

STRICTLY CONFIDENTIAL

FOR USE OF NATIONAL EXECUTIVE COUNCIL OFFICERS ONLY

NATIONAL FEDERATION OF SUBPOSTMASTERS

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

held on

19 - 21 June 2006

at

**THE GRIMSTOCK COUNTRY HOUSE HOTEL
COLES HILL, WARWICKSHIRE**

GRO RO

SAKEEVE'S

Report of a Meeting of the National Executive Council

held on Monday, 19 June to Wednesday, 21 June 2006
at the Grimstock Country House Hotel, Warwickshire

Those present:	Mrs Sally Reeves	National President and Chairman
	Mrs Irene Bethell	Mrs Kam Matharu
	Mr Alan Butlin	Mr David Milner
	Mr Michael Darvill	Mr John Morris (<i>part</i>)
	Mr Norman Ferguson	Mr John Peberdy
	Mr Dave Foster	Mr Keith Richards
	Mr Phil Howorth	Mr Geoff Simpson
	Mrs Trish Jenkins	Mr George Thomson
	Mr Cyril Jones	

In attendance:	Mr Colin Baker	General Secretary
	Ms Marilyn Stoddart	Assistant General Secretary
	Mr John Willshaw	Assistant General Secretary

Apologies: Mr Mervyn Jones

Suspended: Mr Mark Baker

THE PRESIDENT welcomed everyone to the meeting. She explained that she had been approached by the South West region to clarify the situation regarding Mr Mark Baker, and to lay down the terms and conditions for his return to Executive Council meetings. This was not a matter for debate, but was purely an update. The suspension would remain in place until the matter with the Certification Officer was resolved.

It was a new Federation year, and as well as the agenda it was important to make sure Executive Officers were up to date with other matters. Everyone would need to be sure that they were clear on the position of the Federation so they would give out the right clear message to members.

A/1 REPORTS AND RESOLUTIONS

- The Minutes of the Executive Council meeting of 19, 20, 21 and 22 March 2006 were signed as a true record. DECISION
- The Resolutions passed at the Executive Council meeting of 19, 20, 21 and 22 March 2006 were signed as a true record. DECISION
- The Minutes of the Executive Council meeting of 21 May 2006 were signed as a true record. DECISION
- The Resolutions passed at the Executive Council meeting of 21 May 2006 were signed as a true record. DECISION

- The Minutes of the Executive Council meeting of 24 May 2006 were signed as a true record.
- The Resolutions passed at the Executive Council meeting of 24 May 2006 were signed as a true record.

DECISION

DECISION

A/2 MATTERS ARISING

- There were no matters arising.

A/3 REPORT OF THE NEGOTIATING COMMITTEE

Irrelevant

Irrelevant

ACTION

Irrelevant

ACTION

Irrelevant

ACTION

Irrelevant

ACTION

Irrelevant

4. Network Banking

PC NB

(a) Bill Payment and On Line Banking

PC NB 01

including Item 8(a) Television Licences & Paystation

- Minor difficulties and differences of opinion over the agreement with the Negotiating Committee on when Nationwide came 'on board'.
- Not yet implemented but correct.
- Negotiating Committee had been resisting implementation but were nearly in breach of the agreement with Post Office Limited.
- Hoped a greater number of Nationwide accounts were serviced at Post Offices and that the Nationwide would have advertised the facility far more than they had.
- Post Office Limited did not achieve membership of LINK.
- They have not given up, but banks now saying Post Office are a competitor and maintaining it did not apply to 'over the counter' services.

- Figures for Nationwide were slowly growing, but were not as large as originally hoped. Subpostmaster remuneration had grown in terms of automated banking.
- The 0.9p reduction had not been recovered by increased transaction numbers.
- Reduction had been resisted for as long as possible, but would have to be accepted.
- Nationwide customers unaware that they could withdraw cash at Post Offices, and as there was no publicity, Subpostmasters should do their best to make the facility known.
- Figures for automated banking had been received across all offices. In April 2005 it was £2.3 million, and by March 2006 had increased to £3.3 million demonstrating steady growth.
- Figures for Nationwide banking transactions to be circulated to the Executive Council if the 'commercially confidential' flag was removed by Post Office Limited.
- Lloyds and Barclays had never informed their customers of the availability of cash withdrawal at Post Offices either.
- South West Water had sent letter to customers directing them to Paypoint 'to avoid the queues'. Subpostmasters in the South West region could not afford to lose the work.
- Copy of the letter given to Post Office Limited who were running it past their Legal Department to see if something could be done about it.
- South West Water were pushing their customers to the cheaper options, the same as the banks preferring customers to use ATM'S.
- Subpostmasters were not expensive themselves, however the supporting infrastructure was.
- Rate card to banks per transaction was 45p, which was 19p more expensive than an ATM.
- Paypoint advertising on local radio in Yorkshire citing length of queues in Post Offices and their availability 'after hours'.
- BT sending out letters selling Direct Debit and also citing queues in Post Offices and 'time is money'.
- nPower issuing cards that would only swipe at Paypoint. When customers call nPower they were being told it was because Horizon was unreliable.
- Federation did not like reply on BBC/Paypoint debate sent out by Post Office Limited (included in EC Minutes 21.05.06).
- Letter did not give the correct message as it did not complete the full picture.
- TV licences were not a restricted product because Post Office Limited did not think they would lose the contract, therefore Subpostmaster in private capacity can accept payment.
- Sought clarification from Post Office Limited, letter now going out with Dave Miller's signature, not to the network as a whole, only in response to specific questions from specific Subpostmasters.
- Could break down big brand as we know it.

ACTION

- Fear is that Subpostmasters would break their contracts, be mystery shopped and if they were attempting, even unknowingly, to take a bill payment it would be a breach of contract.
- Would be easy to say have a Paypoint terminal that does not do bill payment or restricted services, however it would mean on line top ups and TV licences could be done for the going rate.
- Negotiating Committee of the belief that it would not be possible because Subpostmasters could not have one without bill payment functionality.
- Customers were receiving letters listing Paypoint premises, some of them Post Offices. Post Office Limited have stated they would react to these situations.
- The Negotiating Committee had accused Post Office Limited of not supporting the Federation, when the Federation had supported big brand.
- The General Secretary had met with the Chief Operating Officer and pointed out that they had to do something about the situation or there would be a divided network and destruction of big brand.
- Paypoint were plugging the holes in their network, but most Post Offices would not be granted a terminal. Any Post Office taking a terminal would be adding credibility to Paypoint and making them stronger when bidding for future bill payment contracts and replacement to the POCA.
- Paystation should be available to any Post Office that wanted one, and some new contracts that have been gained on top ups and electric key recharging has meant rolling out an extension of the Paystation network to cover the areas of the client base.
- Quantum changing functionality and would soon not work on Horizon.
- The costs of making the necessary changes to Horizon would outweigh the returns.
- It was commented that the BT bill payments could be the next major contract up for renegotiation and could be lost.
- Some Post Offices had applied for waivers under the restrictions for their Paypoint/Payzone terminals. They should be either removed at the end of the waiver or have most functionality removed.
- Spar and Co Op encouraging branches to take Paypoint, including Post Offices.
- Danger that the Paypoint network would become bigger than the Post Office network.
- Another network reinvention of some kind would accelerate that process, therefore Subpostmasters should be encouraged to operate a Paystation wherever possible.
- Post Office Limited should chase the 'big boys' and stop them using Paypoint.
- Suggested that a Federation branded Paystation may be an option.

- Paypoint made a breakthrough with the BBC contract and would now chase every contract that Post Office Limited had at a level that Post Office would not want to take.
- Post Office Limited lose money overall on bill payment.
- Board decision was to stay in the market for 2 years then review the situation.
- Negotiating Committee would take whatever line the Executive Council decided - to retain the business at reduced priced or not to get the business at all.
- Paystation would pay 7p per transaction and would not drive core.
- Horizon bill payment was currently 11.2p but would almost certainly reduce to retain contracts.
- Paystation contracts won were new work not traditionally done on Horizon; Scottish Power including Manweb, nPower, Yorkshire, Midland, Scottish and Southern Energy, Swalec. Reduced payment believed to be 25p from client (commercially confidential information) for bar coded bill but doubtful that could be maintained. 19p from new contracts. Key charging down to 15p and may drop below that level.
- Frustrations of Executive Council to be raised at meeting with Post Office Limited on 10 July as they do not appear to be taking the matter seriously enough.
- On bill payment the main issue was that market pressures had created a situation where margins were no longer available.
- The loss of the BBC contract had partly been down to arrogance on the part of Client Managers.
- Post Office Limited Client Managers had not kept a good relationship with their clients, and in the case of BT, Adam Crozier had actually had to retrieve the situation.
- Subpostmasters have indicated they would be prepared to take a reduced transaction payment to remain in the bill payment market.
- Paystations need to be made available to every Subpostmaster that wants one, to keep up the number of outlets that Post Office Limited can claim when competing against Paypoint.
- 7p payment would be above that received by Paypoint agents.
- If that rate does not retain the BT contract, at least Post Office Limited will have tried.
- If another major contract was lost to Paypoint there would be little point in continuing.
- Post Office Limited would need to reduce their central costs to remain competitive in the market place.
- Different Post Offices would be affected differently by the loss of bill payment, but many would lose heavily particularly urban deprived.
- A situation regarding Manweb and Paystation was raised and it was agreed to investigate the situation.

ACTIO

- North East Region had debated whole issue of bill payment and after much discussion felt that a payment between 7-8p per transaction would be acceptable to keep the business, however it would only be acceptable if Post Office Limited took a similar reduction.
- It would be signalled to Post Office Limited that any reduction in remuneration for bill payment would have to part of a package of measures, including (i) enforcement of restrictions, (ii) more Paystations being made available, (iii) reduction in Post Office Limited costs, and (iv) acceptance of a reduction in Subpostmasters pay.
- MR PEBERDY proposed *'That a payment of no less than 7p per transaction be negotiated for bill payment in order to retain the business.'* The proposal was carried.

DECISION

5. Network

PC NW

(a) Horizon Failures

PC NW 06 01

- Special sub Committee of the Negotiating Committee meet representatives at Dearne on a regular basis.
- Marilyn Stoddart and Lynda Willoughby have a good relationship with the Post Office staff dealing with Horizon.
- The failure after the Bank Holiday had been explained and contrary to popular belief it was not caused by overload. It was caused by an individual accidentally switching something and messing up the system.
- They were working on a solution whereby there is a back up in case of failure.
- The down time caused by failures was being reduced.
- Negotiating Committee finding out about current situation with the GSM solution to keep and office running in the case of Horizon failure.
- Printer failures highlighted as major frustration, and major variations regionally on availability of replacements.
- Post Office Limited looking at second generation Horizon, and a reduction in costs from Fujitsu to retain the contract.
- Some Horizon work sub-contracted and not all engineers were trained to the same level, hence variation in service levels.
- Details of specific case raised by Mrs Bethell to be supplied to Shoreham for follow up.

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3. MEMBERSHIP

(a) Recruitment

FM MS 04

- The six months free membership to continue until such time the Publicity and Development Committee come up with some innovative ideas to increase membership.

ACTION

- It is necessary to main a high level of membership to keep the NFSP's credibility with Post Office Limited.
- The Publicity and Development Committee are looking into the feasibility of introducing the following bandings for membership fees:- £7,500, £15,000, £30,000, £45,000 and £60,000+.

Irrelevant

ACTION

ACTION

ACTION

ACTION

7. Future Executive Council Meetings

FM OG

(a) Dates of Future Meetings

FM OG O2 02

- 2,3,4 October 2006 at the Grimstock Country House Hotel.
- 8,9,10 January 2007 at the Grimstock Country House Hotel.
- The Publicity and Development Committee are sourcing another venue for Executive Council meetings from March 2007.
- Mr Willshaw moved the Publicity and Development Committee's report.

ACTION

Irrelevant

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Irrelevant

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DECISION

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DECISION

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Irrelevant

A/6 SPECIAL MATTERS

A/6(a) Finance

(a) Treasurer's Report

FI AC 02

- The Treasurer's report had previously been circulated.

Irrelevant

Irrelevant

- The Interim Financial Review dated 31 March 2006, showed an improvement in membership levels to 73.41% of potential members, however at the end of April this had fallen back to 73.19%.
- Mr Milner stated that it would be necessary for Branch Officers to go out and recruit new Subpostmasters and non-members face-to-face.
- The National Treasurer moved his report.

Irrelevant

ACTION

ACTION/
DECISION

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STION/
ECISION

Irrelevant

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ACTION

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ACTION

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ACTION

Irrelevant

SHARON MERRYWEATHER
LYNDA WILLOUGHBY

June 2006

Appendix A

Pricing in Proportion Face to Face Training

**Sarah Munro
Royal Mail Account Manager**

Royal Mail

Pricing in Proportion

The new way to price mail

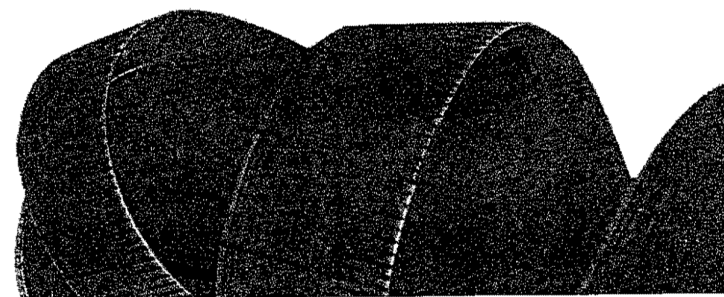
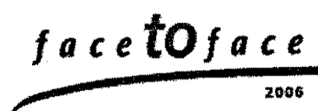
POST
OFFICE

face to face
2000



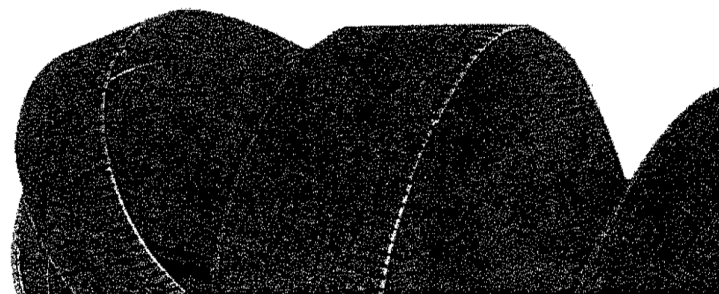
Royal Mail Pricing in Proportion

The new way to price mail



Agenda

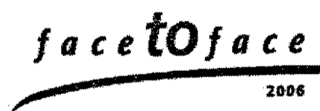
1. Introduction
2. Pricing in Proportion
3. Break
4. Next steps
5. PostPak for
Pricing in Proportion
6. Mails Integrity
7. Summer Travel
8. Local Information
9. Crown your Colleague
10. Feedback
11. Close



Introductions

Introduce yourself to the rest of the table

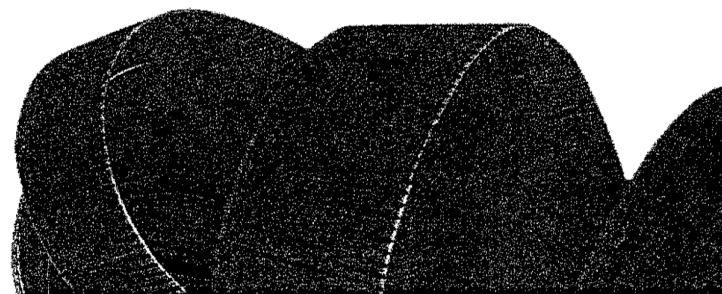
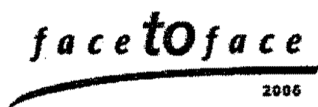
- Name?
- Branch?
- Work area?



