

BSC 15/1998

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I N D E X

<u>ITEM</u>	<u>SUBJECT</u>	<u>ACTION/ INFORMATION</u>
1.	HORIZON PROJECT	INFORMATION

Circulation: Branch Secretaries

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1. HORIZON PROJECT

There is a likelihood that you will be asked by members or, indeed, people who are interested in acquiring a post office, to comment on the article in *The Sunday Times* of 12th July 1998 regarding the future of the Horizon Project. To enable you to comment we attach hereto a copy of the article and a press release which has gone out today, 13th July 1998.

Basically the line we are adopting is one where we must accept it is unlikely that there is *no smoke without fire* and that the Treasury, in particular, is considering the future of the Horizon Project. However, we have had the letter from Frank Field, MP and Kate Hoey, MP came to Conference, both of whom were positive about the post office network and the Horizon Project.

Clearly, if Government decides to scrap the Project, much of the content of *The Sunday Times* article will come to fruition. We are, therefore, seeking to influence the decision-makers into the direction we want them to take.

Should you be approached by non-members, or people who want to be members, now is the time to inform them that the power of the Federation is in its numbers and that we are fighting for non-members also, who should appreciate the work that is being done for them.

Sub-Postmasters can support our work by being members and if anyone feels strong enough about the adverse publicity they may want to write to their Member of Parliament; by all means let them do so but as we do not yet know the decision Government will make it is important that we do not orchestrate a campaign **at this stage**.

I trust this information is of value to you. Should there be any further information on this front we will keep you advised.

THE SUNDAY TIMES

12th July 1998

NATIONAL FEDERATION OF SUB-POSTMASTERS

PRESS RELEASE

13th July 1998

The National Federation of Sub-Postmasters, which represents 85% of the UK's army of Sub-Postmasters, has criticised the media obsession of denigrating the Horizon/automation project, the system which will automate all post offices to provide benefits payments and banking services in the future.

General Secretary, Colin Baker, acknowledged that press speculation was inevitable, particularly with the Treasury Review now reaching a critical stage. Nevertheless, this most recent speculation was causing concern amongst Sub-Postmasters. Mr. Baker reminded everyone that the Minister for Welfare Reform, Mr. Frank Field MP, had not only sent his PPS, Kate Hoey MP, to our Annual Conference to report good news for the network, but had followed it up with a letter confirming key points.

"His letter took for granted the fact that payment cards were to be used for collecting Benefits and continued:

I know that you and your members - particularly in light of recent misleading press coverage - are anxious for confirmation that the Payment Card will be used only at post offices. I can confirm that is what ICL Pathway, POCL and DSS - and many of your members - are working towards and there are no plans to extend the use of the Payment Cards to other outlets.

However, Mr. Baker said that if there was a hidden agenda to scrap the Horizon project, the Federation would take its fight to the highest levels of Government and enlist the support of the 28 million customers who use a post office each week.

Mr. Baker assured members and partner organisations that the Federation was talking to Government and would continue to protect and defend the interests of Sub-Postmasters. If Horizon was scrapped this would cause widespread closures and restrict access to post offices. It would also remove the choice for people to pick up their benefits in cash from the post office. A large section of the population do not have a bank account and are unlikely to be welcomed by the banks. This group rely on the post office and if this option is removed, it will only worsen the problems of financial and social exclusion.

"The Federation would not look on idly as the Government played with the future of the network. We would invite our loyal customers to help us persuade the Government that Horizon was essential for a vibrant network," he warned. "People power is stronger than spin-doctor power. We proved that back in 1992."

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