first. If use is low then the help proves costly. It was also pointed out that the Helpline is offered as a Membership benefit. It was accepted that some good advice is given by the Helpline but that more and more enquiries are being referred back to Federation Headquarters. At the outset, other Helpline services were considered, but were too costly and it was felt that perhaps negotiation with Mr Abrahams may prove profitable. A number of Executive Officers felt that the Federation could not do without the Helpline as there will always be some enquiries. It was felt that Mr Abrahams may be making a mountain out of a molehill with regard to the volume of enquiries handled.

The Executive Council agreed that THE GENERAL SECRETARY should negotiate with Peter Abrahams and report back to them, or take whatever action is necessary to relieve the pressure.

DECISION

ACTION

THE GENERAL SECRETARY confirmed that comparisons between helplines had already been made and the present arrangement was the most cost effective. He proposed that Mr Abrahams be invited to Federation HQ to talk about the issues of concern and the proposed increase in fee. The meeting agreed that this course of action would be preferable.

DECISION

ACTION

B) FEDERATION TRUSTEES REPORT

Standing to present his first report as Chairman to the Federation Trustees, MR MIKE BURFORD recorded as follows:-

The Federation Trustees meeting on Sunday evening had been chaired by THE GENERAL SECRETARY, as a new Chairman needed to be elected following the resignation of Mr Abernethy.

The first item on the agenda for the meeting was the election of a replacement Chairman and, following the appropriate vote, it was agreed that MR MIKE BURFORD be elected Chairman of the Federation Trustees.

Prior to proceeding to the main agenda, the Trustees placed on record their sincere thanks for the many years of loyal and valuable service that Mr Abernethy had given, both to the Federation and to the Trustees. His

thoughtful guidance as Chairman of the Federation Trustees was very much respected and appreciated.

MR BURFORD continued by reporting that the Minutes of the meeting of Federation Trustees held on the 21st June 1999 were approved and accepted at the meeting, with no matters arising.

Property.

THE GENERAL SECRETARY had reported to the Trustees on property matters, in particular the situation with regard to the membership system. Steady progress was being made with regard to Miller Technology. The ISDN lines had now been installed at Shoreham and a router would be delivered in the very near future. The installation of this equipment will enable Miller to work on the Federation's system from their own office in London, ensuring that work proceeds more quickly and problems rectified more promptly.

Membership Card.

THE GENERAL SECRETARY had also been able to report to the Trustees that work was well advanced on a new membership card that would be reissued to everybody and then to new members as they join. The intention is that the card will have a 3-year life, but with annual members continuing to be reviewed on an annual basis.

MR HEASMAN had reported that he had attended a meeting with Eagle Star/Zurich on Thursday last, when the possibility of their advertising on the membership card was discussed. This would be in the same mode as their advertisement on the previously issued membership card.

Membership System.

It was also reported by THE GENERAL SECRETARY that the problems being experienced with HR Service Centre in Manchester were also affecting the membership records held at Shoreham. No new figures had been received from them since June 1999. HR Service Centre had agreed to provide a 'snapshot' of the October figures, but were unable to promise any recovery of the gap between June 99 and October 99.

Headquarters' Computers.

Progress on the proposals to upgrade the entire computer system at Shoreham were also reported to the Trustees, but MR BURFORD advised the Executive Council that further quotations were still awaited. The Trustees

would be reviewing the matter further during their visit to Shoreham later this month.

Headquarters' Telephone System.

MR BURFORD continued his address by advising Executive Officers of THE GENERAL SECRETARY'S further report to the Trustees that the telephone system at Shoreham was now more than ten years old and needed replacing. It lacked a number of modern time/cost saving features more modern systems have incorporated and, in any case the system itself did not have the capacity to cope with the vast traffic of calls which now run in and out of Headquarters on a daily basis.

Headquarters' Redecoration.

With the exception of one room all the redecoration at Shoreham had been completed. The Federation Trustees intended to inspect the work during their visit later in the month.

Treasurers' Report

The Treasurer to the Trustees, MR ROY EDMONDSON, had reported to the meeting that financial matters were reasonably steady with no unexpected events having occurred. However, MR EDMONDSON had expressed considerable concern with the situation had HR Service Centre because, without reliable information on membership levels and subscriptions, it was not possible to budget accurately. However, he was optimistic that a break-even position would be achieved by the end of the year.