Objectives of the evening

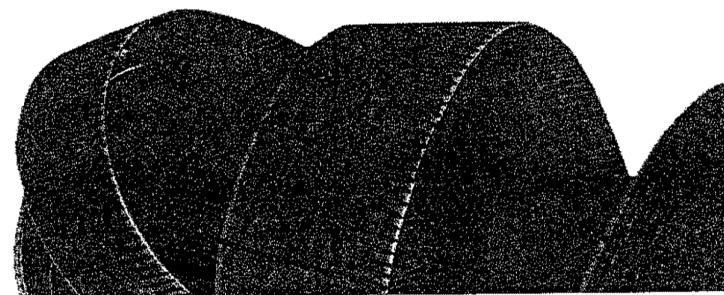
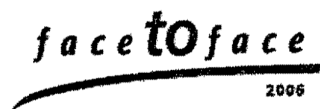
Pricing in Proportion:

To understand the new way of accepting inland mail so that you are able to cascade the training to your colleagues and help your customers with the changes.



Pricing in Proportion

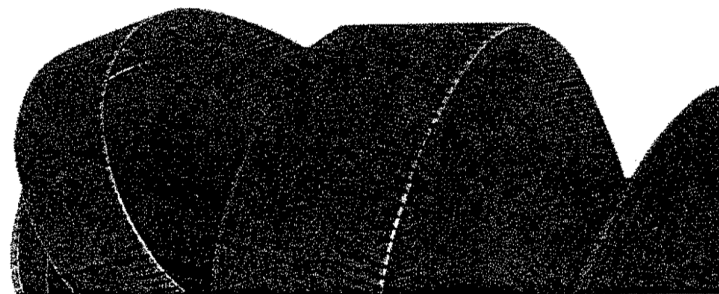
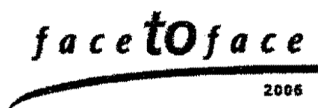
What is Pricing in Proportion?



Pricing in Proportion

What is Pricing in Proportion?

Pricing in Proportion is a way of pricing Inland Mail, that takes into account the size, as well as the weight of an item, rather than weight alone.



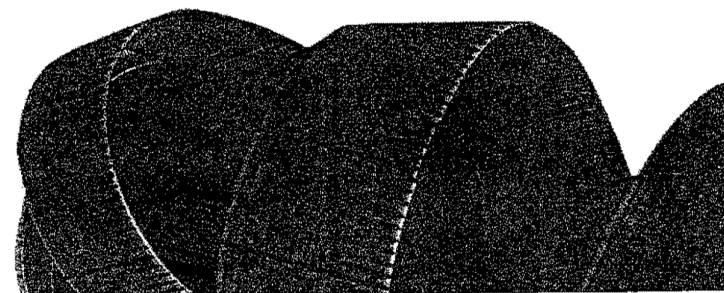
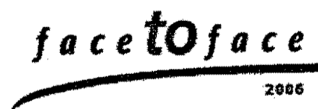
Pricing in Proportion

The services affected by Pricing in Proportion are:

- Royal Mail 1st and 2nd Class Letters & Packets (inc BFPO)

The new categories are:

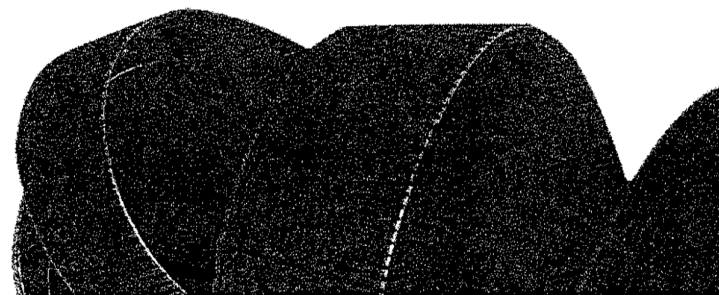
- 1st Class – Letters, Large Letters & Packets
- 2nd Class – Letters, Large Letters & Packets



Pricing in Proportion

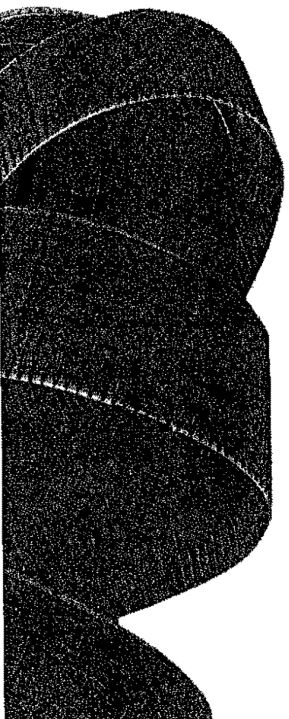
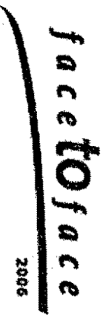
The services not affected by Pricing in Proportion:

- Royal Mail Special Delivery™
- Royal Mail Standard Parcels
- Royal Mail International Services
- Parcelforce Services



Pricing in Proportion

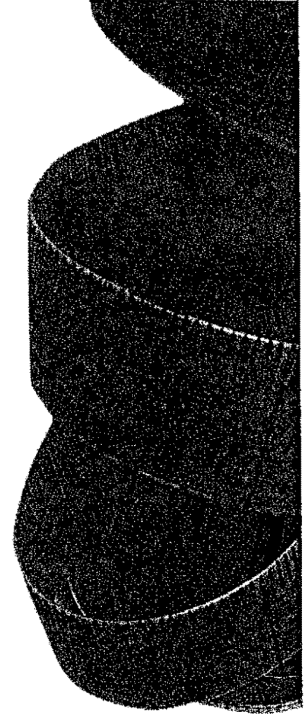
How will this affect our customers?



Pricing in Proportion

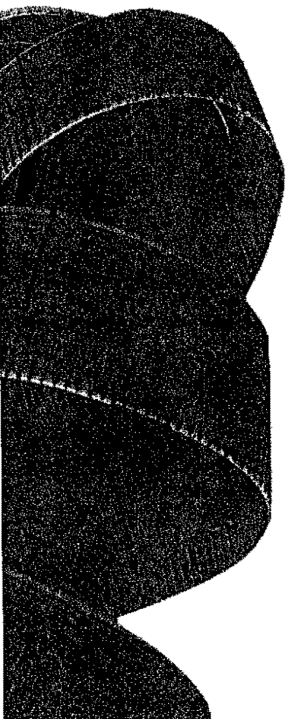
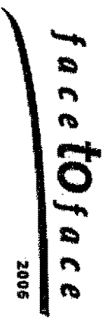
How will this affect our customers?

- 80% of stamped mail will cost the same or less to send
- Items that are light but bulky, or simply just large, will cost more to send



Pricing in Proportion

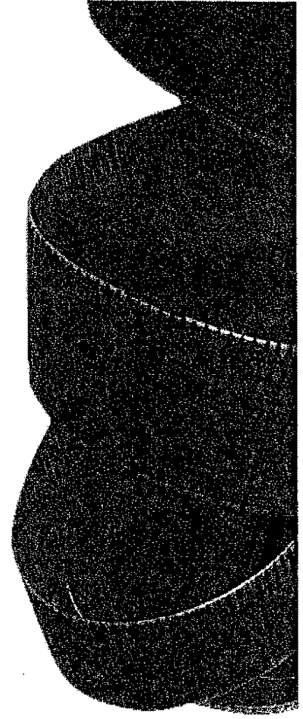
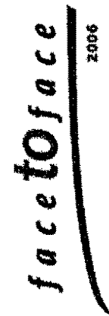
When does the change take place?



Pricing in Proportion

When does the change take place?

...from Monday 21 August 2006, postage prices will take into account the size, as well as the weight, of an item.

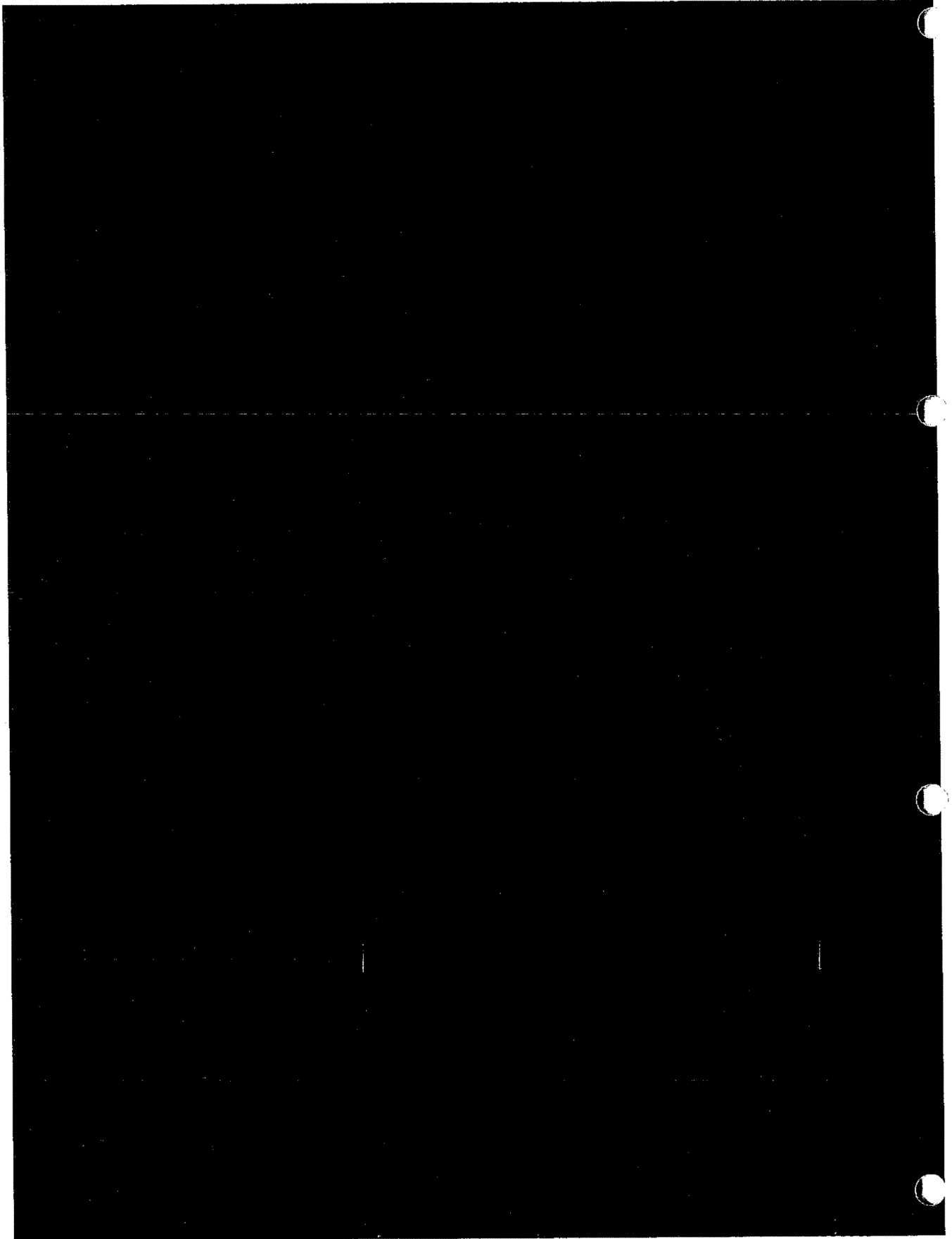




Pricing in Proportion

Video...

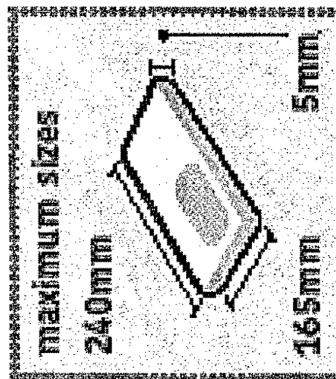




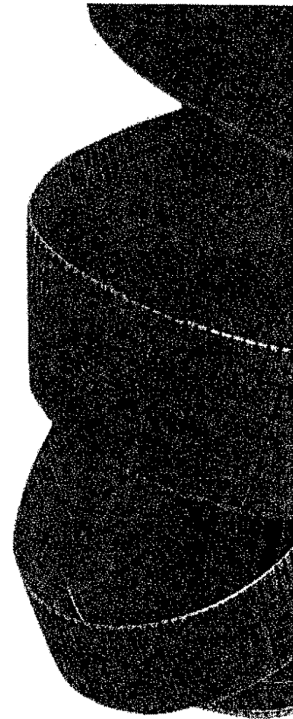
Pricing in Proportion

Three pricing formats

Letter

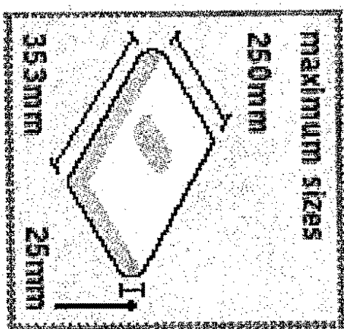


Maximum size	Maximum thickness	Weight	Price	
			1st Class	2nd Class
240 x 165mm	5mm	0-100g	32p	23p



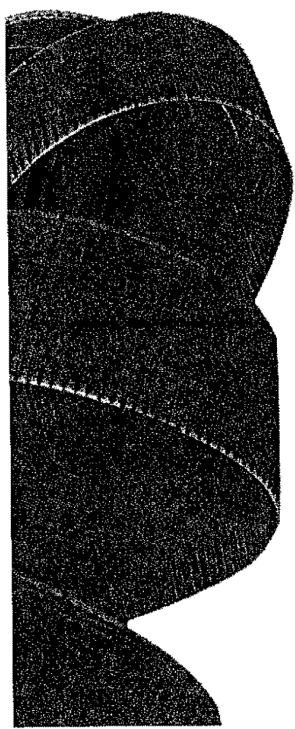
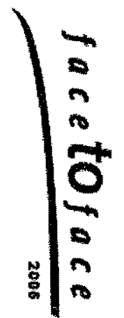
Pricing in Proportion

Large Letter



Maximum size	Maximum thickness	Weight	Price	
			1st Class	2nd Class
353 x 250mm	25mm	0-100g	44p	37p
		101-250g	65p	55p
		251-500g	90p	75p
		501-750g	£1.31	£1.09

If any one of these dimensions is exceeded, or if the weight is over 750g, the item becomes a Packet.

