

117

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20 September 1999

MEDIA STRATEGY

The Trade and Industry Committee Report (21 September) **Mr Johnson's Speech at the Institute of Public Policy Research (22 September)**

Issue

1. To maximise opportunities to refocus the media on the Government's commitment to the reform and future of the Post Office, while limiting damage caused by any potential criticism from the Trade and Industry Committee. This is also an opportunity to counter criticisms made by the CWU at last week's Conference.

Timing

2. Urgent. We need to agree a strategy today (20 September) to maximise opportunities and prepare to answer criticism.

Recommendation

3. That you agree the following strategy.

Background - Trade and Industry Committee (TIC)

4. The Trade and Industry Committee's report on the reform programme (following publication of the White Paper on 8 July and evidence session on 14 July) will be published tomorrow (21 September).
5. The Committee Chairman will hold a press conference at 11am. Advance copies of the Report will be available at 10am. No copies will be available before publication day.
6. The Report on the Horizon Project will be published at the same time and will

feature in the Committee Chairman's press conference.

7. All issues mentioned in the Committee's previous Report have been dealt with. We do not have any details about the contents of tomorrow's Report, but indications from DTI officials are that the following main issues will be covered.
8. The ownership of the Post Office, including conversion to a plc and Government commitment not to sell shares without further legislation. The Committee is likely to seek clarification on these points.
9. The reduction of the monopoly threshold. This will take account of the concerns of the CWU and the Post Office.
10. A request for a sight of the draft primary legislation (if it is not introduced in the 1999/2000 session).
11. The Department would normally be required to respond to the Committee's Report within two months (i.e. by 21 November). But if the Queen's Speech on 17 November indicated that Post Office legislation was planned, it is likely that the Committee may be content with a short delay, if this means the response could be more complete by the publication of a bill.
12. Indications from the Committee Clerk have been that the tone of the Committee's Report on the Horizon Project is likely to be "more of sorrow than anger" at the problems and delays.
13. Indications have also been that neither the DTI nor the Post Office should be unduly worried by the contents of the Horizon Project Report. Many of the arguments concerning the Horizon Project have been between the DSS/BA and ICL (the Project contractor). Both parties have blamed each other when giving evidence before the Committee.
14. Therefore, it may be that any criticism from the Committee concerning the Horizon Project may be levelled at DSS, BA, ICL or all of these. **However, we will need to ensure we show willingness and enthusiasm to work together with all parties, including other Government Departments, to solve any present and/or future problems.**

Background - Institute of Public Policy Research (IPPR)

15. At 11am on 22 September, the day following the publication of the Committee's Report, you have agreed to give a key note speech at the launch of the Institute of Public Policy Research's publication "The Future of the Post Office".
16. DTI officials have obtained a draft copy of the Institute's study which proposes a new type of public corporation with a Charter and internal

regulation for the Post Office, rather than the Government's proposals for a plc with an independent Regulator.

17. According to DTI policy officials, there are very strong reasons why the Institute's proposals would not be logical, or legally possible. Briefing addressing these issues is being prepared by officials.
18. Mr Hodgson's attitude towards you personally and the Government's proposals for the reform of the Post Office in general is extremely negative and potentially disruptive.
19. Mr Hodgson has cancelled his attendance at the planned Horizon Working Group meeting which was due to take place on 22 September after your speech at the Institute. Because of the possibility of Mr Hodgson using the meeting as an opportunity to attack the Government further, resulting in further negative publicity for the Government on a sensitive issue just prior to the Labour Party Conference, **it has been decided to postpone the working group meeting.**