Investment Portfolio.

Federation Trustees had been advised by the Broker not to change the portfolio at this time. The Trustees had accepted the advice given.

Insurance.

The Trustees had reviewed aspects of the Federation Insurance policies and recommend no increase in the Public Liability cover for community offices. This decision had been reached, principally, in the light that no claim had ever been made on this policy.

However, in the light of rising costs for medical attention, transportation etc., the Trustees did agree to increase the insurance cover for Executive Officers

and Secretariat to provide for payments of up to £400 per week (currently £300) and capital benefits of £150,000 (currently £125,000).

It was also agreed that Insurance cover on Evelyn House should be reviewed and new valuations would be obtained.

Vacancy for Trustee.

One final item of business for the Federation Trustees was to advise the Executive Council of the vacancy for a trustee, following the departure of Mr Abernethy.

Both MR WALSH and MR BUTLIN were nominated as Trustees and, following a vote from Executive Officers, MR WALSH was appointed as the new Federation Trustee.

MR BURFORD moved the report of the Federation Trustees and the report was accepted.

DECISION

MR PEBERDY brought to the attention of the Executive Council that, following his election as Chairman to the Federation Trustees, MR BURFORD would automatically become a member of the General Purposes Committee.

C) BOARD OF BENEVOLENCE REPORT.

MRS REEVES, the North Thames & East Anglia delegate had been welcomed to her first meeting replacing Mr Burrows.

MR PEBERDY, advised that a paper had been studied and discussion had taken place on the advice received from the broker on the Portfolio of Investments. Investments of £102,000 from the Portfolio had been sold and reinvestments made amounting to £96,000. £6,000 was being held on interest by our brokers for the next transactions. No further movement was recommended at the present time

The Trustees did consider the cash being held in bank accounts and had decided to move £25,000 from the Girobank High Interest Account (holding £92,017.92 at 7th October) into the NSB Treasurer's Account which attracts a higher interest.

At a previous meeting of the Board of Benevolence it had been suggested that the Benchmarks should be increased. This matter had been studied carefully and the Board had decided that the benchmarks should be increased from £73.50 to £75.00 for a single person, from £120.50 to £125.00 for a married couple and from £22.50 to £25.00 for each dependent child.

The Christmas Gift figures had also been reappraised and a decision to raise the amounts from £80 per adult and £50 for each dependent child had been reached.

Total grants of £5,103,00 had been allocated to 18 cases and the en bloc list for the 9 weeks to January totalled £3,582.00.

It was reported that the Board of Benevolence were not currently receiving subs from HR Service Centre and subs were not being printed out on pay slips. MR PEBERDY suggested that Post Office Counters (who appear to have made the error) be requested to write to each Subpostmaster sending a Board of Benevolence Donation form. This could have the effect of encouraging new members as well as revitalising existing donors.

MR PEBERDY continued his address by saying that he and THE GENERAL SECRETARY had recently attended the Association of Charities Annual Dinner but had not found it as useful as they had hoped.

Before closing MR PEBERDY expressed his wish to place on record his, and the Board of Benevolence's, sincere appreciation and thanks for the many years of loyalty and hard work Israel Abernethy had given to the Board, and the care with which his deliberations had been taken.

In moving the report of the Board of Benevolence, MR PEBERDY sought ratification from the Executive Council for the decisions taken by the Board in respect of the Investment Portfolio, the increase in benchmark levels and the increase in Christmas gift amounts. The Report was moved and the decisions ratified by the Council.

DECISION

D) CENTENARY CHARITIES.

It was agreed that this item be discharged from the Agenda.

DECISION

A/6. SPECIAL MATTERS

A) MEMBERSHIP

(i) Membership Statistics. FI MR 04

THE GENERAL SECRETARY expressed the view that this subject had been given a full airing under A5 and that there was not much else that could be added. Therefore, no discussion under this heading took place.