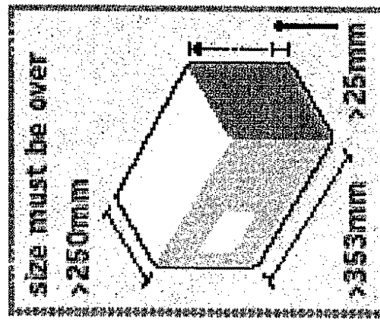


Pricing in Proportion

Packet

Any item which is one or more of the following:

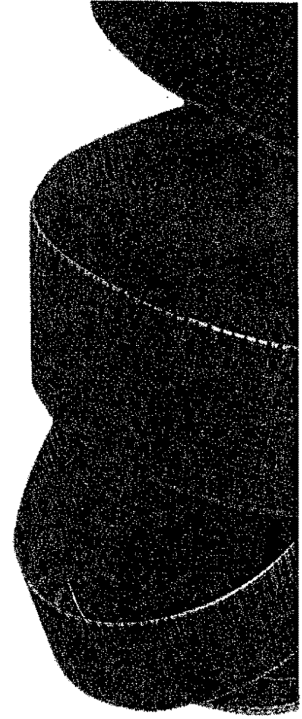
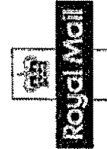
- Thicker than 25mm
- Longer than 353mm
- Wider than 250mm
- Heavier than 750g



Weight	Price	
	1st Class	2nd Class
0-100g	£1.00	84p
101-250g	£1.27	£1.09
251-500g	£1.70	£1.39
501-750g	£2.20	£1.77
751-1kg	£2.70	£2.12

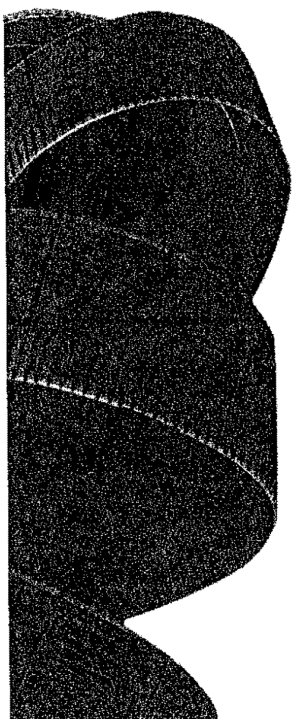
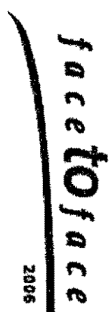
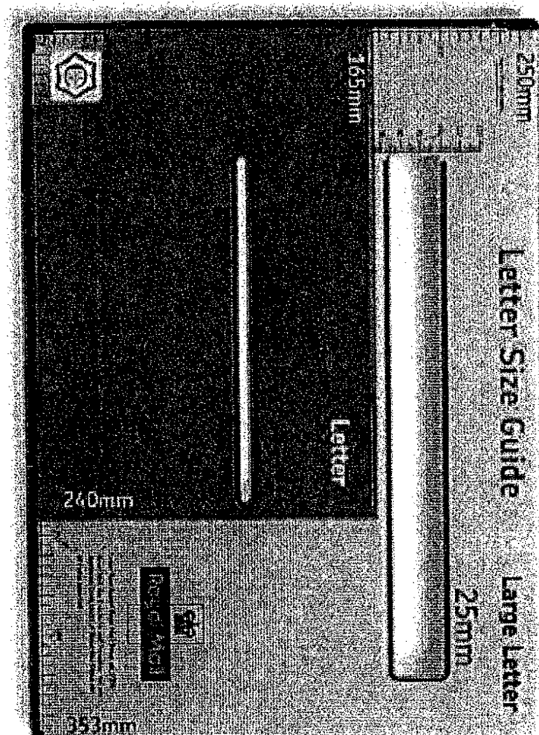


face to face
2006



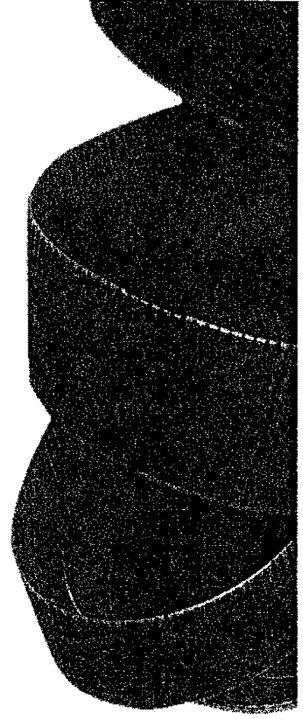
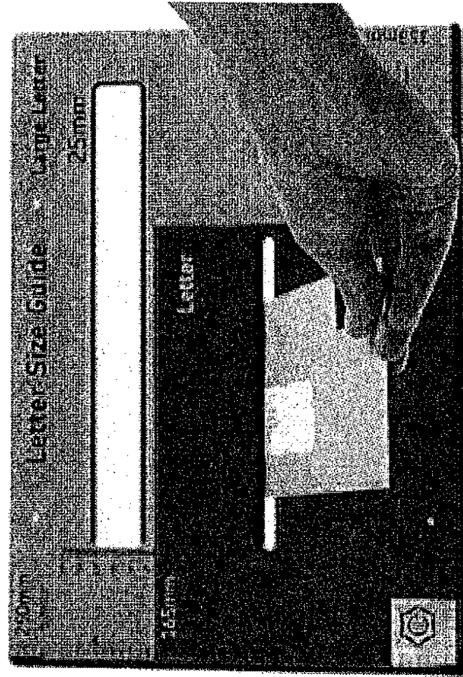
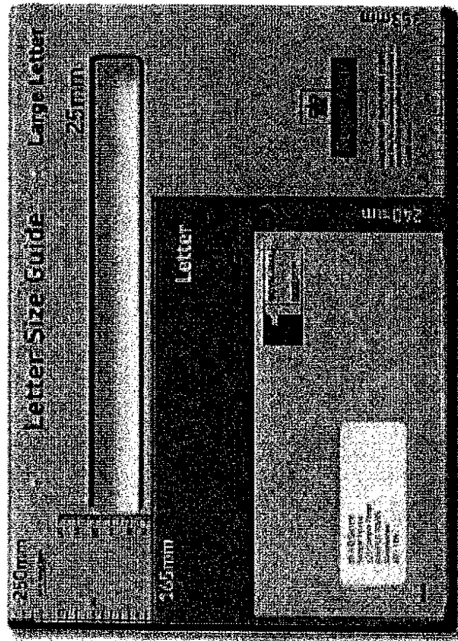
Pricing in Proportion

The Letter size template



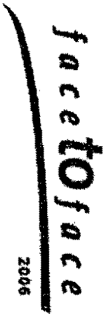
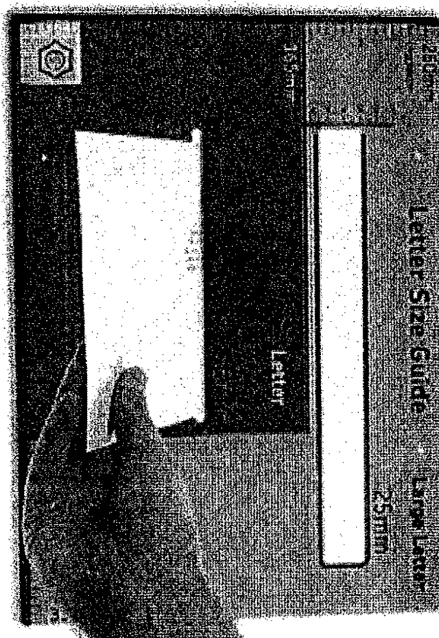
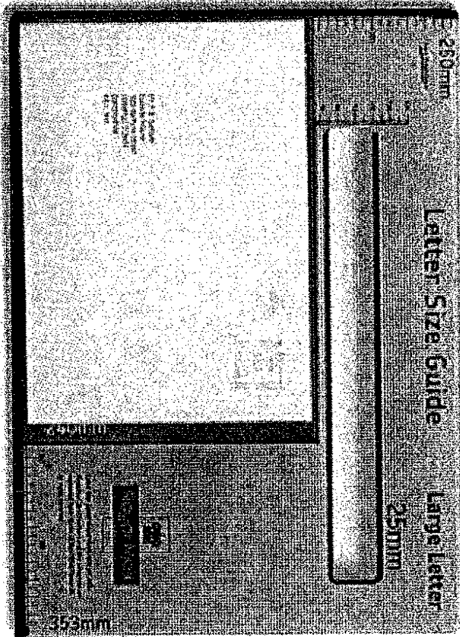
Pricing in Proportion

Letter

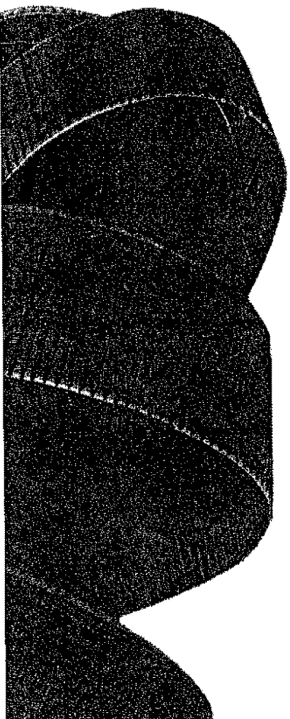


Pricing in Proportion

Letter

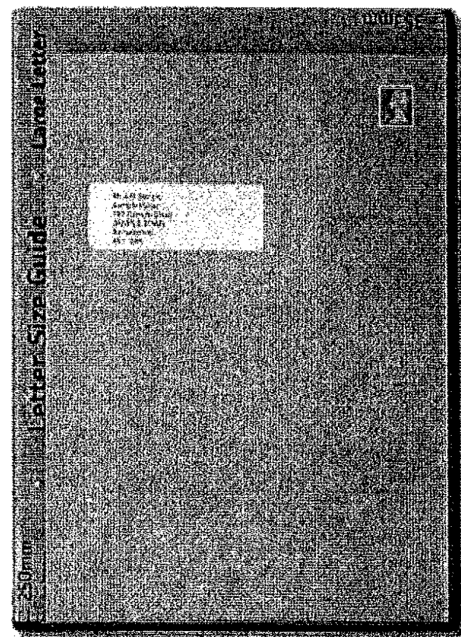


2006



Pricing in Proportion

Large Letter

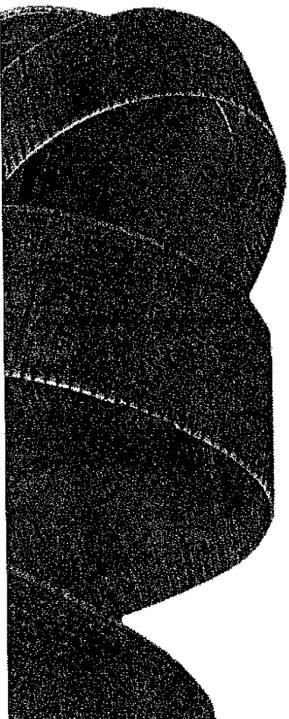
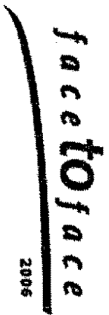
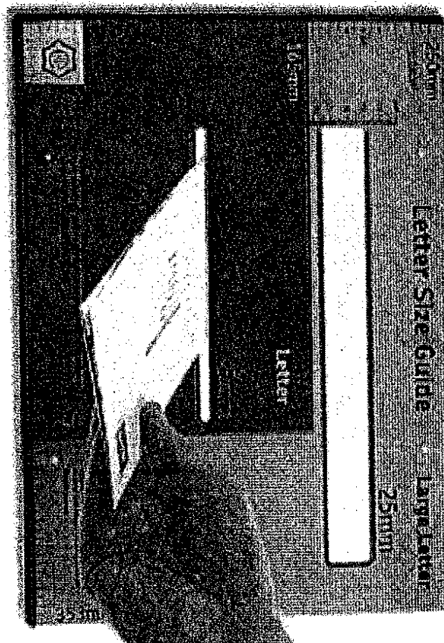
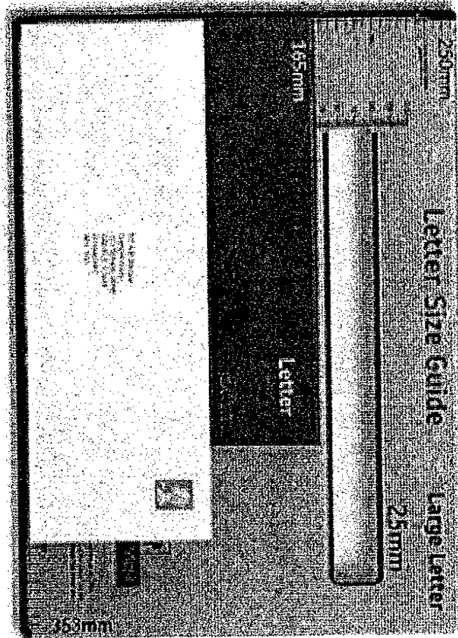


face to face
2006



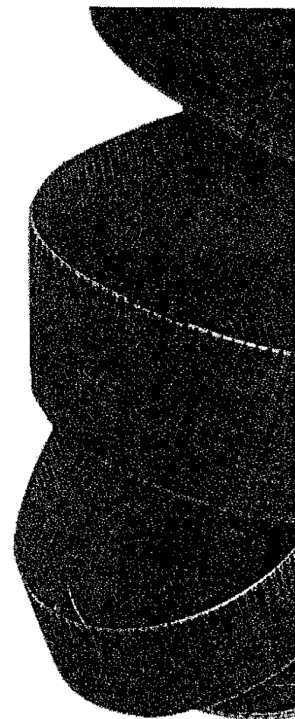
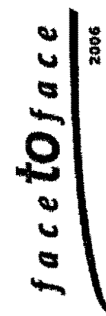
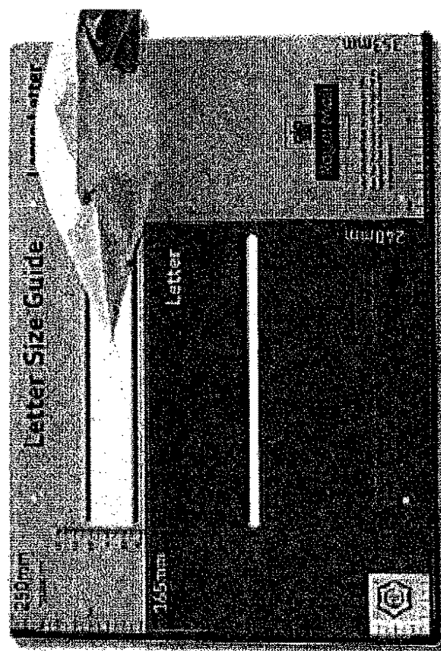
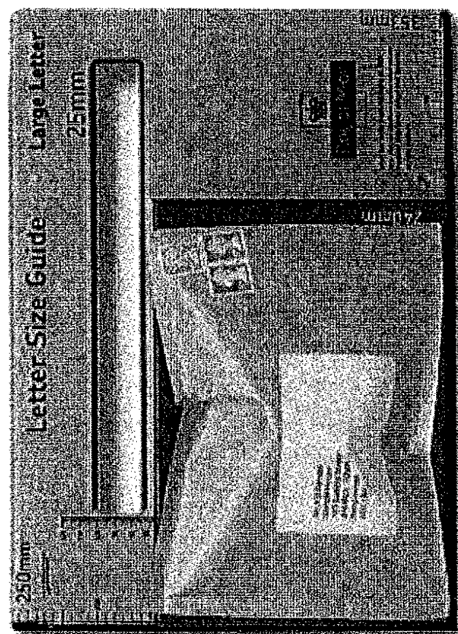
Pricing in Proportion

