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NATIONAL FEDERATION OF SUB-POSTMASTERS

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

held on

9th, 10th, 11th JANUARY 2000

at

**THE MOSTYN HOTEL
LONDON**

A G E N D A

JANUARY 2000

A/1 REPORTS AND RESOLUTIONS of the
Executive Council Meeting held on 18, 19, and 20 October 1999
Special Executive Council Meeting held on 2nd December 1999

A/2 MATTERS ARISING FROM THE REPORTS

A/3 REPORT OF THE NEGOTIATING COMMITTEE

The following reports refer:-
NC Committee Meeting 7 October 1999

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 CommitteePO 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

POCL CLIENTS

14. **Benefits Agency**

Pensions CL BA 03 NR

15. **British Broadcasting**

TV Licencing CL BC 03 NR

16. **British Gas**

17. **British Telecom**

BT Global Calling Cards CL BT 05 NR*

18. **Electricity Boards**

19. **Foreign Exchange**

20. **Girobank**

(a) Giro Business Deposits..... CL GB 08 07 NR*

(b) Winter Fuel Payments CL GB 08 12 NR*

(c) Corporate Deposits CL GB 08 15 NR

21. **Insurance**

22. **Local Authorities**

23. **Lotteries**

National Lottery CL LO 01 NR

- Prize Payments
- Satellite Sites

24. **Mobile Communications**

Pre-Pay Vouchers CL MC 02 NR

25. **National Savings**

(a) NFSP/DNS meeting..... CL NS 01

(b) Marketing..... CL NS 03 NR

(c) Pensioners Guarantee Income Bonds CL NS 07 09*

(d) Fixed Rate Savings Bonds.....CL NS 07 10*

(e) ISAs - Crossed Warrants CL NS 07 08 NR

26. **Passport Agency**

27. **Personal Banking**

28. **Parcelforce**

Residential Delivery Trial CL PF 05 02

29. **Royal Mail**

(a) Format Based Pricing CL RM 04 NR

(b) Millennium Moments CL RM 05 06
NR*

30. **Utilities** CL UT..... NR

31. **DVLA**

Motor Vehicle Licences CL VL 04 02 NR
- Motor Vehicle Licences - Northern Ireland

32. **Organisations** FM OO NR

33. Conference Resolutions 1999

Post Office letter of 10th December A/3 and A/8 refers

- 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 ANNUAL REPORT OF THE NATIONAL EXECUTIVE COUNCIL

A/5 PUBLICITY & DEVELOPMENT COMMITTEE

1. REPORT OF PREVIOUS MEETING

2 & 3 November 1999

Matters arising from Previous Meeting

2. **FEDERATION ANNUAL CONFERENCE** **FM AC**
 - (a) **Annual Conference - 15-17 May 2000** **FM AC 2000**

Eastbourne
Horse Racing Night Format
 - Annual Conference - 14-16 May 2001** **FM AC 2001**

Llandudno
 - (b) **MEMBERSHIP**

Membership Recruitment **FM MS 03**
Training Branch Secretaries (97/98) **FM MS 04**
 - (c) **FEDERATION PUBLICATIONS** **FM PB**

Subpostmasters' Handbook **FM PB 02**
 - (d) **FEDERATION PROMOTION & PUBLICITY** **FM PP**

Caring for Customers Campaign **FM PP 04**
J Walter Thompson
 - (e) **FEDERATION PUBLIC RELATIONS** **FM PR**
3. **CONFERENCE MOTIONS 1999**

Resolutions from Conference 1999
4. **FUTURE DATES & VENUES OF P & D MEETINGS**

17-18 April 2000 - Hydro Hotel, Eastbourne
5. **FUTURE DATES AND VENUES OF EXECUTIVE COUNCIL MEETINGS**

March 2000	Sunday 19 - Wednesday 22 March	Westmead Hotel Birmingham
June 2000	Monday 19 - Wednesday 21 June	TBC
October 2000	Monday 16 - Wednesday 18 October	TBC
January 2001	Sunday 7 - Tuesday 9 January	TBC

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) Branch &
Regional Accounts Year Ending 31.12.99..... FI AC 01
- (iii) Interim Financial Review FI AC 02
- (iv) Conference Grant to Delegates..... FM AC
- (v) Vacancy for National Treasurer..... FM OG 01*
- (vi) Union Facilities..... PC HR 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

A/9 MOTIONS TO THE EXECUTIVE COUNCIL*

Mike Challinor

That Executive Council investigate with some urgency, the possible income benefits that may be gained by Subpostmasters through the introduction of The Competition Act 1998.

A/10 DEPARTMENTAL CORRESPONDENCE

(A) FOR DISCUSSION

POST OFFICE COUNTERS LIMITED

Network

1. (a) Weekly Summary of Stock Issue and Reconciliation... PC NW 08 01

SubPostmaster's Contract

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

POCL CLIENTS

Royal Mail

3. Royal Mail Tarrif Charges CL RM 06 01*

A/10 (B) FOR INFORMATION

Human Resources

1. (a) Produce Knowledge - Cessation of Events..... PC HR 04
(b) Subpostmasters Renumeration - December 1999..... PC HR 06
(c) Form P2593 Application for Leave of Absence..... PC HR 06*

Network

2. (a) Shortage of £10 and £20 notes PC NW 09 03
(b) P944 Redirection Form Distribution PC NW 09 06

Quality

3. (a) Christmas Card Recycling Scheme PC QY 03

Sub-Postmasters Contract

4. (b) Leave of Absence - Revised Form..... PC SC 15

Girobank

5. Encashment of Co-op Bank Cheques CL GB 08 16
- Revision of Daily Summary Form

6. **Lottery**

Lottery Scratch Cards CL L0 01*

National Savings

7. Counter Products CL NS 07
- Interest Rates

8. Royal Mail
- Inland and International Postal Prices CL RM 04*

A/11 REPORT ON CENTRAL APPEALS

A/12 GENERAL SECRETARY'S REPORT

Employment Tribunal - Mrs Elizabeth Bain
- Miss E Austin

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 9th, 10th and 11th January 2000
at The Mostyn Hotel
London

Present Mrs Jean Kendall, National President and Chairman

Mr N Bradbrook	Mr C Jones
Mr J E M Burford	Mr I McLean
Mr A R Butlin	Mr D F Marshall
Mr M Challinor	Mr H Morgan-Jones
Mr M Darvill	Mr J Peberdy
Mr B G Ingham	Mrs S Reeves
Mr J Jannetta	Mr P Walsh
Mrs P M Jenkins	Mr J Willshaw
Mrs. P. Jervis	

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

Apologies: Mr R Edmondson

Irrelevant

THE CHAIRMAN had received a letter from Mr Edmondson, which she read to the Council. He sent his apologies for not attending the meeting and went on to give his reasons for his resignation as National Treasurer and withdrawal from the nomination of National President for the coming year. He finished by urging the Federation to only spend money if it was vital and emphasised the necessity to bring more money into the organisation.