(ii) Propaganda Reports. FM OG 05

Concern over the North West North Wales Regional Report was expressed by MR PEBERDY particularly where the report says "many grass roots subpostmasters seem to feel that the Fed is unable to defend their interests. They have a perception that the Fed allows the Post Office to ride roughshod over them. Until we find some means of effectively disabusing them of this impression, apathy will persist and membership will continue to decline".

MR MORGAN JONES pointed out that while it was always difficult to comment on what someone else has written, he did not feel that the views expressed were a generality. He believed that this disillusioned view was due to one specific Retail Network Manager in one particular area where there was a grave situation currently under investigation. MR MORGAN JONES agreed to take this away and make further enquiries. MRS KENDALL submitted, and it was agreed, that Mr McMahon be written to on behalf of the Executive Council asking how these ideas are manifesting themselves and requesting his ideas on ways to disabuse these damaging views.

DECISION

B) FINANCE AND TREASURER'S REPORT(I) Treasurer's Report. FI AC 02

MR EDMONDSON presented his report as follows:

Conference 99.

Initially the contribution for Wives' accommodation of £65 was reduced to £60. Because of the poor service a decision was taken later not to charge more than £45 a night. Since that time, MR HEASMAN had agreed a reduction in the hotel's bill of £1,350 and it is now suggested that the charge for wives' accommodation be settled £40. As most of these had not yet been billed, it would present few problems. Those who had already paid will receive a refund cheque in due course.

Continuing, MR EDMONDSON advised that there had been the normal expenses in running the Federation since the last meeting in June. There had been extra expenses for staff recruitment along with legal expenses for legal advice connected with the Tribunal,

It was hopeful that there would be sufficient funds for the Federation to be in surplus by the 31st December 1999. However, HR Services was still a problem and the accounts could not be properly balanced until they had sorted out the problems with subscriptions. In the meantime, HR Services would continue to be pursued for proper figures reconciliation of the figures.

(ii) Management Accounts to end Sept 99.

The notes attached to these are extremely comprehensive. There is nothing which is not covered by these notes. MR EDMONDSON told the Council that he and the other Federation Trustees were meeting with the Broker next week to ensure that the Federation's portfolio is working to the best of its potential.

(iii) Composite Branch Reports.

MRS JENKINS asked if all the composite branch reports had now been received. The last letter from PHILIP BLOOR and indicated that Barnstaple's was still outstanding. MR EDMONDSON was unable to confirm this without checking, but as accounts had been prepared he assumed that this was now in.

In any event, MR EDMONDSON was very optimistic about the year end results and requested his report be moved. This was agreed.

DECISION

C) JOURNAL

MR PEBERDY said that having heard the report MISS LONDON had read to us, he was saddened to see the comments at the end of the report which gave her resignation as Editor. He did not want MISS LINDON to leave the meeting today with the impression that the Executive Council had been critical of her in any way. MR PEBERDY asked MISS LONDON if the two things contained in the report were a flow-through of each other. Was MISS LINDON withdrawing as Editor because of the criticism she felt she had received from the Executive Council or was it that she just did not want to do it any more. MISS LINDON response indicated that she though it had been accepted as it was. What occurred at the June meeting was the catalyst which made her reconsider her own involvement. She felt that due to pressure of work and other outside pressures she was unable to meet her own standards for the improvement of the journal. MISS LINDON accepted that she should have produced a report for the last meeting but, having returned from holiday the day before the meeting there had not been sufficient time. MISS LINDON said she was not happy to continue to "get by on a wing and a prayer" and it was in the Federation's best interests that someone else is considered. She had quite made up her mind not to seek re-election in May. This would give ample time to look about in the Regions for her successor.

MR PEBERDY expressed his disappointment at MISS LINDON's decision and hastened to assure MISS LINDON that no criticism was intended. He promised that everyone in the room understood the pressures and demands made on Officers. The Journal has been considerably improved under MISS LINDON's editorship and appreciation and thanks were offered to MISS

LINDON for all the work she has done. MR PEBERDY was extremely sorry that MISS LINDON had made up her mind so strongly.