Large Letter



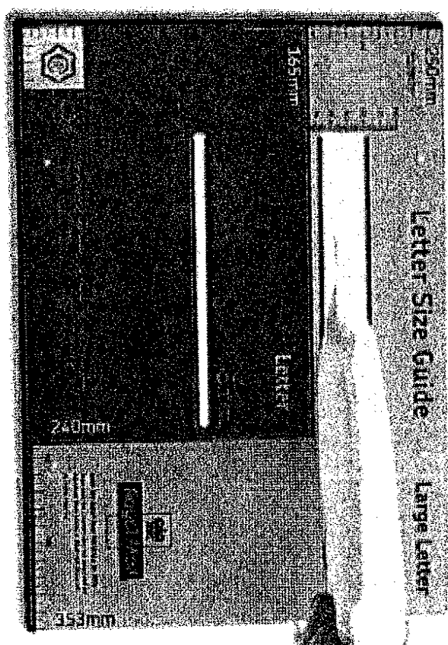
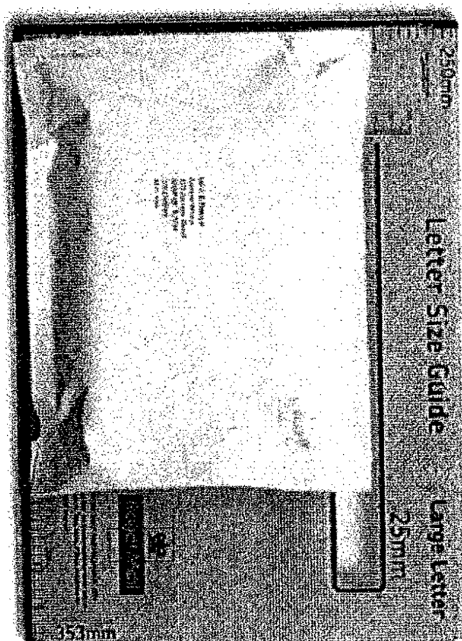
Pricing in Proportion

Packet

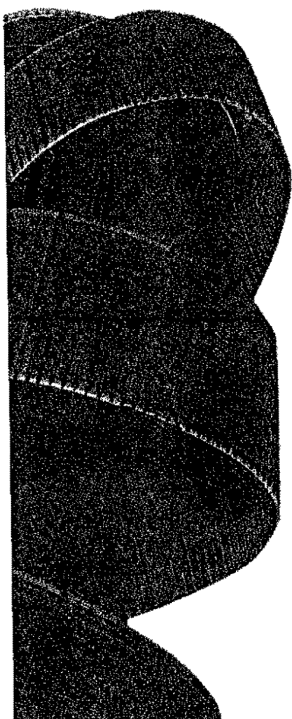


Pricing in Proportion

Packet



face to face
2006



Pricing in Proportion

Practicals...

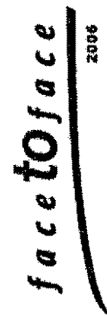
face to face
2006



POST
OFFICE

Pricing in Proportion

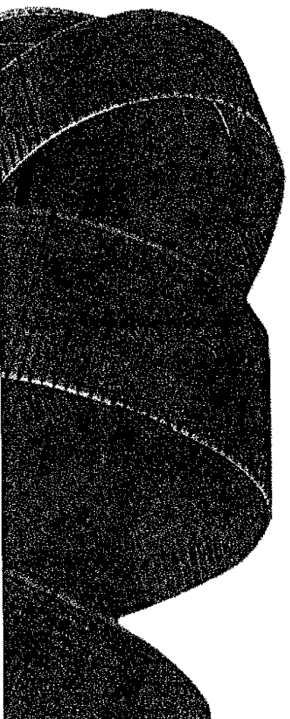
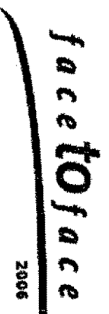
*What questions should you ask a customer
when presented with an item of mail?*



Pricing in Proportion

*The questions to ask the customer
when presented with an item of mail:*

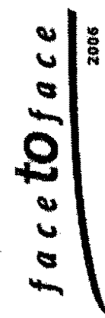
- Where is it going?
- When do you need it to arrive by?
- How much is the item worth?
- Would you like a signature on delivery?
- Would you like a Certificate of Posting?



Pricing in Proportion

Compensation levels

- 1st and 2nd Class mail – £32
- Recorded 'Signed for' – £32

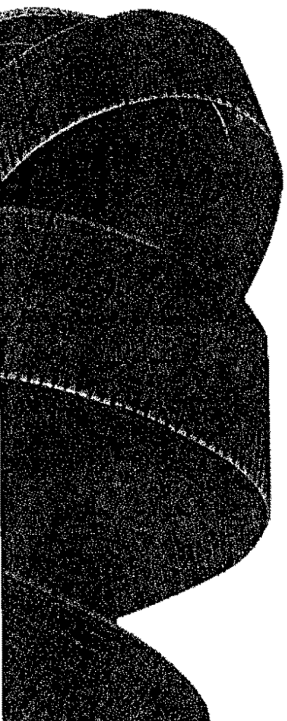
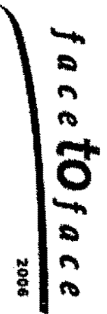


Pricing in Proportion

So far we have:

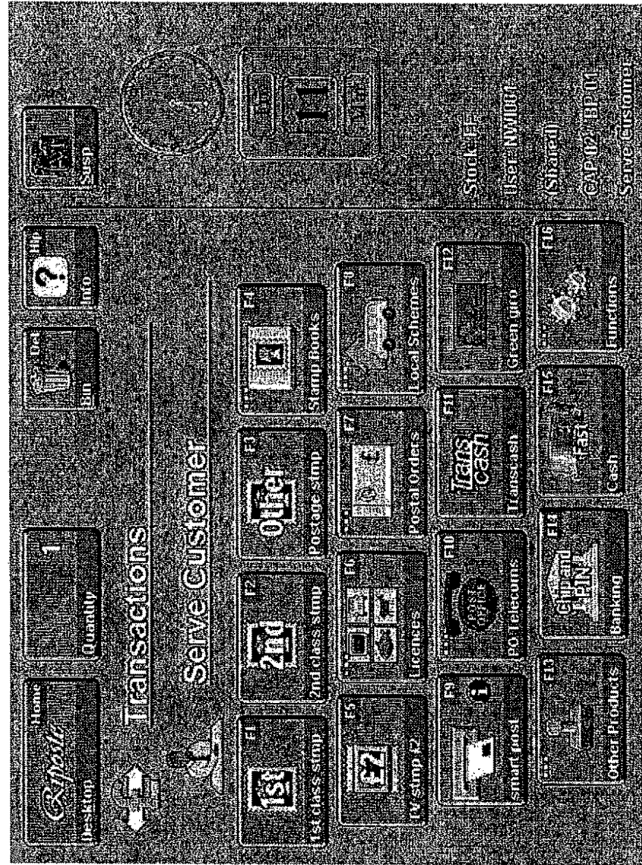
- Identified what the item is. Letter, Large Letter or Packet
- Learned to use the measuring template
- Reminded ourselves of the key questions to ask the customer

Now to process the transaction on Horizon, using smart post...



Pricing in Proportion

Horizon
Current
Serve Customer
screen

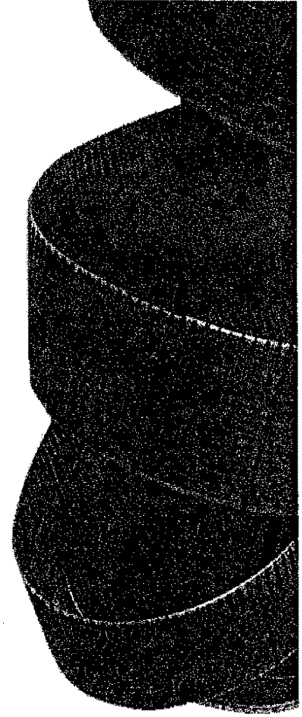


1st & 2nd Class
stamp icons

smart post



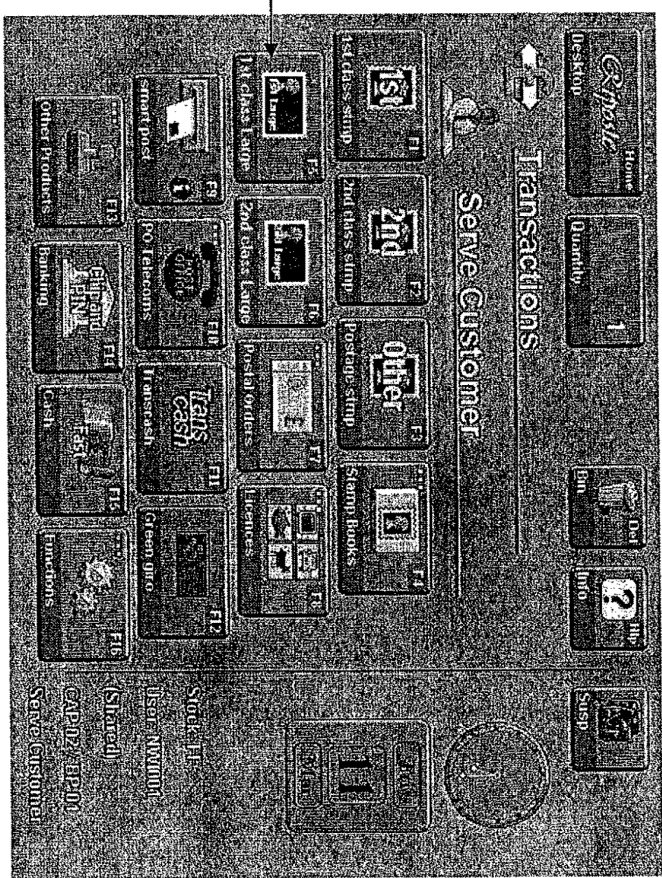
face to face
2006



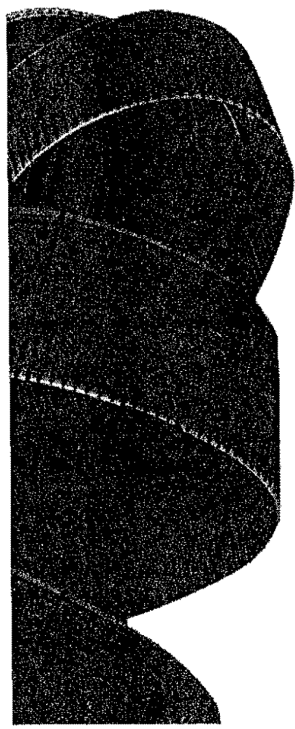
Pricing in Proportion

*Proposed new
screen*

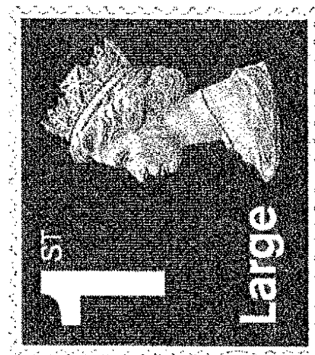
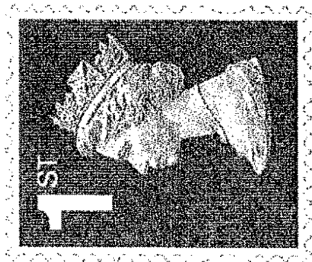
New icons for
Large Letter
stamps