MR INGHAM had also written to the National President with a letter of resignation. This was to be his last Executive Council meeting, which with the President's permission, he would leave on the Tuesday, in order to hand his post office over to the new appointee the following day. The Committee joined THE NATIONAL PRESIDENT in wishing Mr Ingham well for the future.

DECISION

Irrelevant

A/1 REPORTS AND RESOLUTIONS OF PREVIOUS MEETINGS

*Executive Council Meeting held on 18, 19, and 20 October 1999
Special Executive Council Meeting held on 2nd December 1999*

THE CHAIRMAN reported that a number of inaccuracies within this report had been brought to her attention and she sought Council's approval to consult with Marian Jones, (Mr Davis' secretary) on the necessary amendments. However, she acknowledged that this report had been produced under a considerable amount of pressure of workload by Mrs Jones and her colleague at that time, Ms Duke, and she congratulated them of the job they had done.

A/2 MATTERS ARISING FROM THE REPORTS

There were none.

Irrelevant

1. Post Office Board

1a) Board

PO PD

The Post Office had announced a half year pre tax loss of £386 million which it had blamed on the £571 million spend on Horizon. This therefore meant that Royal Mail had pre tax profits of £151 million, which was down £67 million.

1b) Shaping up for Competitive Success

PO BD 03

MR PEBERDY referred to the circulation of 2nd November concerning the launch of SCS. It gave information on how each business unit was trading with each other. The Negotiating Committee believed that this was done to show how it will streamline The Post Office but they were still waiting for written confirmation of the Federation's relationship with the rest of The Post Office.

MR JANNETTA questioned whether all of the SCS papers were sent to Shoreham. MR PEBERDY advised that they were sent intermittently. They were management documents dealing with internal issues which were relevant to the Federation.

THE GENERAL SECRETARY reported that Jonathan Evans had taken the baton over and strategy meetings had been held, in which a good relationship was developing. The next Union Strategy meeting was scheduled for the end of the coming week and the intention was to interact with Stuart Sweetman's representatives. It was also hoped to interact with other businesses such as Cashco, which was the responsibility of other individuals. He described the relationship as 'still in the writing stages of the headlines'.

2. Government Affairs

The Post Office Inquiry - Trade and Industry Committee

PO PZ

This heading incorporated the Horizon Working Group, Performance Innovation Unit (PIU) and the ACT Campaign. Correspondence had been circulated, and MR PEBERDY referred to the fact that the Government had responded to the Select Committee. The Federation had given evidence to both Select Committees, one on Horizon and one on the Post Office White Paper and since then the Government had put their responses forward. It was formally announced in Parliament that there would be a Post Office Bill which was due to get passage through The House in mid to late Spring. The Government had fudged to some degree the Monopoly situation. In their

response they had re-stated their commitment to a network and also said that they were passing the matter to the PIU who were looking at the viability of the network.

Horizon

The Government had re-stated that the Benefits Payment Card was old technology, therefore it was dead. They had clearly fudged the issued on ACT and passed this to the PIU.

They saw the Horizon Working Group as the key to the success of the commercial exploitation of the Horizon project. Part of the Horizon Working Group's remit was to see what new business could be brought to post offices through the Horizon Platform, this was part of the Terms of Reference. Government was definite that they would not be pulling back from their decision to move to compulsory ACT in 2003.

The work being carried out by the Horizon Working Group had been done in restricted commercial confidence. However, the submissions to the PIU had been leaked to the press and this had given the General Secretary the opportunity to circulate it to the Executive Council. However he urged the Council to treat it with the confidence it deserved.

Federation Campaign

MR PEBERDY reported that the campaign was well on the way. There had been a lot of press activity over the Christmas and New Period, with several references to the Federation. The Executive Council and branches had been supplied with further briefing information. The Committee was circulated correspondence confirming a meeting, organised by VIRSA, with the Mothers' Union. This would be attended by several organisations who it was considered would be very helpful lobbyists as they had a reputation for speaking about things near and dear to people's hearts.

Early Day Motions and debates on the subject were becoming a regular feature. A lot of weighty signatures had been received, some from Labour MPs who were worried about what was happening. ACT was to be the subject of question number 10 during Prime Minister's Question Time. Unfortunately time had not allowed that question to be reached, but it was reported that the Prime Minister had been briefed in preparation for it.

MR PEBERDY referred to the press release that had been embargoed until 27th December, in which Stephen Byers had tried to deflect concerns by saying that the public would have a say as to whether their post offices closed. However, he believed that if the public was to tell the Regulator that

they wanted their post offices to remain open, then he would pay for those offices to stay if they were not viable.

MR PEBERDY advised that later that week Mr Peberdy and the General Secretary were to meet with Oliver Letwin at the House of Commons to speak with some cross party MPs and the Committee would be kept informed.

The latest correspondence proposed moving the campaign forward to the next stage of the lobby and petitions. MR PEBERDY referred to the work being done by in South Wales, South West Region and also in Scotland. The Western Daily Press had mailed a copy of their paper containing petition forms to every subpostmaster in the country. They had been supplied with the Federation's membership list for that purpose and had given an undertaking that this information would not be used for any other purpose. The petitions would be sent to Shoreham and a decision could be made when to take them to Downing Street.

Posters were to be included in the January edition of The SubPostmaster. It was important that the campaign did not peak too soon. THE GENERAL SECRETARY reported that The Scottish Daily Express and the Western Daily Express were running their own campaign with petitions and posters. The Federation had been drawn into supporting them, even though it had been considered that it was too early for such action. The petitions would be presented to the Prime Minister when the time was considered to be right. He described the timing as critical as he believed that the Government may delay until all the subpostmasters' support had been exerted, and the public had lost interest, before taking their own action. It was thought that at the end of March the PIU would be reporting and it was known that the Government's response with regard to the network was that the PIU who was looking after it. Around this time it was considered that The Post Office Bill would start to have an impact and John Roberts' viability project was due for completion.

THE GENERAL SECRETARY referred to the criticism that had been made about the Federation not doing anything. He considered that it was much more difficult to lead from the back, and that although it appeared that nothing was happening, the Federation had been there to make sure that people had been campaigning on its behalf. Organisations such as a Mother's Union, Age Concern, National Federation of Women's Institutes and ACRE who were championing the cause, could do so without being accused of scaremongering as the Federation would be. Both Oliver Letwin MP and Ian Bruce MP had sent copies of a general letter they had received from Alan Johnson and expressed concern about the present Government policy.

THE COMMITTEE was pleased that they were now able to be seen to be supporting the campaigns being run by their local newspapers. It had been very difficult not being able to let members know what the Federation was doing behind the scenes.