MR BUTLIN allied himself to MR PEBERDY's comments, and felt that his remarks reflected the feelings of the other Executive Officers. MISS LINDON's integrity and honesty were beyond reproach. MR BUTLIN thanked MISS LINDON for all her help and advice and said he personally was very sorry indeed to see MISS LINDON relinquish her post as Editor. She would be very sadly missed.

MR JANNETTA recalled that MISS LINDON was in the 'chair' when he joined the Executive Council and he was extremely sad to see her go. He also revealed that he hoped that MISS LINDON would reconsider her decision and wished her very good luck.

MRS KENDALL took responsibility for the remarks made bringing about MISS LINDON's decision to resign, and expressed her deep regret. She felt her comments were fair at the time as a written report is expected at each meeting. However, no offence was meant and she was extremely sorry for the pain caused.

MISS LINDON requested the report be moved and the Executive Council agreed.

DECISION

D) TRADING

(i) New terms for the continuation of the Eagle Star/Zurich Insurance Scheme.

MR HEASMAN informed the meeting that it has been his intention to go through the two circulated papers in detail but, in the interest of saving time, he would refer mainly to the second paper which was circulated on the 15th October where certain suggestions were made on page three. MR HEASMAN's recommendation was that the Federation's relationship with Eagle Star/Zurich was maintained and that the profit share option be accepted. In addition, he suggested accrual instalments rather than a lump sum up front for the payments for pension and investments commission.

It was pointed out that because of financial regulations, the authority to introduce people to the scheme was vested in MR HEASMAN personally and he would need to resign that position with Eagle Star and accept a similar position with Allied Dunbar.

It was confirmed by MR HEASMAN that Zurich Insurance and Eagle Star have joined together to become Zurich Financial Services but that they had decided to market the Home and House policies under the name Eagle Star. Most of the people there used to work for Zurich and cross discounts would apply.

MR PEBERDY asked whether it was perceived that the new arrangement would generate the same commission as the old arrangement, and MR HEASMAN suggested that commission could be significantly better.

After further discussion, it was decided that the Federation would remain with Eagle Star/Zurich.

DECISION

The options available for the payment of commission are:-

- (i) Receive flat rate for the amount overall.
- (ii) Slightly lower rate but built-in growth & profit share.

The second option was accepted.

DECISION

Under the financial regulations an unqualified financial advisor can only work for one company at a time and can only introduce one company's products. MR HEASMAN will therefore resign from Eagle Star and join Allied Dunbar, and that commission be paid to the Federation using the accrual method.

DECISION

A/7 CONFERENCE RESOLUTIONS PRIOR 1999

No report. None notified. THE GENERAL SECRETARY confirmed that a schedule had been circulated. It is understood that the Conference Resolutions are being correlated in Gavrelle House with the action they intend to take. A reply from Post Office Counters is awaited.

A/8. CONFERENCE RESOLUTIONS 1999

No report.

A/9 MOTIONS TO THE EXECUTIVE COUNCIL

MR WALSH read his deposition to the Council as follows:-

Madam President:

Thank you for allowing me to put this motion to the Executive Council. The motion states "In view of recent events, there should be a review of the cycle and frequency of Executive Council Meetings".

I have felt that the calendar of EC meetings has not been entirely understandable to the uninitiated but, as my first year on

the Executive has gone on, it has become slightly more reasoned as to their timing, if not their content. However, the events over the last few weeks have highlighted to me the difficulties posed by such a long gap between the June and October meetings.

The structure of our meetings is such that a large proportion of the time is taken up with historical items that do little to further the cause of our members and, consequently, drastically reduce the amount of time available for such positive action.

Madam President, the reason I initially felt I ought to put this motion was not for the best of motives. I originally wanted to put the motion forward because I was cross. Yes, it's hard to believe that I am able to have such emotions, but I wasn't just cross from a personal point of view. The recent brickbats that have been thrown at the Federation with regard to the Minimum Wage Tribunal and Working Times Directives, and apparent lack of action to keep the Benefits Agency work, made me VERY cross. - not just personally but for the whole of this Executive Council and for everyone at Shoreham. There is a need for us as an Executive to be more proactive in the way we deal with situations like the Working Time Directive and Industrial Tribunal cases. The system of modern communications now means that the rumours and malicious stories can be spread rapidly and we are not in a position to refute them.