face to face
2006

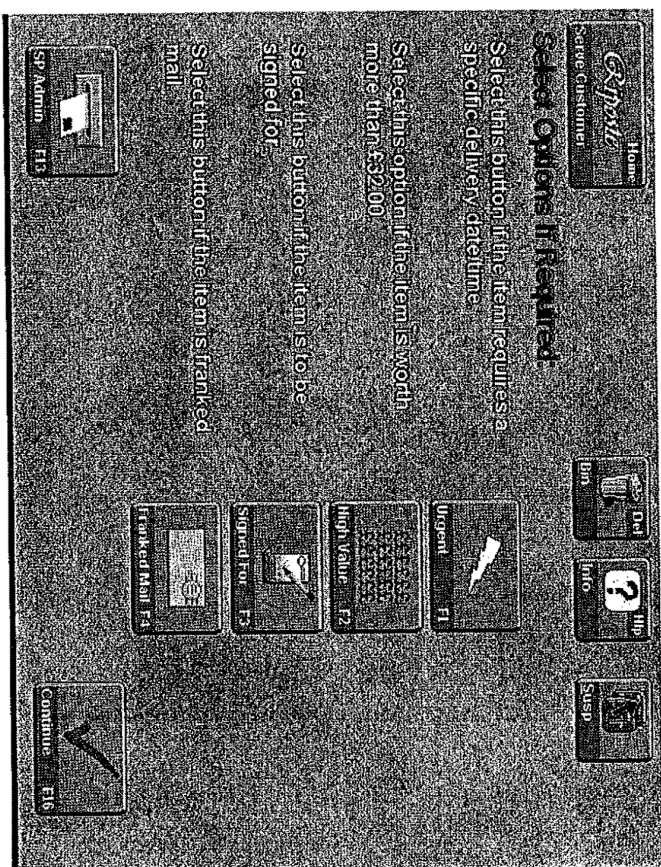


Large Letter stamps

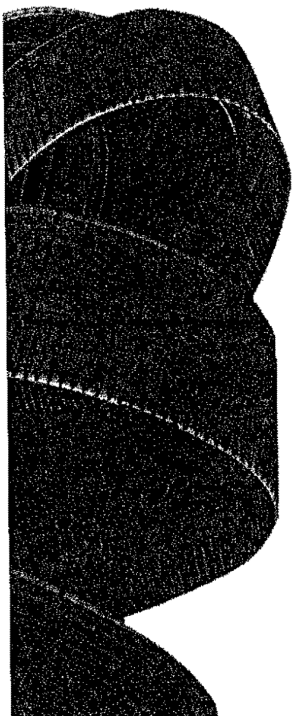


Pricing in Proportion

Current screen
after selecting
smart post

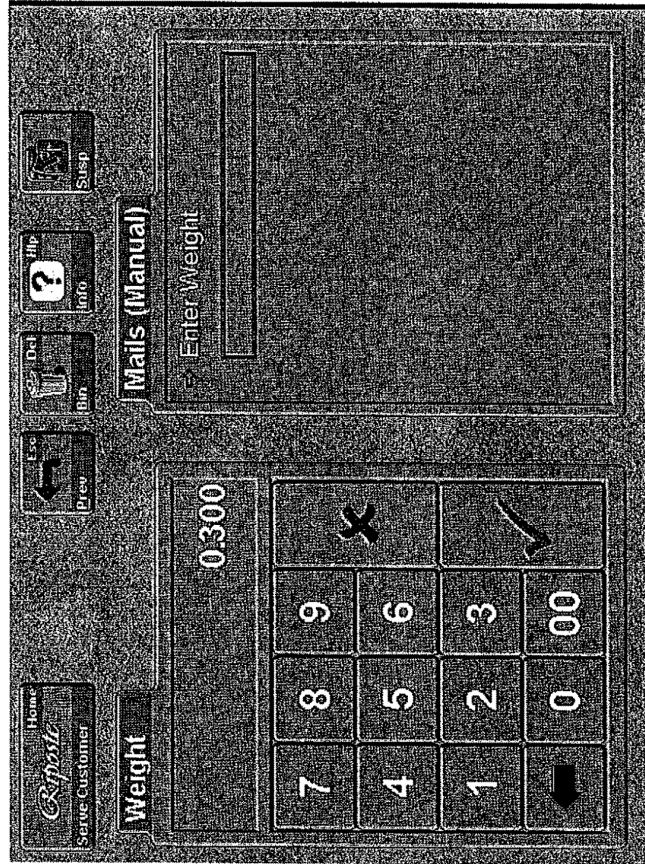


face to face
2006



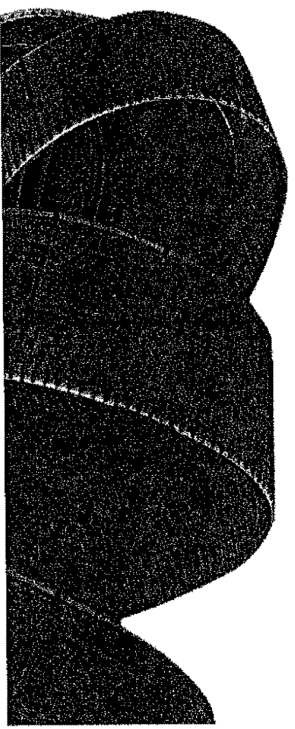
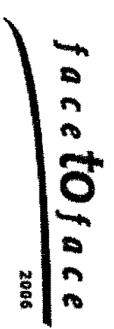
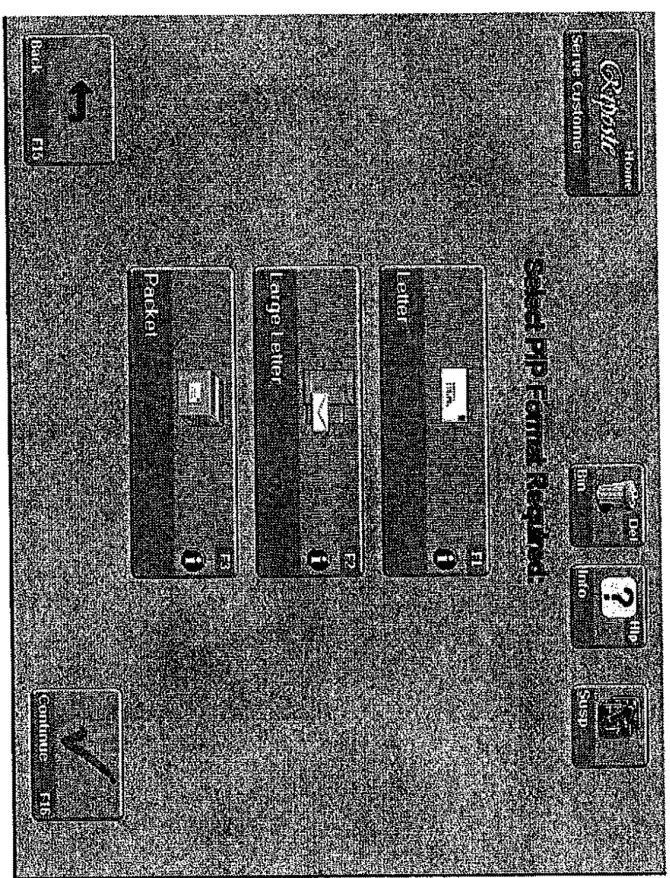
Pricing in Proportion

*If your scales are
not linked to Horizon*



Pricing in Proportion

*New Pricing in
Proportion screen
to appear next*



Pricing in Proportion

Current screen
after weight
has been entered

The screenshot shows a pricing interface for 'Desfuk (E.U.)'. It includes a 'Home' button, a 'Serve Customer' button, and a 'Quantity' field set to '1'. A 'Prev. Esc' button is also present. The main area displays calculated prices for different classes and options. At the bottom, there are fields for 'Weight', 'Destination', 'Services', and 'Options'.

Class	Price	Max. Compens. Allow.
1st Class	£1.14	£32
2nd Class	£0.88	£32

Other visible fields and values:

- By S. 0.00am
- 9.00am
- £10.50
- Incl. Insure. Comp.
- £50
- £500
- £24.50
- next day
- £3.50
- Incl. Insure. Comp.
- £500
- More...
- Parcelforce
- Options: F4
- Services: F3
- Destination: F2
- Weight: F1
- Stock: 02
- User: USER001
- Share: 01
- IP: 04
- PP: 01
- Serve Customer

face to face
2006



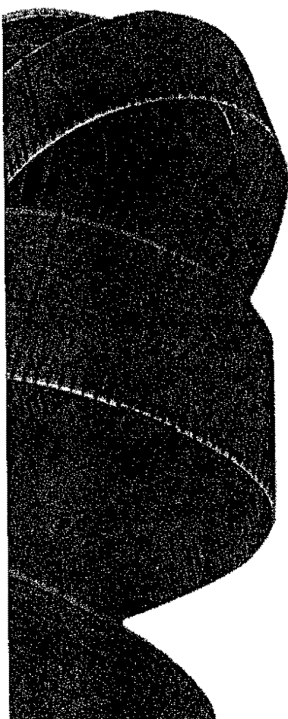
Pricing in Proportion

Current screen display

Home Express Service Customer		Quantity: 1 Price: £1.14		Dest: UK (E.U.) 1st Class	
Weight: 100g Destination: 1		Recorded: £0.68 Mail Receipt: £0.00		Pre-Paid: £0.00	
Services: F1 Options: F4		End: F5		Stock: 02 User: USER01 Status: 01 IP: 01 BP: 01 Service: Customer	

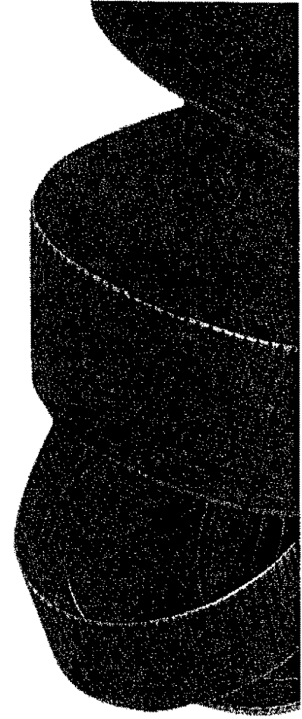
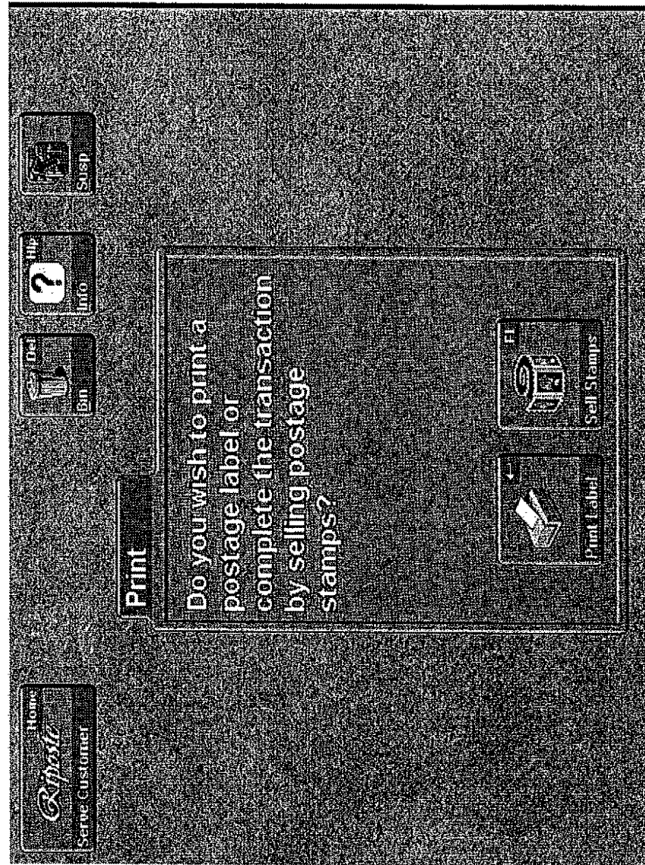


face to face
2006



Pricing in Proportion

Current screen
display



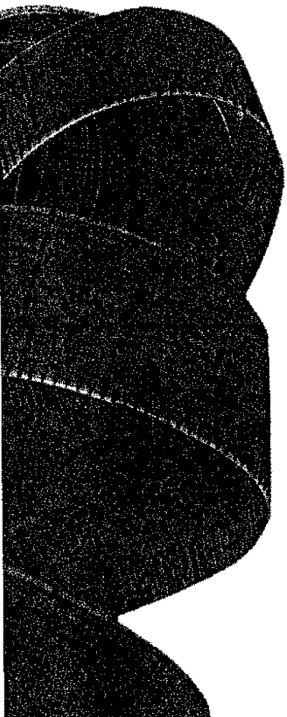
Pricing in Proportion

Current screen display

The screenshot shows a software interface for Royal Mail pricing. At the top, there's a 'Home' button and a 'Select Customer' dropdown. The main section is titled 'Dest UK (EU)'. Below this, there are several input fields and buttons: 'Quantity' (set to 1), 'Post. FSC' (with an up arrow), 'Del.' (with a trash icon), 'Info.' (with a question mark), and 'SUSD.' (with a pound icon). There are also buttons for 'Recorded' (F6), 'Mail Receipt' (F12), and 'Pre Paid' (F15). A 'UK (EU)' section shows '1st Class' and a price of £1.14. A 'Weight' field shows '1.0000' and a 'Dest. Off' field shows '£1.14'. At the bottom, there's a 'Finish' button, a 'TAKE' button, and a 'SUSD. Customer' field. A 'Next' button with a checkmark is also visible.

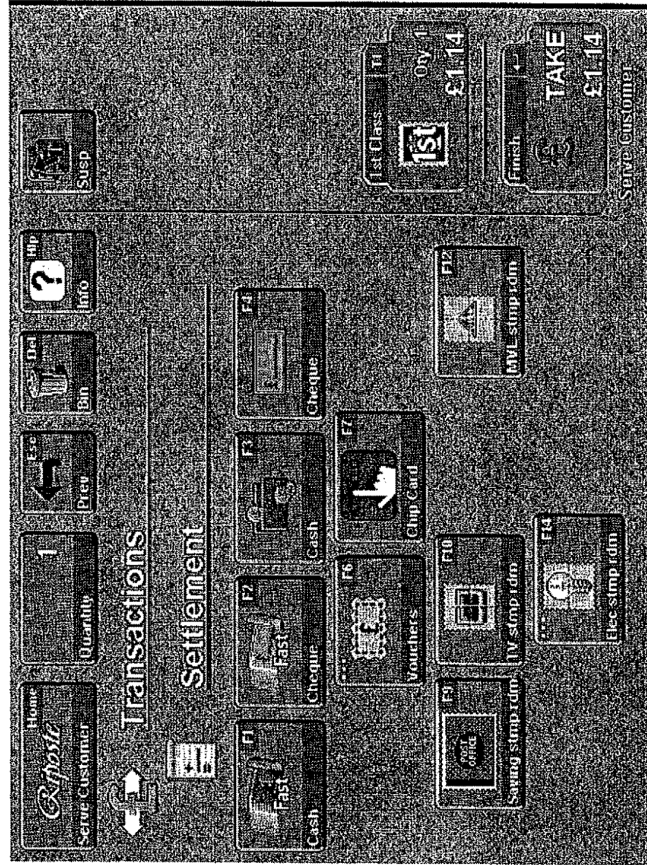


face to face
2006

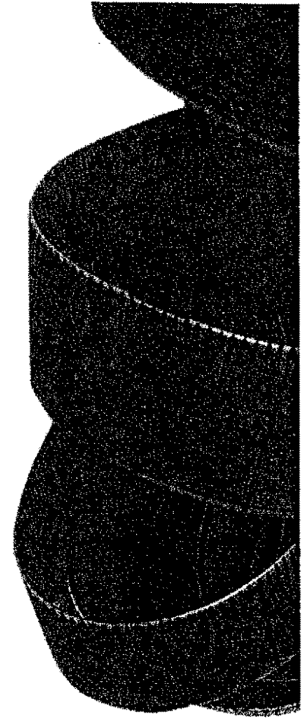


Pricing in Proportion

Current screen
display



face to face
2006



Pricing in Proportion

Quiz...