MR BUTLIN questioned what the position was on the distribution of the wraparounds, as some subpostmasters in the SWSW region had not received them. This had not been too much of a problem prior to Christmas and the New Year as people had been too busy to circulate them. However, now they were able to do so MR BUTLIN was keen that this be done as quickly as possible.

MR HEASMAN reported that there had been problems with the distributions which were being done by Parcelforce. The Federation would not have chosen to use Parcelforce, due to the political element and the implications of that. However, the printers had chosen to use them as carriers, opting for distribution on a 48 hour delivery. He believed that only one delivery had actually been made within that time scale, and that was the largest of them all, to Northern Ireland! MR HEASMAN referred to recent BSCs, where he had been asking branches to supply him with evidence of late deliveries, and part deliveries. He had given instructions to J Walter Thompson and to the printers not to pay any invoices, as he was in the process of gathering information in order to get some reduction on the cost of the deliveries and he urged the Committee to let him know if they knew of any such instances. He had also had difficulty in getting information from Branch Secretaries, as to the delivery addresses of the wraparounds, despite requests in BSCs and letters to Executive Officers asking for this information. He was reluctant to send them to the Branch Secretaries without confirmation that this was acceptable because some of the parcels were large, and without knowing the size of their offices he could not know if they had sufficient storage space for them. He was still waiting to hear from ten branches: Bedford, Bicester, Chiltern, Hertfordshire, London East, London South East, London South West, Middlesborough, Northampton & District and Peterborough. THE CHAIRMAN requested that Executive Officers of these areas chase up the branches concerned.

MR HEASMAN advised that some branches wanted further supplies, and he considered that those not claimed were better going to these branches than sitting in a warehouse, waiting for a branch to respond. He felt therefore that there must come a point where they would be allocated to other branches.

MISS LINDON referred to a letter that she believed had been sent to Shoreham from Frank Field. The points contained in the correspondence were thought to be controversial and she was concerned that the Government 'think that they have got away with it', and MISS LINDON asked if this letter had been circulated as requested by Frank Field. THE GENERAL SECRETARY replied that it had not been circulated even though he had received correspondence from people who believed that it should be. The reason why it was requested that it be circulated was because it was reported that Frank Field had said that the Federation did not know what they were doing and were not active enough. However, Frank Field had been the

second signatory to an Early Day Motion and THE GENERAL SECRETARY was hoping to speak with him at a meeting that coming week. He believed that he was trying to provoke a reaction from the Federation in that they would 'fire their Exocet too soon. THE GENERAL SECRETARY would be writing to the subpostmaster concerned advising him that Mr Field has signed the Early Day Motion on the same day that he wrote the letter.

THE GENERAL SECRETARY reminded the Committee that it was they who must take the message back to their members. The Conservative Party had not said that people could have pensions and allowances in cash at post offices if they wanted to. It was ACT and no choice and therefore the previous campaign was easier to target.

There were two reasons why it was necessary to apply things differently. It was easy for the Government to say that people could have their benefit in cash at post offices after 2003 and their ask why was the Federation scaremongering. That was what they wanted to do. They were more robust than the last government. He warned the Committee that they must not get spooked into doing something too soon. They must be focused and targeted, just as the Government was.

MRS JERVIS was concerned that this message was not getting across to the members. They were telling the branches that if the Federation was not going to do something, then they would do it themselves. This perception of the Federation's apparent apathy was doing a lot of damage to the Federation as an organisation.

THE GENERAL SECRETARY was just as concerned but re-iterated the necessity for the campaign to be very slow burning. Alistair Darling had copies of all of the Federation's correspondence to members and they had a machine better than any machine he had ever seen regarding intelligence. They knew what the Federation was doing. The ACT campaign would be built into a lobby and it would have the support of organisations such as Mothers Union, Women's Institute, Country Alliance, Help the Aged. Not everything could be revealed yet. THE GENERAL SECRETARY confirmed that the Committee could advise their members of this support and this would also be advised in a BSC

Discussion continued, highlighting local newspapers who had started petitions in their areas and it was questioned whether The Western Daily Press doing a national mailing would confuse the issue. THE GENERAL SECRETARY thought that it might, and that is why the Federation had been reluctant to do it, and it was important that they kept control. However, the Federation could not afford to be accused of refusing to help. Several areas of the United Kingdom were active with both newspaper and television involvement and the campaign was gathering momentum.

MR PEBERDY advised that in an effort to assist Executive Council Officers with answering members' questions and concerns, the Negotiating Committee had requested that going forward, the newspaper cuttings that Shoreham received be sent to Officers on a weekly basis. With the editor's permission an article would be going in the Journal to let members know what was happening. MISS LINDON was happy to take on board any issues or comments the Committee wanted to incorporate and reminded them that the February edition also went to non members.

THE COMMITTEE turned to the question of the expenditure necessary for a lobby and it was acknowledged that with things moving so quickly there may not be time to obtain consent from the whole Executive Council on a spend. THE GENERAL SECRETARY considered that this was the very thing that branch and Federation funds were for and if every penny was spent, it would have been spent correctly. He urged the Executive Council to put their whole efforts into instilling on their members the importance of getting them to London on the day of the lobby, and supporting it, because their very livelihoods depended on it.

DECISION

3. POST OFFICE COUNTERS

3a) Post Office Counters Board

PO PC 02

Board changes seemed to have settled down and the Federation would now need to build relationships at every level.

3b) Organisation Development

PO PC 03

MR PEBERDY referred to the papers circulated in relation to a meeting that he, The General Secretary and Kevin Davis had held with Bruce McNiven regarding the changes. It indicated that RNMs and HORNS were going. It had been hoped that more information would be available before the end of last year, but this had not been the case and until it was known how the Federation was going to interface with the new set up there was little that could be done.

4. OFFSHORE ISLANDS

4a) Guernsey

OI GY

Nothing to report

4b) Isle of Man

IO IM

Nothing to report

4c) Jersey
Nothing to report

OI JY

POST OFFICE COUNTERS LIMITED

5. Commercial
Nothing to report

6. Euro Programme

PC EU 01

Euro Programme and European Monetary Union
Nothing to report.

7. Human Resources

7a) HRSAPs

PC HR 06

MR PEBERDY reported that subpostmasters had experienced problems with their December remuneration in that incorrect payments had been made for Motor Vehicle Licence Stamps, Television Stamps and Telephone Stamps. During the recent pay meeting the Negotiating Committee made their feelings known to Mike Granville and obtained an assurance that these overpayments would not be reclaimed from subpostmasters until the money owing, such as the new Family Tax Credits arrears and RPP could be paid in the same month. It had been agreed that this would be done in January.

Mr Davis had met with the new General Manager of HR Services Steve Bell. Kay Hartigan had responded to Mr Davis' letter to Dave Miller, and it was felt that although errors were occurring, an effort was being made and fewer complaints had been coming into Federation Headquarters from subpostmasters on this subject.