My anger lies with the frustration that the majority of us have been unable to express any views to the whole of this Council or have the opportunity to hear the opinions of the others in debate around this table. This cannot be in the best interests of the members of our Federation.

To use an analogy from the second greatest game, we seem to have an overworked back four that have to soak up constant attacks from the opposition, and our midfield and strikers rarely see the ball and do not have the opportunity to break out from defence to score against the run of play. We should give ourselves increased opportunities to improve the teamwork, especially as away goals often count double. The only real way to improve teamwork is to have the team together more often so they are in better formation to deal with opposition forwards. We shouldn't always be on the defensive.

The EC meeting in January takes place some 8 weeks before the March one. That in turn is approximately 8 weeks from the next gathering of the EC at Conference. 5 weeks later, the mid-June meeting takes place - so in the first 25 weeks of the year

there are three opportunities for the Executive to congregate. The October meeting is scheduled in week 42 of the year which is more than double the time gap than between the earlier meetings of the year. This means that in the first 25 weeks of the year we meet three times and in the last 27 weeks of the year we meet once. This to me does not seem to be the most sensible utilisation of available time.

Let's look at the pay negotiations - how many times have you as an Executive known the pay details to have been sorted out before June? How many times have the Christmas arrangements been debated in the October meeting and its been too late to input anything?

I would like to quote the General Secretary from his Monday dissertation:

"There have been White Water rapids since June"

Why is it that we have not met until October?

We all need the opportunity to obtain as much information as we can and to listen to reasoned discussion around that information. Shoreham needs us all to be as well informed as themselves and also to have the chance to hear such discussions. We cannot help them without this and vice versa, so up to date detail is vital to such discussion and older data therefore reduces the effectiveness of the decision making process. It is essential that we are much more proactive and that is not possible with the schedule of meeting we have at present.

I understand that the orange paper could easily cause some difficulties with democracy. The idea that "Silence is assent", I find quite unacceptable. There are many reasons why replies are not able to be given to orange papers and this could lead to a potentially undemocratic decision. For instance, with a straight Yes or No situation, if six members respond in the negative the Ayes would than win by default as "Silence is assent". Greater frequency of meetings would improve the democratic process and reduce the need for orange papers to be circulated. This is unfair on Shoreham and puts them under unnecessary pressure.

We must show a professional front to the whole world and any management of any organisation is certainly not at its best when the decision process is so fragmented. I do not believe any board of directors would still be in place after they explained to their shareholders that the board meetings would take place on

the basis of three meetings in the first six months and one in the last six months. They would, quite justifiably in my opinion, question their ability to manage the company in such a manner.

*I am more than aware of the cost implications of a better based meeting programme, but this could be alleviated somewhat with better use of the available time. Less historical input to meetings would be beneficial and make it a reasonably simple matter of taking a day from two other meetings and turning these into an additional meeting. This would slightly increase the travelling costs but this would be offset by reduced accommodation costs and even more so if we utilised weekend special rates. If some Sub Committee meetings were aligned and added to the extended programme of EC meetings, it would positively impact on their costs too. The largest **COST** cut would in fact be the increased benefit to the membership as a whole.*

I am sure, having listened to many different views from around this table, several people have some very valid suggestions on possible changes to these Council meetings that would be of value, and I am sure these views could be incorporated in such a review that is now being requested. It is essential that this review is carried out with urgency and action taken at the earliest opportunity - in fact before next year's programme is finalised.

Tradition is a vital part of any organisation, but it must not be the reason to hold up progress, so we must not lose the opportunity to improve the management of this Federation. It is so important that apart from doing things right, that we are seen to do so. Madam President, I comment this motion to this Council and ask you all for your support and approve this review now.

MR WILLSHAW rose to second MR WALSH'S MOTION.

It was pointed out by MR PEBERDY that attempts had been made in the past to alter the timing of Executive Council meetings. He asked who would the review be vested in, should the motion be successful. MR PEBERDY said he had personally found that files speak volumes. Perhaps a different method would achieve greater communication and time better spent. Possibly the June meeting could be moved to July.

MR WALSH responded to MR PEBERDY by saying that the experts we already have the P & D Committee would be more than adequate to take on the review.