POST
OFFICE

face to face
2006


Royal Mail

C

C

C

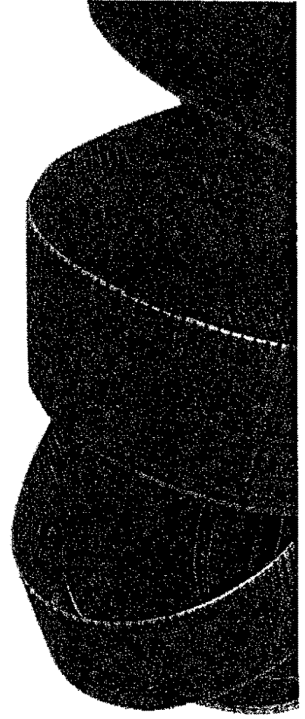
C

Pricing in Proportion

Question 1

On which date does the new system for pricing mail start?

- a) 14 August 2006
- b) 21 August 2006
- c) 28 August 2006

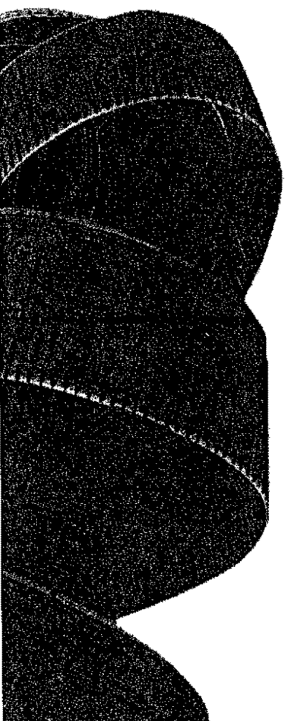
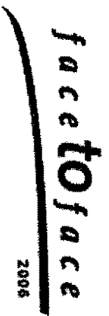


Pricing in Proportion

Question 2

What is the new maximum weight for a 1st or 2nd Class letter?

- a) 60g
- b) 100g
- c) 80g

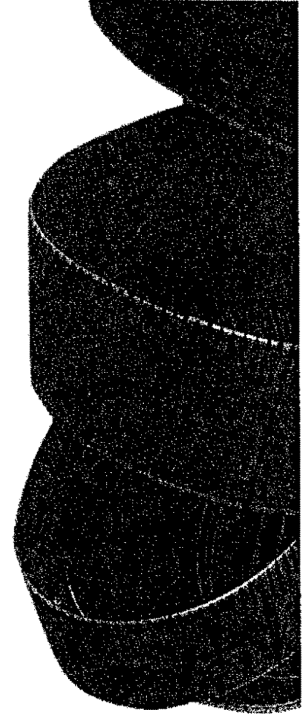
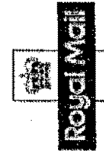
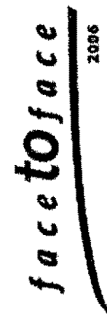


Pricing in Proportion

Question 3

What is the new maximum weight for a 1st or 2nd Class Large Letter?

- a) No limit
- b) 1kg
- c) 750g

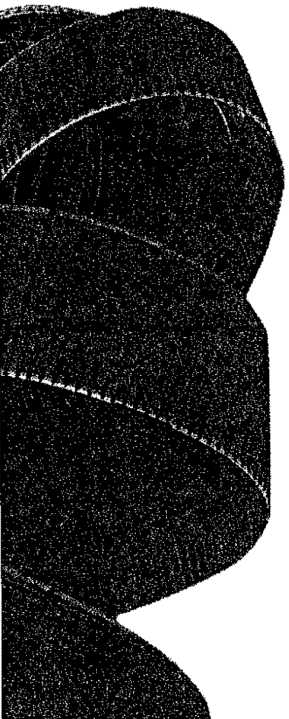
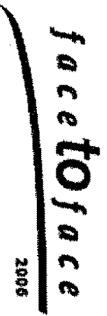


Pricing in Proportion

Question 4

*What is the new maximum weight
for a 2nd Class packet?*

- a) 1kg
- b) 750g
- c) 500g

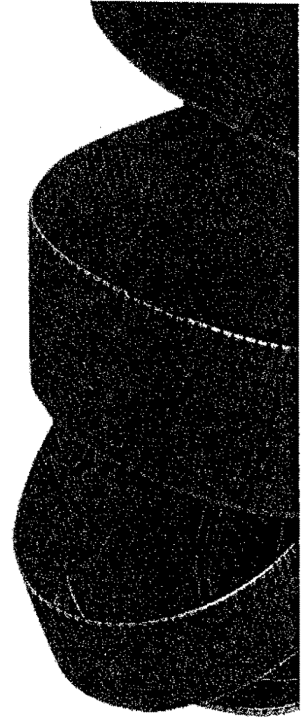
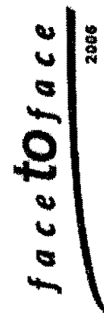


Pricing in Proportion

Question 5

Which of the following are affected by Pricing in Proportion?

- a) Special Delivery™
- b) International Mail
- c) 1st & 2nd Class Mail



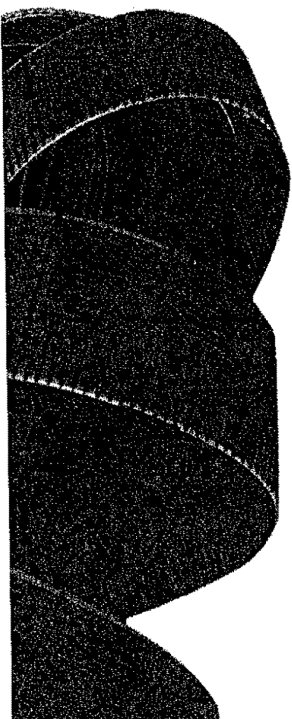
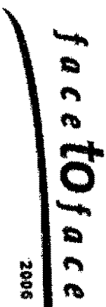
Pricing in Proportion

Question 6

A customer presents a birthday card which includes £30 in cash.

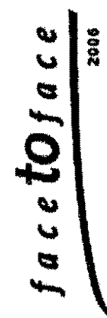
Which service do you offer?

- a) 1st Class
- b) Recorded 'Signed for'
- c) Special Delivery™



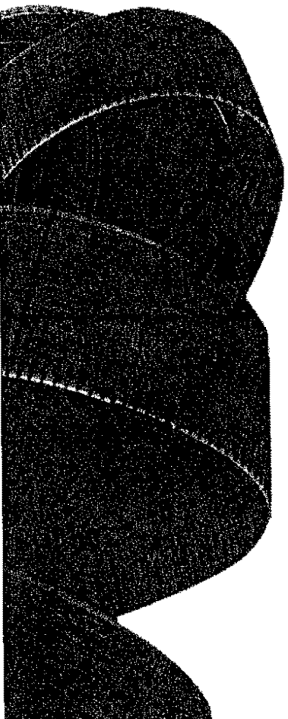
Pricing in Proportion

Please hand in your quiz papers!



Pricing in Proportion

Quiz answers



Pricing in Proportion

Question 1

On which date does the new system for pricing mail start?

- a) 14 August 2006
- b) 21 August 2006
- c) 28 August 2006

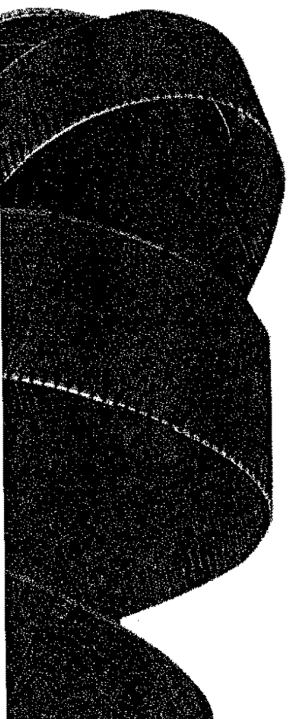
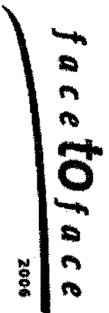


Pricing in Proportion

Question 2

What is the new maximum weight for a 1st or 2nd Class letter?

- a) 60g
- b) 100g
- c) 80g

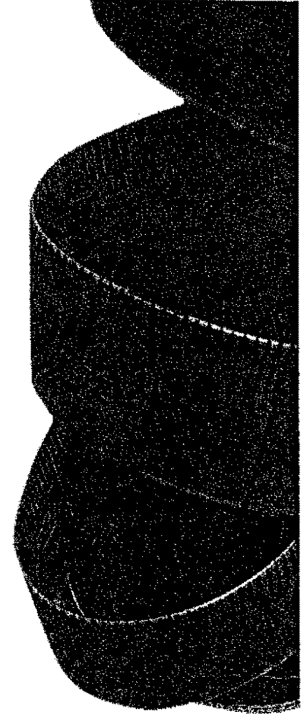


Pricing in Proportion

Question 3

What is the new maximum weight for a 1st or 2nd Class Large Letter?

- a) No limit
- b) 1kg
- c) 750g

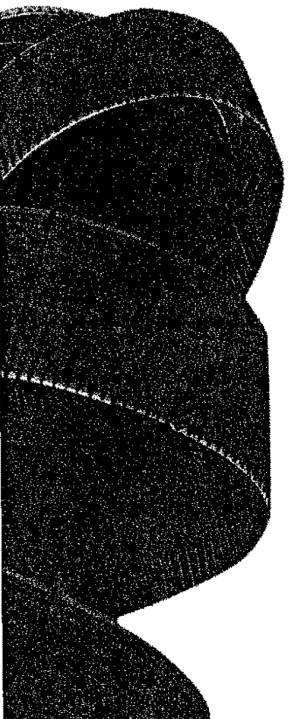
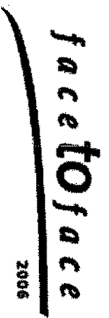


Pricing in Proportion

Question 4

What is the new maximum weight for a 2nd Class packet?

- a) 1kg
- b) 750g
- c) 500g

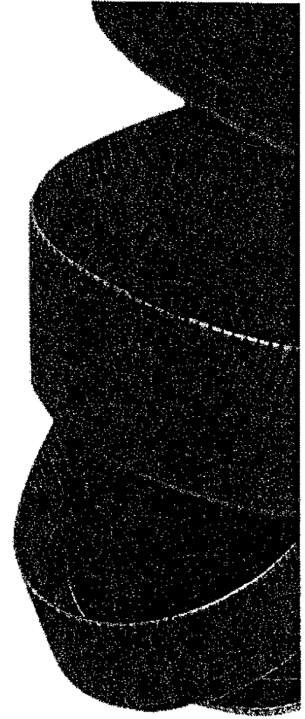


Pricing in Proportion

Question 5

Which of the following products are affected by Pricing in Proportion?

- a) Special Delivery™
- b) International Mail
- c) 1st & 2nd Class Mail



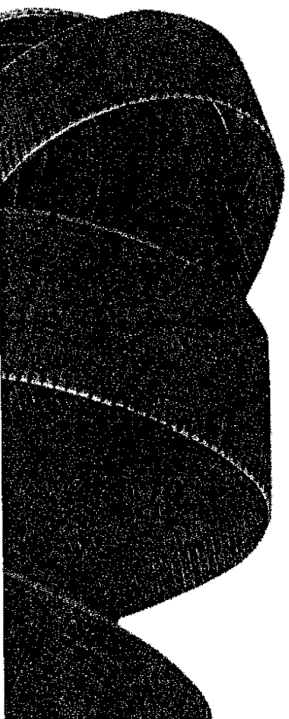
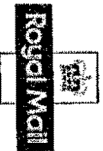
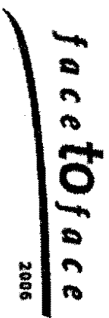
Pricing in Proportion

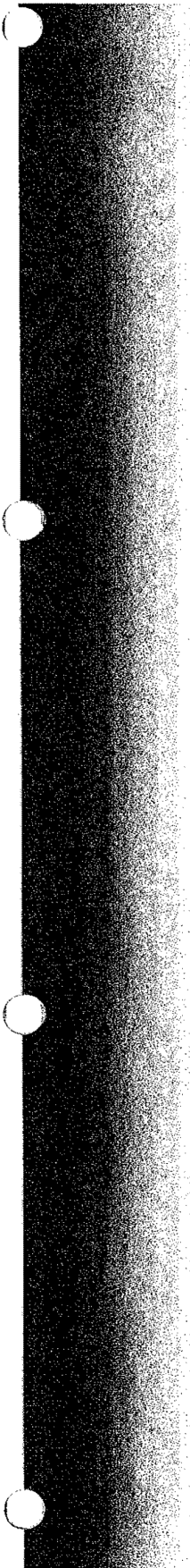
Question 6

A customer presents a birthday card which includes £30 in cash.

Which service do you offer?

- a) 1st Class
- b) Recorded 'Signed for'
- c) Special Delivery™



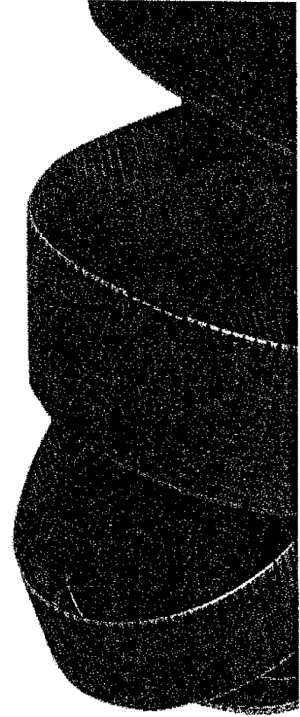
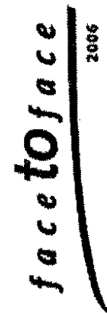


Break

Back in 10 minutes

Registration

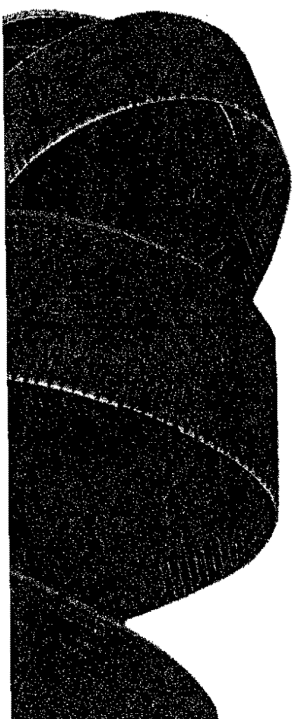
If you didn't complete the signing in sheet when you arrived,
please come and see me now.