On the Service Level Agreement the Negotiating Committee was trying to get in place an arrangement where everything was sorted within a certain number of days and Mr Davis was due to have another meeting with Steve Bell on 9th February 2000.

MR WILLSHAW highlighted the fact that some people paying money to the Benevolent Fund from their salaries by standing order had not had any money taken from them for some time and he suggested that letters be sent to the donators asking them if this was the case. MR PEBERDY advised that the Service Centre was saying that they were not aware of any instances where this had happened and he called upon Council to let Mr Davis have examples of people who were thus affected. MR MORGAN JONES had found that although no deduction was shown, if the figure work was checked,

it could be seen that these deductions had in fact been made. MR JANNETTA confirmed that contributions from Scottish subpostmasters made to a local charity, did not appear on the pay slips but had been deducted.

MR PEBERDY also requested examples from anyone who thought their printouts to be incorrect, as they had been assured that these had now been put right.

Irrelevant

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9. Network

9a) Network Forums

PC NW 01

The outputs of the Network Forum meeting of 22nd January had been circulated but MR PEBERDY advised that it had not been a particularly constructive meeting. Conditions of Appointment and the revision of the Losses and Gains Policy had been discussed but they had incomplete copies of the policies and therefore little progress could be made. Concerns had been raised by the Negotiating Committee about negative press in relation to automation and the Benefits Agency, information was being distorted, and they requested that they produce some proactive briefing.

It had been agreed to have regular Network Forum meetings every two months.

The Negotiating Committee had been very disappointed to find that it was expected that 207 offices would close during the period of April and October. MPs had said 200 offices per year but on these figures it would be around 400 for this year.

9b) Consultation of Network Issues
Nothing to report

PC NW 02

9c) Counter Automation - BA/POCL

PC NW 06 01

Information had been received concerning Horizon Field Support Officers. MR PEBERDY suggested that this subject should be moved to another part of the agenda, to have its own identity rather be under Network. The Horizon Working Group discussions had been circulated and it was considered that these were more appropriate to the earlier discussions.

MR PEBERDY referred to the proposals for modifications using the Discretionary Fund money and the response of the orange paper circulated. As a result of the votes received, (5 in favour, 4 wanting a debate) the matter is now being debated and a sub committee was formed to talk with the Post Office and he, Mr Cyril Jones and The General Secretary had held their first meeting at St Albans. He went on to explain that the date of 31st December had been critical because The Post Office, in their contract with ICL Pathway had a requirement to provide them with Horizon compliant offices by that date. If they did not meet this time scale then the agreement would change from ICL Pathway meeting some of the costs of modifications to it wholly being the responsibility of Post Office Counters Ltd. During their meeting it was thought that this could be avoided by using some other monies on a similar basis as the ISIS project for subpostmasters to clear a massive number of these offices, which had been thrown into that 'big black whole'. This would leave only around 100 offices that required a major spend, for example where walls of terraced houses had to be demolished.

MR PEBERDY invited those Executive Officers who had voted for a debate on the subject to do so.

MR BRADBROOK considered the figures about costs given for offices and the fact that there were only around 100 offices that would require a major spend, to be false. He knew of offices in his area that only required some re-wiring to make them compliant. Most offices in his area required only one day's work. He considered that the amount of spend over estimated for these offices could be used to fit up to 1,000 other offices.

MR PEBERDY requested that if Mr Bradbrook knew of an office that was a 'no solution' office and only needed minor work to be carried out, to supply

him with details. The £2,500 spend did not apply to each office, only to 'no solution' offices which was thought to be around 487. With those sums of money involved it was decided to look for a reconstituted deal of how much ICL Pathway would contribute.

MR WILLSHAW had spoken to the General Secretary about the need for a debate, he wanted to know what other people thought and he found the system of orange papers distressing. He had faxed correspondence to the General Secretary with regard to compensation for offices that were to be moved or re-located. If they were re-located what was the position with regard to the introductory fee? Would there be any grasping back of money at POCL that they should be aware of?

MRS JERVIS, although voting for a debate, asked whether any agreement had been made the POCL, because if it had then this debate was pointless. If an office was re-located, then fees had to be paid and there was no indication in the letter as to what was happening. She questioned whether those offices re-locating would be bound by the Conditions of Appointment which stated that they would be required to have corporate carpeting or paint work. It was not clear.

In response to Mr Willshaw's and Mrs Jervis' remarks MR PEBERDY advised that subpostmasters of those offices that needed very major changes would be given a choice. If a subpostmaster knew of premises locally and was willing to move, then no relocation fee would be charged. If the subpostmaster was to go, and the office was re-located, then a fee would be applicable. Under these circumstances 10% of that re-location fee under the current deal would go back to the Discretionary Fund.

MR PEBERDY advised that the agreement had not been accepted because it needed to be debated and it was up to the Council what the decision would be.

In reply to the second part of Mrs Jervis' question concerning carpeting and paint work THE GENERAL SECRETARY advised that this was not an Horizon issue. The post office that the subpostmaster was relocating to, by definition had to be Horizon fit. He accepted that some subpostmasters would want to repaint and maybe re-carpet their new offices, but he urged Council to help subpostmasters who did not want to, to resist any pressure to do so.

THE GENERAL SECRETARY assured Council that to take £1½ million from the Discretionary Fund was good housekeeping because if the Fund exceeded £4 million, which it did at present, then a different funding was applied. However this would be explained at the appropriate part of the agenda.

MR BUTLIN considered that this was a very good offer, it would free up 80 offices therefore achieving its objective. It would leave 20 offices as 'no solution' but that was not many considering the number of offices in the country. He proposed that this office be accepted. This was seconded and CARRIED.

DECISION

THE COMMITTEE discussed the letters that the Benefits Agency had distributed, advising claimants that future payments would be made into their bank. There had been instances where customers were telephoned and asked for their bank account details. Several members expressed concern about instances in their areas where the Benefits Agency was deliberately making it difficult for claimants to collect their benefits from their local post office. These included books being sent to wrong offices and the customer being told that they would have to go to that post office instead of their local one, and claimants being told that if they had two books they had to draw from them at different offices.

THE GENERAL SECRETARY reported that progress on this matter was slow. DTI Ministers and the Secretary of State were writing to Alistair Darling demanding that something be put out to those people who had received these letters. The Federation had not received as much evidence of these instances as it would have liked and without it little could be achieved. THE GENERAL SECRETARY had seen a proof of a letter that POCL intended to send to all subpostmasters, but they did not have the names and addresses of the beneficiaries who received the original letter. He considered that POCL should produce posters to put into post offices, and if they would not do it then perhaps the Federation would.