MRS KENDALL agreed that it was a long time from June to October and during that time there had been only one request to call a special meeting. Only seven Executive Officers are required to request a special meeting but in the time mentioned no-one else has asked and no apparent interest has been shown in calling any additional meetings in that time. MRS KENDALL went on to say that even considering the situation which has arisen during this summer when a barrage of requests could have been expected, given the circumstances flying around, no request had been received for an additional meeting, except from MR EDMONDSON.

Support was given to MRS KENDALL'S words by THE GENERAL SECRETARY who went on to say that officers at Shoreham had felt isolated, with so much criticism being bandied about by all and sundry. Membership of the Federation is projected as a benefit, but some members don't believe they are receiving any benefit. Getting information about current situations across to the members has to be far more important than having meetings and talking amongst ourselves. Having a July meeting, instead of June, might be an excellent idea, but having more meetings is not always the answer.

MR CYRIL JONES pointed out that the Executive Council was the strategic head of the organisation and should be looking at the prime issues of the day. He felt this was not always done and that the Officers had, perhaps, been remiss in not calling a special meeting to address specific important matters. He also felt that this matter should be taken very seriously, that meetings should be more regular and advocated very strongly in favour of a review of current practice. He believed there must be many ways improvements can be made to the cycle and frequency of Executive Council meetings.

While MR EDMONDS agreed with the principle of looking at the present schedule, he was not sure that having more meetings was the answer. He went on to remind Officers that talking about historical matters and recalling previous experiences acted as an aide to planning for the future. No Officer should be shy of picking up the telephone if there is an issue to address.

After a little further discussion, it was unanimously agreed that a review of the present cycle and frequency of the Executive Council meetings would be undertaken.

It was further agreed that the General Purposes Committee would be the group to undertake the review.

It was also decided that the General Purposes Committee should second any member of the Executive Council or Officer at Shoreham on to the reviewing committee if the need arose.

DECISION

DECISION

ACTION

DECISION

A10 DEPARTMENTAL CORRESPONDENCE

A10(A) FOR DISCUSSION

POST OFFICE COUNTERS LTD

HUMAN RESOURCES

1. Annual Survey of NFSP Representation/Consultation Arrangements PC HR 01

This item should not have been on the Agenda and should have been removed following John Main's presentation at the last meeting.

NETWORK

- 2(a) Weekly Summary of Stock and Reconciliation. PC NW 08 01

This subject has been changed to A3. The letter dated 6th October 1999 is a long answer to Kevin Davis' earlier letter. MR PEBERDY said there were one or two items which needed digging into and we should ask for subpostmasters to check what they are being paid for completion of this form. MR DAVIS had raised this briefly at a Bill Payment meeting. Although the letter was a good, comprehensive reply, he was not at all happy with the response. The new forms do not have a 'carry forward' figure from the previous week's accounting and subpostmasters cannot reconcile. The system in situ at Chesterfield fails because local schemes forms are not being reconciled and clients were becoming upset at not getting settlement. The system will now do all this reasonably quickly, but the old forms are not compatible with the new system. However, now the subpostmaster has to write in details such as type of ticket, number and price by manual entry on the form.

It was pointed out that the Manchester area has 12 tickets and only 10 lines on the form. It is quite obvious that the form has not been designed by someone who uses it at the counter. MR DAVIS has been assured that the matter has been raised with Paul Harris and it will now be looked at again. In the meantime the present forms are extremely unsatisfactory.

MR MORGAN JONES confirmed the situation in Manchester and explained that there were a further 9 tickets for Greater Manchester buses. Some subpostmasters were being admonished for not using the new form and some forms have been destroyed. MR MORGAN

JONES was not currently using these forms as they caused too much work and felt he would not do so until the form had been modified. He pointed out that the form had never been presented to Federation Headquarters in consultation, and it had never been reviewed prior to introduction.

MR EDMONDSON pointed out that a number of subpostmasters only sell a small number of these tickets and therefore do not have such long and large entries to make. Some have returned their stock of forms saying they do not make enough money out of the work to warrant completion of the new form and its incumbent problems.