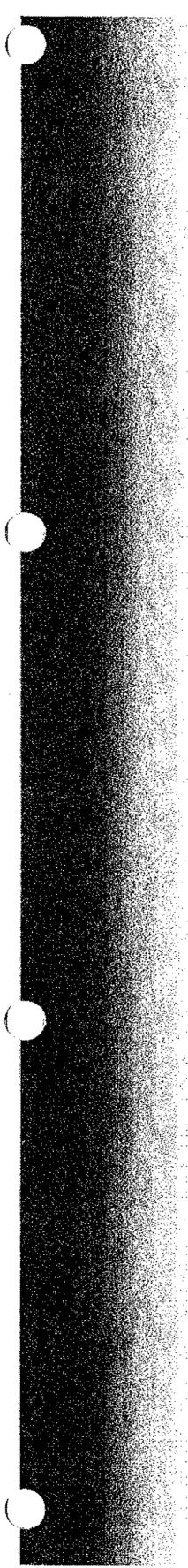


Next steps

Training pack

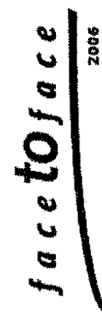
- Workbooks
- DVD/Video/CD Rom
- Practical exercises





YOU

are responsible for ensuring
that all your branch colleagues receive this training



C

C

C

C

Next steps

Royal Mail media campaigns



C

C

C

C

Royal Mail communication plan

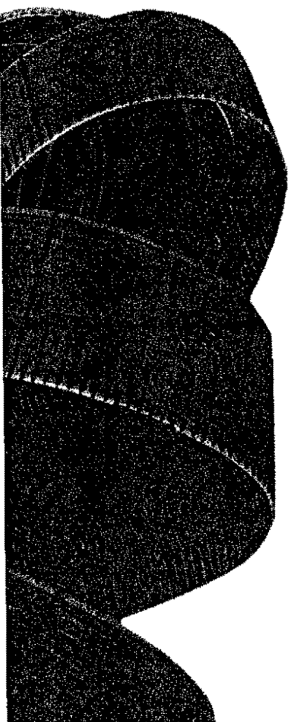
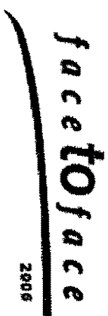
- Royal Mail are implementing a significant communication plan to ensure customers are aware of the change
- They are communicating to businesses and consumers



Royal Mail communication plan

The communication to business commenced in August 2005 and has included:

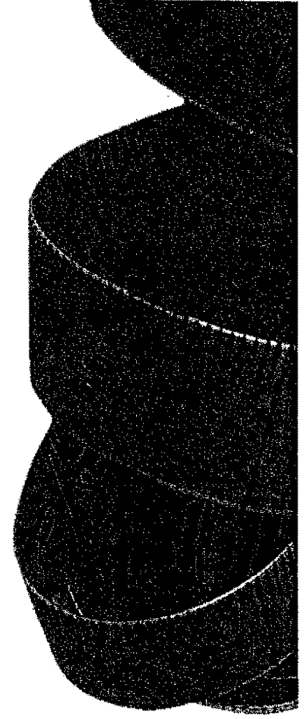
- Advertising in business and industry-based magazines
- Direct Mail to many businesses
- Three million Small to Medium businesses were mailed to in May



Royal Mail communication plan

The consumer campaign starts six weeks (10 July) prior to the go-live date and includes extensive advertising on:

- TV
- Outdoor
- Radio
- Newspapers



Media strategy

Stage 1

10 July 2006 –
20 August 2006

Announce

TV

Stage 2

24 July 2006 –
28 August 2006

Inform

Print
&
Door Drop

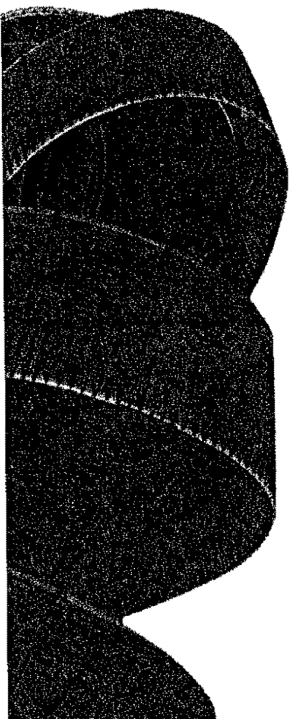
Stage 3

7 August 2006 –
28 August 2006

Remind

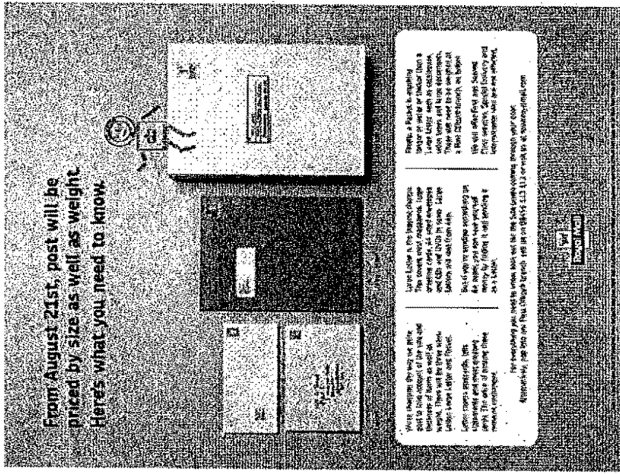
Outdoor
Radio

Print and Direct Mail will be bilingual in Wales

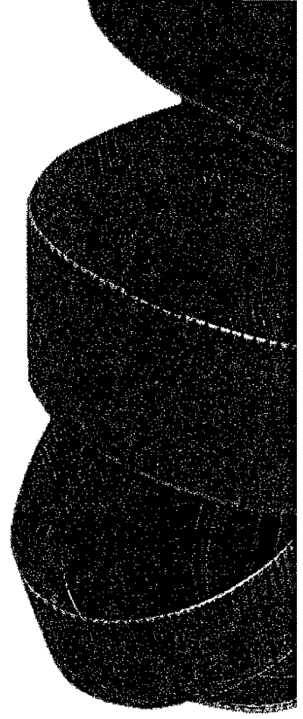


Royal Mail communication plan

This is an example of the
print advertisement

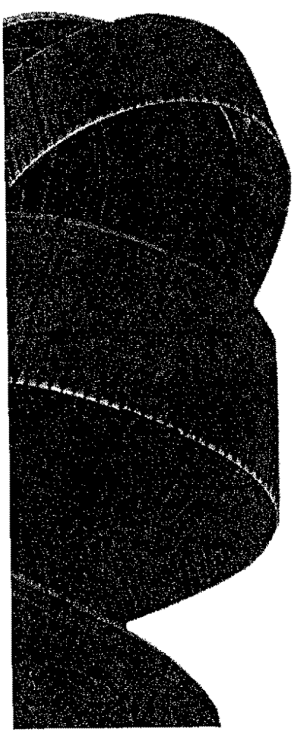
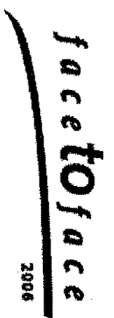


face to face
2006



Royal Mail communication plan

There will also be a
door drop to
almost every
household in the
country
(27 million
households)

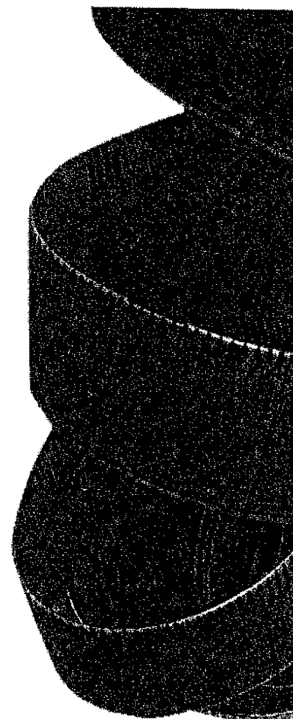


A wide variety of radio stations will allow us to reach a broad audience...

Virgin Radio	Scotland	Borders	Wales & West
TalkSPORT	CFM Radio	Radio Borders	GWR FM
Classic FM	Total Clyde	Century 100-102	Total Red Dragon
Sunrise Radio	Total Forth	Total Metro	102.7 Hereward FM
London	Moray Firth Radio	Total TFM	Broadland 102
Total Capital FM	Northsound One	Yorkshire	Gemini FM
Heart 106.2	Total BRMB	Total Aire	Total Invicta
Magic 105.4	100.7 Heart FM	Total Viking	Northants 96
	Century 106	Total Hallam	South West
	North West	Total Lincs FM	Plymouth Sound
	Total Rock	Minster FM	Pirate FM
	Century 105.4		Ulster
	Coast FM 96.3		Belfast City Beat
	Total Key		
	Total Radio City		



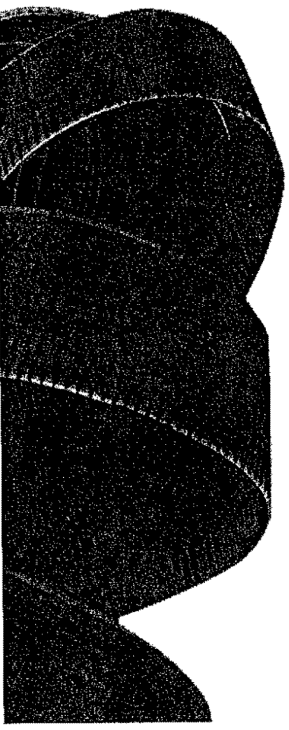
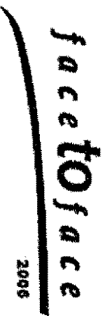
face to face
2006



Next steps

Talk to your customers!

21 August 2006 Go live!



Pricing in Proportion

Questions?



C

C

C

C

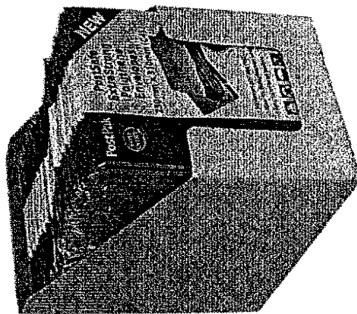
New PostPak range



New PostPak range

The new range

- Joint Royal Mail/Post Office® branded for the first time
- High shelf impact design
- Pricing in Proportion compliant
- Supplied in ready to sell display outers
- Point of Sale available as optional support



face to face
2006



New PostPak range detail

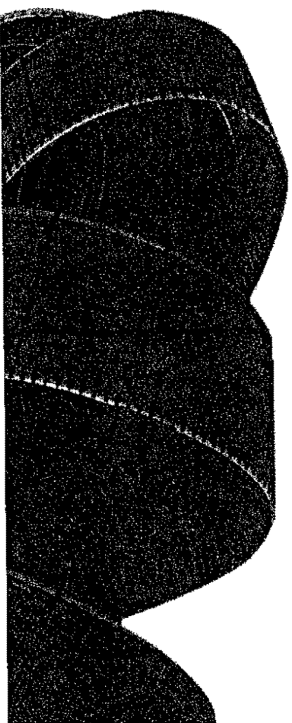
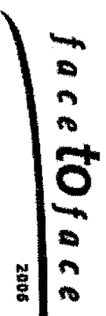
Brand new Pricing in Proportion sized products

- Large letter card envelopes
- DVD & CD mailers
- Large Air Mail standard mail box
- Poster 'squares' rather than tubes

Pricing in Proportion identified range

- Bubble & padded mailing bags
- Complete envelope range
- Extra strong poly mailing bags

Simply contact ISA PostShop to order

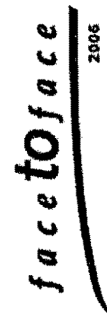


Mails integrity



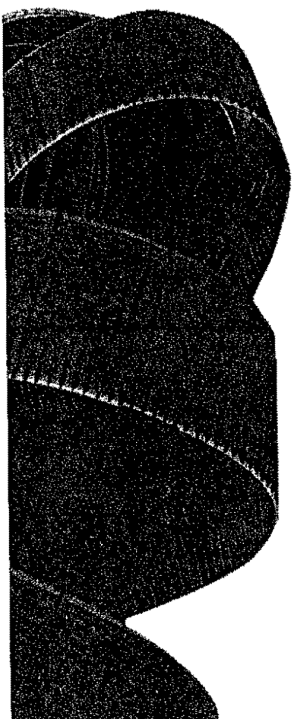
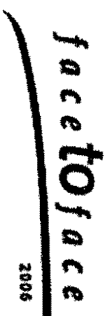
Background

- The Postal Regulator Postcomm introduced a Code of Practice in January 2006
- It is applicable to all postal operators, including Royal Mail and Post Office Ltd as their agent
- Its aim is to minimise exposure of mail to the risk of Loss, Theft, Damage and/or Interference
- Those who breach the code could face sanctions, fines and potentially criminal prosecution



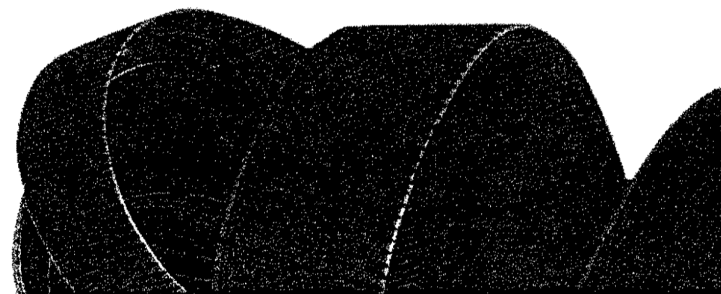
Training

- Workbooks were distributed to all Post Office® branches in April
- ALL Post Office® colleagues are required to:
 - have completed their training by the end of May
 - register they've completed their training use Advanced Data Capture (ADC) on Horizon
- Further use of ADC



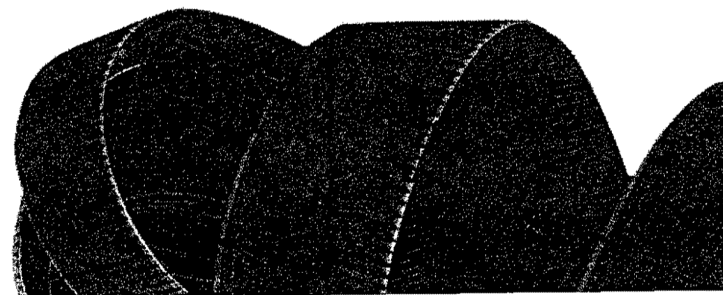
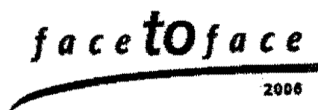
Security of mail

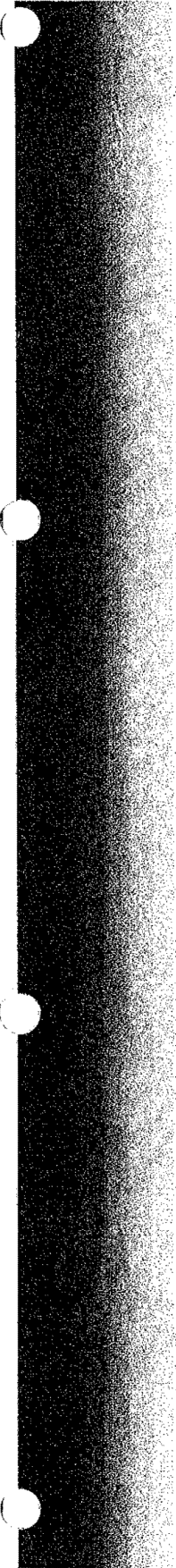
- Do not leave mail where it is accessible to the public
- Premium service items have to be kept in the designated secure area whilst awaiting collection
- Make sure you verify the identity of any new postman/woman collecting your mail
- If you are having trouble storing mail securely, please call the NBSC to seek advice



Minimise risk of damage & interference

- Ensure mail is properly addressed and securely packaged before accepting it from a customer
- Make sure that items marked 'Fragile' or are apparently fragile, are handled with care
- Please treat all items correctly and ensure they are not mis-handled whilst in your care





In other words...