MR WILLSHAW proposed that the Federation do its own poster, and this was seconded. However, MR PEBERDY suggested that before accepting this proposal, the General Secretary be given another opportunity to get The Business to produce one, because there would be a cost. Stephen Byers had undertaken to speak to the Minister to get letters to everyone and it was possible they may include posters. If not, perhaps The Post Office would do them. THE GENERAL SECRETARY would try to find out the current position on this, either by the end of the meeting, or failing that by the end of the week. The proposal was amended, that The General Secretary would be given two weeks to get a favourable response, if this was not achieved then the Federation would do their own. THE GENERAL SECRETARY considered that the Federation could not afford to wait two weeks and undertook to try to get a response later that day.

DECISION

9d) Renegotiated Automated Payment Schemes PC NW 06 02

It was AGREED that this item would be moved to PC SP.

DECISION

9e) Cash Handling and Distribution

PC NW 09 03

The aim had been to establish consultative arrangements following reorganisation, and to update the new people they had in office, as stated in the circulated letter dated 16th December. MR PEBERDY referred to the list accompanying that letter showing the four different territories and the contacts within them and he requested that the Executive Officers responsible for these areas start to make contact. In the meantime Mr Davis was trying to source a meeting with Ian Larrington.

Papers had been circulated concerning the defunding arrangements. This had not gone as well as hoped. It had been a nation wide problem and the Negotiating Committee would be taking part in a review meeting and MR PEBERDY asked Committee members to let Mr Davis have any relevant information to take to that meeting.

Discrepancies PBNE's had been published in the Counter News under Week 36.

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Irrelevant

Internal Logistics Review – Stores Closure Programme

MR PEBERDY referred to the circulated letter of 21st December incorporating a flow chart from Dermot Martin, in which he had asked for comments on Re-orders, Modular Packs, Order Card Errors and Transactional Stock Catalogue. Mr Martin was less than happy with Swindon Store performance and this was an attempt by him to remove all potential blame from subpostmasters so that blame could fairly and squarely sit with Parcel Force World Wide at Swindon. MR PEBERDY objected to the reference to markets and offences because if Royal Mail made more processing errors then subpostmasters would also. There was to be a meeting about this and MR PEBERDY asked Council for their views.

MRS REEVES reported that in her area the inability to get further supplies of certain forms was preventing subpostmasters from transacting their business. Articles in the Counter News had referred to DNS forms being photocopied because they were not obtainable from Swindon. Subpostmasters were going from office to office because supplies were not coming in. This had changed in the past couple of weeks but some offices were now receiving multiple deliveries, because they had ordered more than once when stocks didn't arrive. One subpostmaster received his order five times!

MR WILLSHAW's area was experiencing similar problems. Some subpostmasters were being told an item was not available, whilst others were being sent up to four boxes.

MR DARVILL reported that London was due to get six monthly stores at the beginning of December and they had just arrived that week in his office. Driving Licence application forms were unavailable as were air Mail labels. If the subpostmaster put in an emergency requisition for something that was included in the fortnightly supply, they did not receive it.

THE CHAIRMAN requested that details of these instances be sent to Shoreham. She described it as a diabolical carry on.

Mr Martin had advised in his letter of 29th December that stock which could not be picked was held on the computer at PWL until stock was available, and it was then picked. MR PEBERDY called on Council for a decision as to whether it should be policy not to re-order, or that stock not sent would have to be re-ordered.

It was PROPOSED and AGREED that all out of stock orders be put on back order and fulfilled when the item became instock.

DECISION

10. Security

10a) POCL/NFSP Meetings

PC NW 11 01

The minutes of the Security meeting of 30th November had been circulated. Robberies had increased and burglaries decreased. The regional security meetings were to continue and now that the territories had been set it was necessary to get the names of the representative of each. These were as follows:

North	Mrs Kendall
East	Mr Jones
West	Mr Peberdy

When the new Head of Security passed this information to his regions it was hoped that there would be a basis on which to start security meetings again. The General Secretary had conveyed the Federation's fears when Tony Marsh was appointed because he had come from an IB background and it was known that IB did not like unions. Concern was expressed that Mr Marsh may not act in the Federation's best interests but MR PEBERDY assured Council that if it appeared that Tony Marsh was not co-operating then he take these concerns to Mr Marsh's boss.

MR PEBERDY reported that Mike Wood had been invited to Annual Conference, as requested by the Executive Council at the previous meeting. He was waiting to see how things moved forward and look for forums to produce something better. Can people in territories make decisions and territories deploy it?

MR JONES reported that his region had held a meeting with the people they used to deal with and told them that their new contact was Phil Gerrish. This response had been very disturbing. They said that they would talk to any branch necessary and hold regular meetings, the first of which was set up. It was not necessarily a bad thing that Mr Marsh was from an IB branch as all employees were to be multi skilled in the future with training in all parts of the job. It was considered that they were trying to bring security people into the mainstream and Phil Gerrish was having to report sales volumes. They

seemed to be trying to break away from the IB, and MR JONES was concerned about it.

MR BRADBROOK had no faith in Mr Gerrish. He had invited him to his office and by opening the hatch he had been able to let himself in. He admitted that the doors were not adequate but they were working to a budget. This led to the subpostmaster being held responsible and negligent if an attack occurred because the doors were not adequate. MR BRADBROOK had attended four meetings with HORNS and Area Managers and told them that the doors must be outward opening.

Referring to survey's in the South East, MR BRADBROOK reported that each time something went wrong the subpostmaster could be asked to complete a survey and one had stated that 'over and above the screen' should have been completed in 1978. When an attack took place where access was gained by going over the top of the screen the subpostmaster was held responsible.

MISS LINDON questioned what was meant by the reference to negotiations with the Federation early in the New Year in relation to the Cashco trial. THE GENERAL SECRETARY advised that the Federation was waiting for the result of this trial as he believed that Cashco would say that it had been a success, but it was important to get input from subpostmasters and it could then be negotiated. MISS LINDON was concerned that subpostmasters were not being given the opportunity to express their views on the trial because the questionnaire only gave them a 'yes' or 'no' option, thus making it loaded in Cashco's favour.

MR MORGAN JONES reported that from the outset this was done within the region, and had then been put out to the national team. Executive Officers in the region were not aware how far the Federation had got with The Post Office or Cashco and he had not been aware that a questionnaire had been circulated and he asked why the Federation had not seen a copy of it.

THE GENERAL SECRETARY advised that the deal was done with Irene Bethell and the Federation had received no feedback from Cashco or subpostmasters. He had imagined that when the trial was over they would advise the results. He suggested asking subpostmasters through Executive Council Officers what their input was. He had not been involved in any discussions, any correspondence or any feedback from other sources.

MR BRADBROOK reported serious problems with bogus Rem men. They arrived shortly before a collection was due and were correctly dressed. The subpostmaster was then held negligent and required to repay the loss.

The Post Office had put an article in the Counter News concerning bogus Rem men. THE GENERAL SECRETARY referred to the charge of negligence on a subpostmaster giving money over and he had not been

aware that there was more than one such case in London. He knew of a case in a branch office and acknowledged that if a branch office could be tricked then so could a subpostmaster. This was something that needed to be addressed, but he would need the correspondence to do it.