MR JANNETTA mentioned that he uses the forms to enter the 'Meals on Wheels' vouchers and he writes the carry forward figure on the under copy for his own use which makes the job easier.

- 2(b) Change to Standard Issue for PC NW 09 06.
Motor Vehicle Licence.

No discussion took place on this item.

SUBPOSTMASTERS' CONTRACT.

3. Christmas & New Year Arrangements. PC SC 05 01

Opinion is that enough subpostmasters have volunteered to open on the 28th December, that it will not be necessary to request other offices to open. There may be pockets in the country where there are insufficient volunteers, but this is not thought to be the case at present.

It is also thought that Post Office Counters are considering payment to subpostmasters who have volunteered to open. MR PEBERDY was reasonably confident that the payment would be £5.36 per hour

Suggestions had been made by some subpostmasters that the opening hours for 28th December be changed. Some offices only wanted half-hour lunch. MR DAVIS reported that as soon as the availability of volunteers was known to POCL there would be a statement regarding the opening hours.

FOREIGN EXCHANGE.

- 4(a) Bureau de Change - Take off Tuesday CL FX 01.
Campaign.

No discussion on this item.

GIROBANK.

5. Winter Fuel Payments. CL GB 08 12.

No discussion on this item.

INLAND REVENUE.

6. Working Family Tax Credit (WFTC) and
Disabled Persons Tax Credit (DPTC). CL IR 01.

MR JANNETTA asked if these credits will be paid by employers (i.e. a Subpostmaster). He highlighted the fact that some subpostmasters are bound to have staff who will qualify for one or other of the credits payable through wages but may not be able to claim for the payment of this. MR JANNETTA was assured that it was the Federation's intention to make representation to the Inland Revenue on the outlay of expenditure and time taken for doing the work as this could cause serious financial difficulties. MR JANNETTA continued by saying he believed this particular credit was not covered by the arrangements whereby allowances are funded by the Government. A letter from Philip Bloor to the Government was requested to bring this matter into line.

ACTION

As the payment of this credit works in the same way as Statutory Maternity Pay probably the same rules will apply but MR DAVIS said the answer was no known when looked at from the point of view of subpostmasters as employers. MR PEBERDY commented that when current negotiations with POCL and the Benefits Agency get further down the road, this is another aspect which can be used within the tranche of work which will be lost to subpostmasters.

ROYAL MAIL

7. Campaign to Halt Underpayment. CL RM 05 05.

No discussion on this item.

DVLA

8. Photocard Driving Licence
Applications Trial. CL VL 04 03

No discussion on this item.

A10(B) FOR INFORMATION

COMMERCIAL

1. Market Research. PC CM 02.

No discussion on this item.

NETWORK

2. Helpline Update. PC NW 10

No discussion on this item.

QUALITY

3. Disability Discrimination Act Research. PC QY 01.

No discussion under this heading.

SUB-POSTMASTERS' CONTRACT.

4. Centralising Quality of Performance for Agency Client Data. PC SC 06.

No discussion under this heading.

BENEFITS AGENCY

5. Liaison Meeting with POCL Benefits Distribution Team. CL BA 01.

No discussion under this heading.

FOREIGN EXCHANGE

6. Bureau de Change Pre-Order -
Take off Tuesday Promotion. CL FX 02.

No discussion under this heading.

NATIONAL LOTTERY

7. Millennium Dome Ticket Sales. CL LO 04.

No discussion under this heading.

NATIONAL SAVINGS

8. Interest Rate Charges. CL NS.

No discussion under this heading.

PASSPORT AGENCY

9. Passport Extensions. CL PA 01.

No discussion under this heading.

PARCELFORCE

- 10(a) Royal Mail and ParcelForce WorldWide Tariff Changes. CL PF 04.

- 10(b) DPI Labels. CL PF 05

ROYAL MAIL

- 11(a) Recorded Label. CL RM 05 02.

No discussion under this heading.

- 11(b) Millennium Stamps - Market Research. CL RM 05 05.

No discussion under this heading.

- 11(c) Changes to the Re-Direction Service. CL RM 05 07.

