

CIRCULATION: NATIONAL EXECUTIVE COUNCIL

A/3 PC NW 06 01

Your Ref:

Our Ref: CB/EJA/PC NW 06 01
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National Federation of SubPostmasters

(13th August 1998) 8th JANUARY 1999

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I write to congratulate you on becoming the Chief Secretary to the Treasury.

One of the first matters you will undoubtedly need to consider is the PFI to automate Post Offices which is called the Horizon Project. This is a very important project for Sub-Postmasters everywhere as it will transform the Post Office network and enable it to play its vital part in the delivery of Government's products and services in the future.

Without this automation platform we consider that the future for Sub Post Offices is bleak indeed and the speculation surrounding the Government's intention for the project is causing great concern amongst Sub-Postmasters who are pressing me to "raise the profile" of what is at risk. As I am sure you are aware, if the Horizon project or the payment card were to be cancelled, the effect would be dire on Sub-Postmasters and their £1 billion investment in the network. They would reasonably conclude that despite all the promises of the past, the Government had given up on them. They would see their livelihoods as being on the line, and could not be expected to take this lying down. Given Sub-Postmasters current mood and until they see Horizon rolling out in the Post Offices we should not be surprised at occasions of outpourings of concern.

We have, of course, contributed to the Review of The Post Office and made our views clear to the Department of Social Security but wanted you to know how Sub-Postmasters are looking forward to playing their full part in delivering social banking, welfare reform and other key Government products and services through the automation platform, but that they do have understandable concerns.

Any reassurances you can provide at this stage would, I know, be warmly welcomed.

If you feel that a meeting between us would be beneficial, we would be delighted to meet you.

I look forward to hearing from you.

GRO

COLIN BAKER
General Secretary