10b) Regional Security Forums
Nothing to report.

PC NW 11 01

10c) Equipment
Nothing to report

PC NW 11 02

10d) Trauma Care Programme
Nothing to report

PC NW 11 03

10e) Bravery Awards

Correspondence had been circulated and the matter would be raised at a meeting with Alan Barrie and Dave Miller as it was considered that proper recognition should be given at the Bravery Ceremony.

11. Quality

Guide to Disability Discrimination Act (DDA)

PC QY 01

MR PEBERDY reported that work was well and truly underway. Questionnaires had been given out but these did not raise any queries.

12. Subpostmasters' Contract

12a) Standards at Post Offices

PC SC 03

MR PEBERDY advised that Conditions of Appointment had been circulated under cross reference and should be in current files together with the Losses and Gains Policy.

This was the result of a lot of work done by the Negotiating Committee going back to 1997 and it seemed that progress was being made. He considered that the Federation now had a golden opportunity, now that the Business made policy in the Centre and deployed it to the Regions. MR PEBERDY advised that the Negotiating Committee would like for both the Losses and Gains Policy and Conditions of Appointment to be addressed at a further meeting in order to get some alterations and then for them to be sent out to the territories in order that they had to abide by them. The Post Office was now beginning to look at this in a manner that was correct, reasonable and

affordable and the Negotiating Committee felt that they were 'within an ace' of getting the documentation they wanted.

12b) Introductory Payment

PC SC 04

Nothing to report

12c) Loss of Office (Compensation Agreement)

PC SC 12

Nothing to report

12d) Paypoint

PC SC 21 01

Nothing to report

12e) Counter Losses and Gains Policy

PC SC 27

MR PEBERDY referred to section 2.1.4. to 2.1.6. Sub Rem 5/88 had stated that percentage fines were not appropriate as they did not take into account the amount of damage on the person. It was also considered totally unfair that a percentage of the loss was required to be repaid, 25% of gross remuneration could be charged in some circumstances. Subpostmasters did not set out to deliberately lose money, sometimes it was the fault of the security system.

Referring to Conditions of Appointment MR BUTLIN felt that these had not changed very much in the last two years and errors were causing the greatest problems and he considered that partially culpable being set at 33% was much too high. He also felt that the 25% taken from total income was wrong. Any office on line received a substitution payment for it and that should not be included. It was wrong to include both the Assisted Office Payment and the Product Payment. The right of appeal did not seem to exist, only the opportunity to discuss with the HORN how long a subpostmaster had to pay any charges. He considered that there was still a lot of work to do.

MR WILLSHAW advised that he had made comment to the percentages on his orange paper. He expressed concern that RNMs were not qualified to assess whether a subpostmaster was negligent. However, THE GENERAL SECRETARY advised that this would not be done by the RNMs but by the security team (2.1.1.). He was concerned to hear that.

In response to MR BRADBOOK'S query as to whether MSPO were included in this item, THE GENERAL SECRETARY replied that as the Federation was able to represent MSPO members in individual cases, and negligence and robberies were individuation cases, they were included.

MRS REEVES referred to item 2, Preventative Measures by POCL. This could only be enforced if The Post Office made sure that they issued arrear notices within the 8 week period. At the moment this wasn't being achieved. THE GENERAL SECRETARY explained that because the contract actually

required that these were made good immediately, it went back to 1982 when green giro's could not be processed within 8 weeks and it was argued that it was unreasonable to make good a loss whilst the accounts were not checked. He believed that if they tried to extend those 8 weeks they may be opening a Pandora's Box. Eight weeks should be sufficient, some subpostmasters took advantage of it and others made good their losses when they should.

MR PEBERDY referred to the PC NW 01 outputs of 22nd November. The Negotiating Committee was desperate to get 25% as net issue, not gross. They were trying to get the appeal to be done, at least by a HORN outside the area.

Conditions of Appointment

THE COMMITTEE discussed the apparent insistence that subpostmasters wear name badges. THE GENERAL SECRETARY clarified the matter by advising that the Federation had accepted that name badges **should** be worn or displayed. If subpostmasters were worried about security they could use a pseudonym. If The Post Office was deviating from that agreement, then the matter would be addressed. It was not in the contract that subpostmasters **must** wear a name badge, but it had been agreed that they **should**.

Referring to the Subpostmasters' contract, MR BRADBROOK stated that if a post office fitted into a certain module it would become a franchise office and a number of MSPOSs were falling into this category. He was concerned how much money these subpostmasters were having to pay. He had represented a subpostmaster who was threatened with termination because the bank would not lend money and he therefore could not complete his refit within the six month period. However, MR BRADBROOK had been told that he had no right to be there because it was a franchise office. He said that he was there as 'as friend' and he telephoned John Main, who also said that he had no right to be there. The result of the meeting was that the time scale for the refit was moved from January to July, therefore there was flexibility.

MISS LINDON reported two occasions when she had known that RNMs had lied in order to try to achieve their aims.

- That POPOS was compulsory and subpostmasters did get paid for it.
- Telephone calls checking on stock holdings: MISS LINDON knew this was not true because if that was the case then the Federation would have negotiated telephone calls for this.

THE GENERAL SECRETARY requested Council to read the documentation of the Terms of Appointment very carefully and, in order for the Negotiating Committee to make progress, relay concerns and instances such as those reported above to the Committee. He asked Council that the Negotiating Committee be left to dot the 'I's and cross the 'T's.

MISS LINDON congratulated the Negotiating Committee on the work they had done.

MR PEBERDY sought the agreement of Council that the Negotiation Committee go back to firm up a little more and get the document agreed. This was AGREED.

DECISION

13. Subpostmasters' Pay

PC SP

13a) Pay Review

PC SP

MR PEBERDY reported that a meeting on Pay 1999 had been held with Post Office negotiators on 6th January 2000. The initial offer, made at that meeting was as follows:

1. The first element was to pay 10/12 of 2% based on each office's total pay for the year 1998/1999. This being the equivalent of April through to January. It would also take into account elements that would not normally be subject to any other pay increase, such as The Lottery. It meant that a lump sum could be calculated for each office to be paid in February.
2. The second element was to make an increase in the Assigned Office Payment (AOP) for all offices, including community offices, minimum scale offices and restricted payment offices. This would be effective from 1st February 2000 and would be worth 2.1%. Also to increase what was colloquially known as 'the balances' from 1st February 2000 to 2.1%.
3. In terms of product payments the proposal remained unchanged from those already given in previous discussions. These could then be discussed again at the next pay review, starting on 1st April 2000.
4. Referring to The Minimum Wage it was the Post Office's view that subpostmasters were not subject to the minimum wage legislation, but it was recognised that it affected subpostmasters in that it had an impact on the costs on their businesses. A subpostmaster who did not perform a personal service had to employ staff to run the office and the staff would have to be paid the minimum wage. It was therefore proposed that there be an annual review of the income that an office was receiving from the Post Office network Unit for the provision of service for offices without those contractual scale payments. That review would conclude the total income the office received from the Post Office Pay Unit including an allowance and reimbursement in the annual period between 1st April 1999 and 31st March 2000. This total would be divided total by the number of hours that the post office was contractually required to be open over the same period. If the figure from that calculation was less than £3.60 the Post Office would make a payment to bring the figure up to that amount.