It was reported that there is likely to be trouble with this. It is not being done over the telephone, it is all being done over the counter. Strict and stringent controls were being executed in an attempt to combat massive fraud. It was agreed that this must be raised with Royal Mail and Post Office Counters on behalf of all subpostmasters. MR BURFORD raised the question of QPA errors. Old papers should be handed in and the new forms must be used. Stores have no new forms at the moment and are upset and angry. There are bound to be a high number of QPA errors found. MR PEBERDY suggested that an emergency cascade would be the best way of dealing with this problem. MR DAVIS advised that he had already taken this matter up with Post Office Counters and would continue to pursue.

ACTION

With regard to Poste Haste, THE GENERAL SECRETARY advised that Mike Granville of POCL had assured him there would be transitional relieve to help subpostmasters overcome this change. There is nothing that can be done to stop competition from Europe.

11(d) Changes to International Tariff October 1999.

CL RM 06 01.

No discussion under this heading.

A11 REPORT ON CENTRAL APPEALS.

No report under this heading.

A12 GENERAL SECRETARY'S REPORT.

Matters normally discussed under this heading were examined under other headings.

The letter from Mark Baker had been reviewed and advice taken. Several Executive Officers had also received letters from Mark Baker, including MRS KENDALL addressed to The National President. MRS KENDALL had not responded because of the earlier decision to respond collectively. In view of the content of Mark Baker's letter a number of Executive Officers had wanted an individual letter sent to Mrs Baines. It was felt that this could be done in a form of words which would not be against the policy of the Executive Council. THE GENERAL SECRETARY indicated that the matter was completely in the Executive Council's hands but felt the response could indicate that the matter is being reviewed by our solicitors and we would reply when we have their response. THE GENERAL SECRETARY believed the issue should be kept in context and that whatever action is taken it cannot stop Mark Baker. However, the Federation is a together and focused organisation and Mark Baker must not be allowed to get in the way.

The circulated letter from Kate Davis referring to the Central Personnel Register Services and temporarily suspended subpostmasters, was referred to by MR PEBERDY. He understood from the correspondence that the CPR will take on those staff and at the same time will take on the rent payment of the suspended subpostmaster. He pointed out that Post Office Counters currently get away with paying 80% of the existing subpostmaster's remuneration. At first read, MR PEBERDY felt that this could solve the situation and was worth looking at more closely. The final paragraph of Mrs Davis' letter to the Executive Council stated "If you are interested in pursuing this proposal, further work can then commence". Following a number of comments from officers present, it was unanimously decided that further work on this project should go ahead.

However, MR MORGAN JONES stated that he had been approached by Peter Abrahams of CPRS and that the level of concern was genuine. There is a need to discuss matters with Mr Abrahams and get him absolutely tied down to no cost.

DECISION

ACTION

A/13 NFSP TRADING LIMITED

It had been previously decided at a meeting of the Trading Company that the commercial element of the Federation should be under one banner and it was proposed to the Executive Council that NFSP Trading Ltd become a dormant company. This would be finalised by the 31st December 1999 and all remaining funds transferred to the Federation itself. This proposal was accepted and carried.

DECISION

ACTION

MR HEASMAN reported the income for the Trading Company since the last meeting as £10,119 and the bank account currently holds approximately £17,5000. From this the loan made by the Federation to set up the company can be paid off. It is anticipated that by the end of 1999 there will be a profit situation. Liability to Customs and Excise is £1,500. There were no questions on the report which was moved.

A/14 EXECUTIVE OFFICERS' REPORTS.

No discussion under this heading.

A/15 MATTERS RECEIVED TOO LATE FOR INCLUSION ON AGENDA.

No discussion under this heading.

A/16 ANY OTHER BUSINESS

No discussion under this heading.

MRS REEVES stood to thank her colleagues, THE GENERAL SECRETARY and everyone at Shoreham for the welcome and patient help she had received. MRS REEVES said she had learned a great deal from everyone. She also commended the way the Agenda had been held together by MRS KENDALL while remaining fair and firm and offered MRS KENDALL her own thanks and that of her colleagues.

MRS KENDALL wished everyone a safe journey home, a Happy Christmas and a wonderful "millennium moment".

CINDY DUKE / MARIAN JONES
DECEMBER 1999

GRO