Action - Trade and Industry Committee Report

20. Because of the timing of events, it is likely that the TIC Report will attract more media attention than the IPPR Study and your speech. Therefore, while it is important to maximise positive publicity for Government Reforms of the Post Office on both occasions, we need to be prepared to respond as positively and as quickly as possible following the publication of the Report in order not to miss a media opportunity.
21. It is likely that the Committee Chairman will give an interview to the Today Programme on 21 September, not detailing the Report, but setting the tone.
22. If you are content, I will contact the Today Programme and offer an interview with you. **Although, you would not be able to address the contents of the Report, it may be an opportunity to refocus the media on the Government's message and allow you to indirectly rebut recent criticisms from the CWU.**
23. The Committee will hold a press conference at 11am on 21 September. Someone from Press Office will attend the press conference. Policy officials will also be there and prepared to amend the draft Q&A and draft rebuttal lines as necessary.
24. Officials are drafting a concise Q & A which can be amended quickly when we first see the Report at 10am on 21 September. A few strong bullet points on the key messages the Department wants to get across will forward this. This will have been cleared with DSS and Treasury to ensure we are singing from the same hymn sheet.
25. I will prepare a draft statement. This will focus on you welcoming the Report

as an opportunity to take the Post Office Reforms and the Horizon Project forward. It will also provide an opportunity to reiterate the Government's commitment to the best balanced package of reforms for the future of the Post Office and refocus the Government's message. It may not be possible, or wise, to respond immediately to the Committee's findings, but we can acknowledge them, say we will consider them and respond in due course, which is the usual Government response.

26. In the Notes to Editors section of the press notice, we could also mention your speech the following day, and release part of it to selected media for trailing.
27. The Committee's press conference is unlikely to last more than 20 – 30 minutes. You may wish to offer interviews to journalists after the press conference. This would be timely for lunchtime broadcast news programmes, evening publications and could be also be used by the national dailies.
28. Interviews for the TV media could be offered outside New Scotland Yard, using the Post Office opposite as a backdrop. This Post Office is usually fairly busy, which would show consumers using a service with potential to improve under Government reforms. If this is not practical, or you are not content with this, I could accompany you to Millbank for interviews.
29. Interviews could be offered to BBC Radio and IRN which could be fed out to regional stations.
30. Most regional press will pick up the press conference from the newswire. If you are content, I will arrange for the Department's press notice to be issued regionally.
31. If you are not content to give interviews at this stage, but want to talk to the media, I will arrange a press briefing in the DTI Conference Centre at a time convenient to you.

Action - IPPR Speech

32. To publicise your speech at IPPR on 22 September, I would suggest issuing a press notice under embargo late the day before. I would also suggest that embargoed copies of your speech should be available that morning from 9am.
33. Press Office has not invited media to the launch. In light of Derek Hodgson's withdrawal from the launch and the Horizon Working Group Meeting, it may look antagonistic if we invite the media. But we have spoken to IPPR publicity unit and they are doing a ring round of industrial correspondents. I will keep you updated on likely media attendance. But you need to be aware that journalists may be present during the scheduled Q & A session, although they will not be participating. You will need to be prepared for potentially rigorous questioning about the Post Office plc issue and sale of shares.
34. Your speech will provide an opportunity to address some of the comments made by Mr Hodgson last week.

35. If you are content, I will arrange a press briefing immediately after your speech and audience Q & A session.
36. However, I think we need to be careful to avoid the Post Office Reforms being depicted in the media as a personal feud between yourself and Mr Hodgson. **If you are content, I think the best way of doing this would be to rebut Mr Hodgson's accusations but concentrate on reaffirm the Government's commitment to working with ALL parties (including consumers) and highlight the support the Government has already received from various parties.**
37. If Mr Hodgson goes public about his withdrawal from the Working Group meeting, it may be best to express sadness at his decision but reiterate that the Government is committed to listening and working together to solve any issues of concern but has a duty to ALL connected parties.
38. In the longer term, we could also consider a campaign to show how Post Office Reforms will benefit not only the Post Office management and staff, but also **consumers**, getting across the message that this is a balanced package for the benefit of **ALL**.

Are you content?

Bron Madson, DTI Newsroom

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