

BENEFIT PAYMENT AND POST OFFICE AUTOMATION PROGRAMME/POST OFFICE NETWORK

Lines to Take (If Raised)

- Understand you are in dialogue with the Post Office and DTI Ministers with regard to the project.
- Fully understand the importance to Post Office Counters of acquiring a modern automated on-line computer platform.
- Understand that current plans provide for all post offices to be automated by the end of 2000.
- We, of course, have particular concerns that the rural network is viable given the number of rural offices in Wales. We fully recognise the importance of post offices to rural communities.
- Therefore very much hope that the project can be implemented successfully. Not surprising that the project, which is a major PFI project, has been reviewed by departments given its size and importance and the delays which have occurred.
- The Government remains committed to maintenance of a nationwide network of post offices.

Background**Post Office review**

The second phase of the Post Office Review (conducted by an inter-departmental group) will make recommendations to Ministers after the Summer. Ministers aim to announce proposals in the Autumn. This follows extensive consultations on options for granting the Post Office greater commercial freedom during the first phase of the review after Mr McCartney's announcement in May 1997. The Crown post office conversion programme is suspended pending the outcome of the review. The terms of reference (attached) take into account the report of the Trade and Industry Select Committee (published in January 1998) - the Government response to which was published on 14 April.

The CWU have been well involved with the review - having met officials, made presentations to the working groups which are taking forward the review, met the consultants advising the review team, and met DTI ministers.

The CWU are also lobbying politically on the review - pressing especially that there should be no sale of shares in the Post Office, and that there should be no further conversions of Crown post offices (although they have not accepted Mr McCartney's advice to discuss with Post Office management a strategy for handling some conversions. To our knowledge they have met the Gordon Brown and Alistair Darling (when Chief Secretary to the Treasury), Donald Dewar (Secretary of State for Scotland), Geoffrey Norris (Special Adviser at Number 10), as well as having a political discussion with Mrs Beckett and Ian McCartney.