This would apply to all offices where subpostmasters did not give personal service. This would apply to all offices in that category, whether or not they had a private business. Modified or franchise offices however would not meet this criteria.

5. The proposal on Mailwork would also be the 10/12 detailed in element 1, covering the same period. This would take them up to 1st February 2000 and therefore address the arrears position. Discussions would then continue on Mailwork at separate meetings.

In summing up Mr Granville mentioned two important factors.

1. The proposals created a position whereby payment could be made quickly.
2. In acknowledging the concerns of traffic decline in certain offices, because the proposal was based on 1998/1999 it protected it against any decline in the current year. He re-iterated that this proposal applied to items such as lottery and bill payments.

The Committee had rejected this as being no better than what had already been put on the table, and the Post Office negotiators had left the meeting whilst The Committee discussed the way forward.

The Post Office representatives re-joined the meeting and Mr Peberdy had advised Mr Granville that the offer that had been put before them was far short of the Federation's claim and also short of the discussions that had been held between the two parties. In acknowledging Mr Granville's opening words to 'get on as quickly as possible' and bearing in mind the fact that the end of another year was approaching, Mr Peberdy responded to the offer in the following manner:

1. Payment of 10/12 of 2.75 on total P.60 for 1998/1999 for all subpostmasters
2. Increase Assigned Office Payment from 1/2/2000 by a lump sum of 2.75% on 1998/1999 P60.

Increase all other allowance by 2.75% from 1/4/1999.

3. No increase in Transaction Related Payments until 1/4/00
4. Not to be included in the offer - as this was not generic to pay discussions and no comments would be made regarding it.
5. Mailwork in (1). Separate negotiations from 1/2/00.

Mr Peberdy further advised that as the above fell short of the Federation's pay claim they requested that the following requirements be considered:

- (a) Representation for MSPOs
- (b) Abolition of the Introductory Fee
- (c) 0800 telephone numbers for Hemel Hempstead and Salford
- (d) Horizon Migration Payment made for inconvenience being experienced, and for this to be ongoing.
- (e) Overtime paid for Bank Holidays, Training (Excessive Attendance)
- (f) POPOS
- (g) A realistic commitment to share information on product payment for meaningful negotiations in the future.
- (h) Review of the Holiday and Sickness Allowances.

Mr Granville questioned the Committee's refusal to accept the Minimum Wage as part of the proposal. Mr Peberdy replied that because of the way it was phrased, it was something that the Committee could only note. He invited Mr Granville to write to the Committee on the matter, when it would be addressed separately.

Nothing had been agreed by the close of the meeting, and Mr Peberdy had re-iterated to Mr Granville that they had hoped to take a recommendation to the Executive Council that weekend. Mr Granville undertook to speak with The General Secretary that evening with a response to the Federation's proposals. However, as reported earlier, an acceptable offer was still being negotiated by telephone during lunch and evening breaks of this Executive Council Meeting. Eventually The Negotiating Committee received faxed copies of letters of offer 'without prejudice' which they felt they could recommend to the Executive Council. Copies of this correspondence was circulated, and the proposals discussed.

It was unanimously AGREED that the following offer be accepted for recommendation to the Executive Council.

DECISION

- A lump sum payment to be made to each Subpostmaster equivalent to 2.3% of all the remuneration for their office paid through payroll in the twelve month period between April 1998 and March 1999, which covers the whole period between 1 April 1999 and 31 March 2000 and is effectively the pay rise for members for this year. This element is particularly important as it means Subpostmasters will receive an increase based on all elements of their pay - including National Lottery and all other products previously paid through the intermittent allowance system.

This will be paid to Subpostmasters holding appointments at the relevant office during the period 1 April 1999 to 31 January 2000. The payment will be on a pro-rata basis in accordance with the length of time they have held or will hold that appointment within the period between 1 April 1999 and 31 March 2000.

It should be noted that this element does not apply to the payments made by POCL in respect of holiday substitution and sickness substitution allowance i.e. payments made in reimbursement of expenses.

- In addition to this we have negotiated the increases noted below which are effective from 1 April 2000 and which will therefore form the relevant base for future pay discussions in 2000 based on the normal April review date.
- Increases of 2.2% to the Assigned Office Payments of all sub post offices to be effective from 1 April 2000.
- Increases of 2.2% to Community, Restricted and Minimum Scale offices to be effective from 1 April 2000.
- Increases of 2.2% to all standard allowances, as published in the annual supplement to the Gazette, with effect from 1 April 2000.
- Increases in Product Payments as given in the list at Annex 1 to this BSC with effect from 1 April 2000.
- The introduction of an annual review applicable to all scale payment, Community, Restricted and minimum scale offices to be automatically undertaken by Post Office Network Unit on the following basis. This review will calculate the total remuneration paid to each office (including all allowances and re-imbursements) in the annual period between 1 April 1999 and 31 March 2000 and divide that sum by the total number of hours that the Post Office contractually required the office to be open over the same period. If the figure received per hour of office opening is less than £3.60, then the Post Office will make a top up payment to the office such as to bring the figure up to £3.60. The first operation of this review will be undertaken by Post Office Network Unit in the first quarter of the 2000/2001 financial year, and will be based on the relevant data from between 1 April 1999 and 31 March 2000.

This element addressed one of the key requirements of the Federation's original claim, that being the impact of the national minimum wage on Subpostmasters' pay. In agreeing to this element, the Federation would not be accepting the definition of pay used by PONU. However, this element would benefit Subpostmasters and the Federation intended to continue working to progress this issue.

- Mailwork Payments were currently being separately reviewed by Post Office Network Unit and the NFSP. As a full year's effect of mailwork pay in 1998/9 would be included in the calculation of 2.3% lump sum outlined above, those discussions would continue but the effective date of their outcome would now be 1 April 2000.

- Post Office Network Unit was prepared to extend the current 'one for one' transfer arrangements (whereby a Subpostmaster who resigns one office to take over another office within a stipulated time frame has the appointment scale waived) to MSPO transfers. Therefore, if a SPSO Subpostmaster took over an existing MSPO office on a 'one to one' basis the introductory payment equivalent to three months remuneration would be waived. The same arrangement would apply for an MSPO Subpostmaster taking over an MSPO on a 'one for one' basis. If an MSPO postmaster resigned his/her MSPO to take over an SPSO on a 'one for one' basis, the requirement for that Subpostmaster to go on the appointment scale would be waived.