Doing what we should already be doing!



face to face
2006



Summer travel campaign

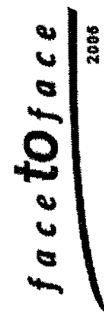


face to face
2008

POST
OFFICE

Summer travel campaign

- Market
- The opportunity
- The products
- The objectives



Summer travel campaign

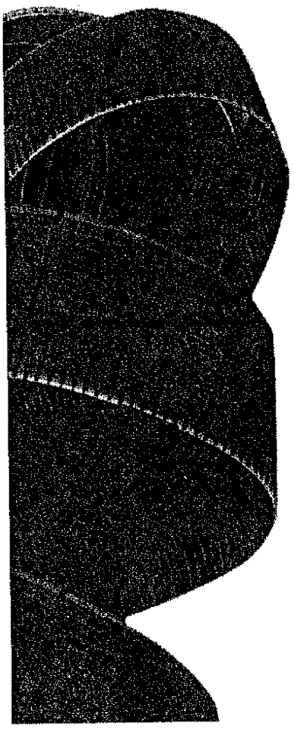
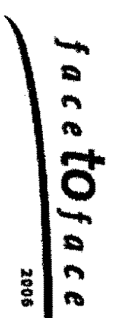
The market

Number of trips abroad in 2004? 61.2 million

Post Office® market share

Foreign currency 25% 1st

Travel insurance 8% 3rd



Summer travel campaign

The opportunities

Population visiting Post Offices

98%

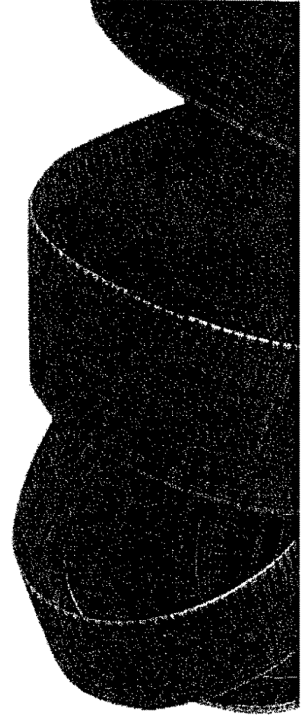
Awareness

Foreign currency

73%

Travel insurance

58%



Summer travel campaign

The opportunities

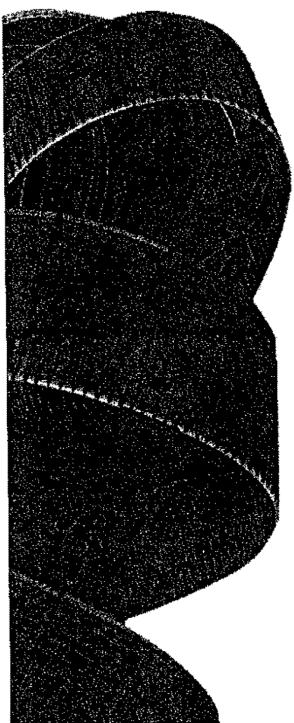
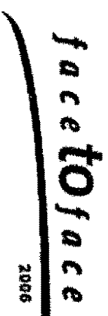
Cross sell

Foreign currency to travel insurance

19%

Travel insurance to foreign currency

50%



Summer travel campaign

Travel insurance

Key features

High quality cover at great prices

Cover to suit all needs

No upper age limit

Children go free



face to face 2006



Summer travel campaign

Foreign currency

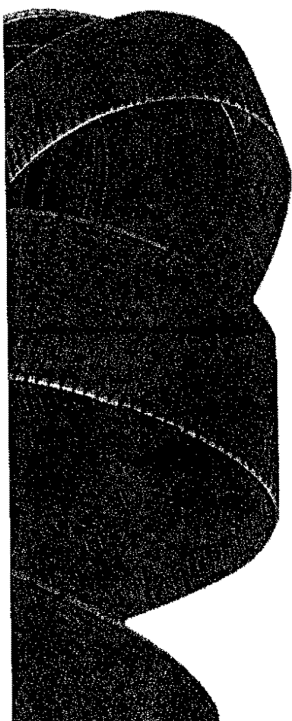
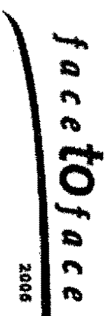
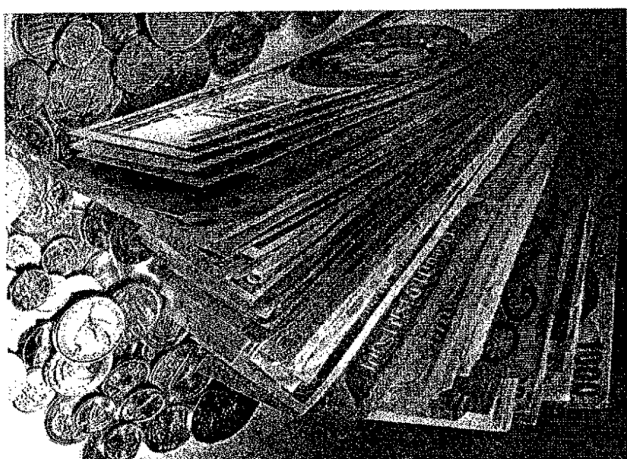
Key features

0% commission

Over 70 currencies now available

Order in branch

Available at 'on-demand' branches



Summer travel campaign

Travellers cheques

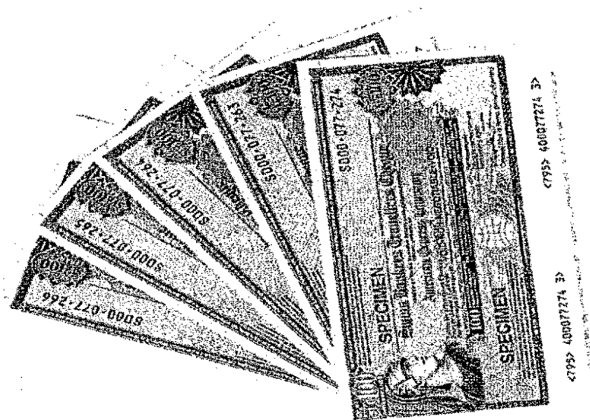
Key features

0% commission

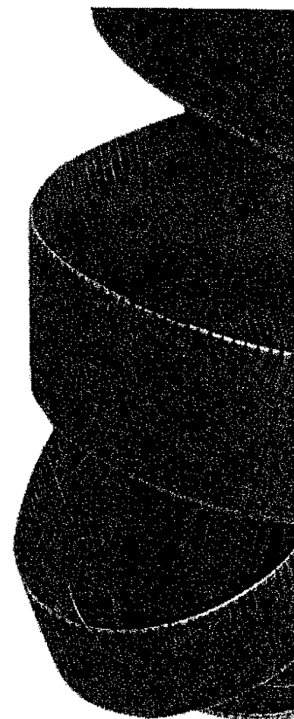
Better rate than currency

More secure than cash

24-hour replacement



face to face
2006



Summer travel campaign

travel money card

Key features

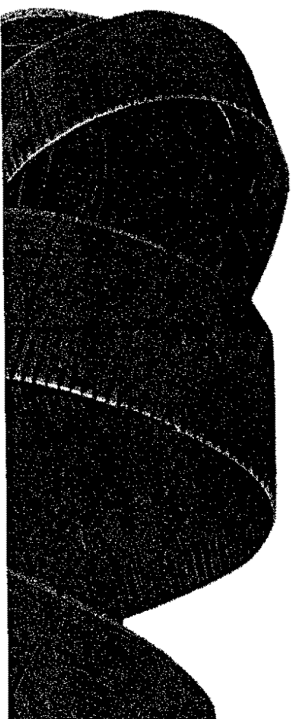
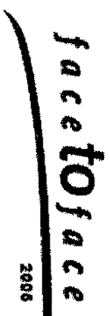
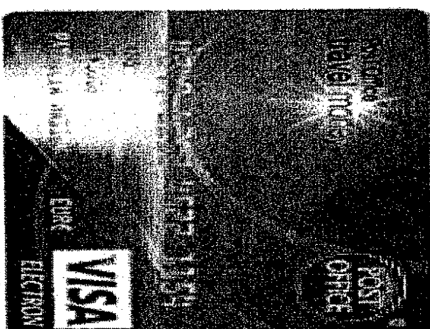
Convenience

Budgeting

Security

Simple fee structure

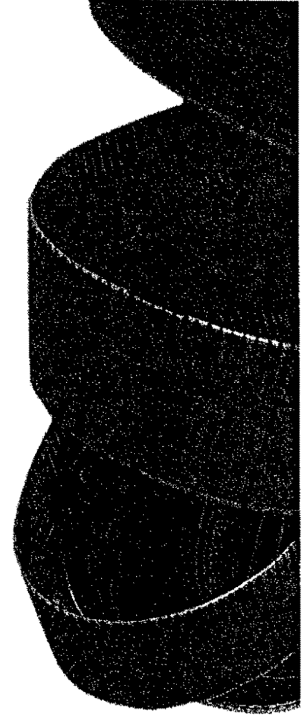
Reload



Summer travel campaign

Think what it could mean for you

- Young Couple: weekend break in Europe
- Family: summer holiday, two adults and two children, two weeks in Cyprus
- Independent traveller: six months around Asia

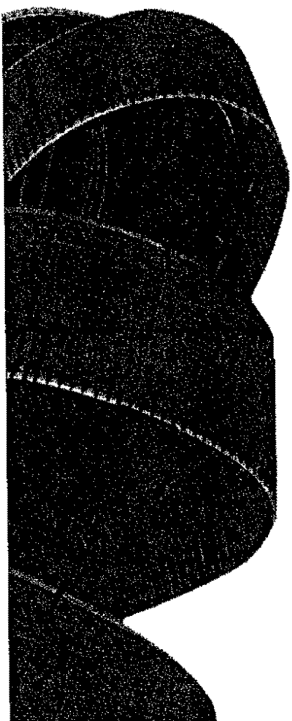
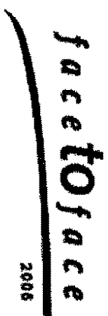


Summer travel campaign

June, July, August

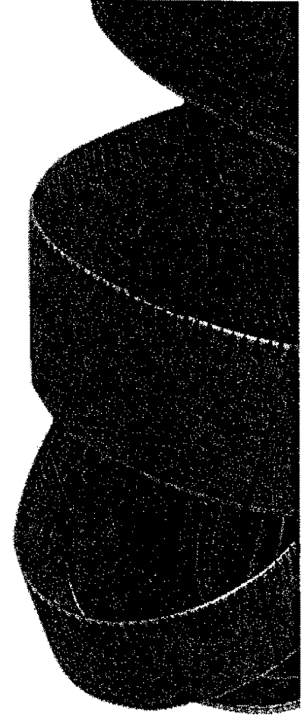
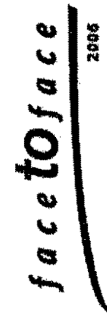
Advertising

Point of sale in-branch



Local sales performance and targets

- Sales targets
- Performance, good practice, hints and tips
- Recognition
- Questions



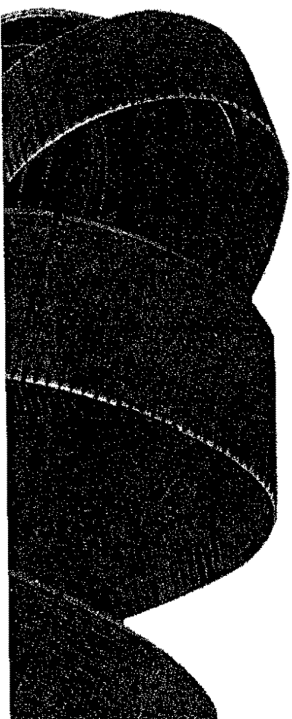
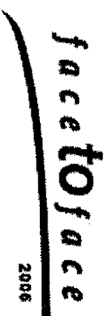
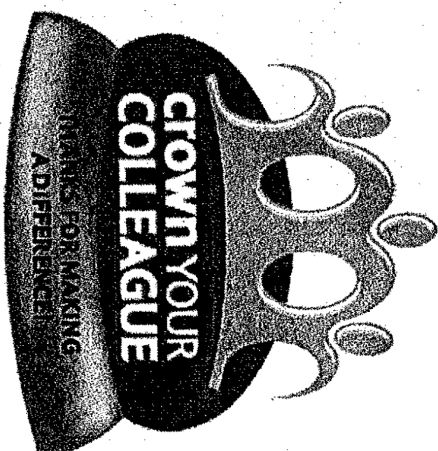
Thank people who have made a difference!

Simply complete a nomination card and they could win:

- £500 in vouchers
- Chocolate hamper
- Luxury European break for two

Everyone who receives their first nomination will receive a small gift.

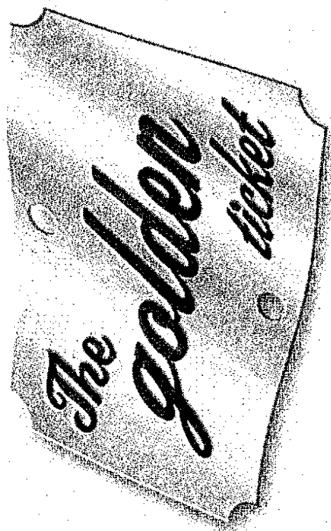
Speak to your SAM for more information



Win big prizes for selling focus products

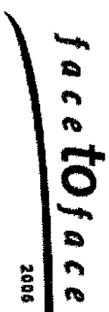
Monthly: Team celebration paid for
by Post Office Ltd
Quarterly: Luxury UK weekend break
Yearly: Week in Mauritius!

Ask your SAM for more information



Feedback

*Please complete the feedback sheet to tell us what you
thought about the evening.*





Royal Mail Pricing in Proportion

Thank you for attending!