All the above arrangements would come into effect for transfers taking place after 1 February 2000.

- With effect from 1 February 2000 the threshold at which the appointment scale was applied to new appointees at scale payment offices would be increased by almost 10% from £12,731 to £14,000. The elements of pay to which the appointment scale was applied would remain unchanged.

PONU would confirm with the NFSP the changes to arrangements where an incoming agent 'bought out' an existing Subpostmaster and, with Post Office Network agreement, re-established the office on alternative premises nearby. In these cases there was a direct commercial link between the incoming and outgoing Subpostmasters and no case for application of the Discretionary Fund. Hitherto in such cases the incoming Subpostmaster would have been placed on the appointment scale and required to pay an additional Introductory Payment. In future the introductory payment element of these arrangements would not be required.

Identifying cost of running an office

MR PEBERDY referred to the circulation of the Hartley McMasters Survey to be returned by 4th February. He asked Executive Officers, when attending meetings, to implore their members to return it as it was in their best interests. He also advised them to instruct members not to forget to take into account every square inch that is used, not just the serving area. Examples given were staff toilets, storage space in other rooms, filing cabinets. A Branch Secretary Circular would be despatched from Shoreham that week on the subject.

ACTION

**13b) Pay Claim 1999
Sub Post office Viability Project****PC SP/1999**

THE COMMITTEE referred to the draft Terms of Reference which the Negotiating committee had agreed the previous day. The majority of the work was covered by bullet points 1 and 2. THE GENERAL SECRETARY considered that this subject was probably the most important on the Executive Council's agenda as it was the future network of sub post offices. The Federation should have a say in the matter, with the DTI looking at the access criteria, and the PIU looking at the viability of post offices, including the size and shape of the network. There had been indications from the PIU that they were hopefully leaning towards subsidies. It was thought they may be considering putting a menu of choices to the Secretary of State that retention of post offices would require funding of some nature.

The Viability Project would be coming together at the same time as everything else and it was therefore very important that the Federation used this opportunity to get its message across. The Negotiating Committee not only needed Council's agreement to the Terms of Reference, it was also important to identify an optimum solution. Within the project group consideration would be given to the options open to the Federation and frequent meetings would take place. THE GENERAL SECRETARY considered that Council's agenda was 'The Rural Network' and he felt that if the Government wanted to retain it they should pay for it. It should not be supported by cross subsidy of large offices for small offices. That was the way of the past, but not for the future. If that was the rural network, then the urban needed to be looked at separately, analytically and brutally. It was necessary to see how the Federation wanted the network to look like in 2010. THE GENERAL SECRETARY advised that when discussing the Mrs Bain case under A/12 it may be necessary to have different contracts within the network and different methods of payment.

THE GENERAL SECRETARY felt that this was the most important position that the Federation had been in for many many years, as it was in a position to influence the future. He urged Council to be informed by the past but not to let it govern them.

MR WALSH requested that copies of the survey be circulated to the Executive Council.

ACTION

The review group would consist of:

David Miller and Alan Barrie, facilitated by Mike Granville and overseen by John Roberts. The Federation representatives would be The National President, Chairman of the Negotiating Committee and The General Secretary.

THE GENERAL SECRETARY assured Council that they would be kept fully informed of progress.

MR PEBERDY sought the Executive Council's agreement that the Negotiating Committee's decision that these Terms of Reference fitted the bill for what they were about to undertake.

This was moved, seconded and AGREED

DECISION

Irrelevant

ACTION

Irrelevant

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Irrelevant

FUTURE DATES & VENUES OF EC MEETINGS.

The March 2000 meeting will be held from Sunday 19th to Wednesday 22nd March at the Westmead Hotel, Birmingham. No further dates were available for future meetings beyond March.

DECISION

Irrelevant

ACTION

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Irrelevant

Irrelevant

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Irrelevant

B) FINANCE AND TREASURER'S REPORT

(I) Treasurer's Report. FI AC 02

A Treasurer's report had been prepared and circulated in ROY EDMONDSON'S absence with a brief summary given by the GENERAL SECRETARY. At the moment the Federation is living beyond its means. There are now fewer members producing inadequate funds to meet a significant amount of ongoing extra costs. The balance in hand will be circulated shortly, but was not available at the present time.

In response to a question from the floor it was confirmed that now the pay increase had been settled, Federation subscriptions would be increased by the same amount, 2.3%.

(ii) Branch & Regional Accounts Year Ending 31.12.99.

No report.

(iii) Interim Financial Review.

The Review had been circulated. Any questions should be made in writing to PHILIP BLOOR who will respond.

(iv) Conference Grant to Delegates.

Rates had previously been increased from £125 to £135 and it was usually increased every three years. However, it was unanimously decided to retain the current level of £135.00.

DECISION

(v) Vacancy for National Treasurer.

Now that ROY EDMONDSON has stepped down as National Treasurer the vacancy created needs to be filled. MR BURFORD proposed and MR MORGAN-JONES seconded that MR JANNETTA be elected Treasurer. Voting in favour was unanimous. MR JANNETTA responded that he was deeply moved by the support he had received and would do his utmost to deliver what is required.

DECISION

The GENERAL SECRETARY suggested a letter be written to MR EDMONDSON expressing the Executive Council's sincere gratitude and appreciation for his hard work during a particularly difficult time.

ACTION

MR EDMONDSON'S resignation as Treasurer had also created a vacancy for a lay member of the General Purposes Committee. There were four Executive Committee members eligible for this position. These were, MR MORGAN-JONES, MR BUTLIN, MRS REEVES and MR McLEAN. Following a vote it was decided that Mr Butlin should join the General Purposes Committee as a lay member.

DECISION

Irrelevant

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Irrelevant

VISION

Irrelevant

Irrelevant

Irrelevant

DECISION

Irrelevant

DECISION

Irrelevant

A/16 ANY OTHER BUSINESS

File Management System.

MR PEBERDY expressed his concern about the Federation's File Management System. He proposed that each Executive Officer should receive a new copy of the current Correspondence Management Listings which should include the amendments made during the course of this meeting, i.e. new reference for "Horizon", and "Membership" having been moved from A6 to A5. This proposal was seconded and unanimously agreed by Executive Officers.

ACTION

DECISION

There being no further business to discuss, MR BURFORD rose to thank MRS KENDALL for guiding the meeting through three very difficult and taxing days. He mentioned that not only had MRS KENDALL directed those days with patience, fortitude and a good sense of humour, she had also busily spent the previous weeks travelling from the North East all over the country by train and must be exhausted.

Thanks were extended to MRS KENDALL by all Executive Officers and Secretariat attending and the meeting was closed with MRS KENDALL extending her how thanks and wishing all those present a speedy and safe journey home.

LESLEY HARRIS / MARIAN JONES
FEBRUARY 2000

GRO