CIRCULATION: NATIONAL EXECUTIVE COUNCIL

Your Ref: Our Ref:

CB/EJA/PC NW 06 01 PO PZ

20th November 1998

The Rt. Hon. Alistair Darling Esq. Secretary of State for Social Security Department of Social Security Richmond House 79 Whitehall London SW1A 2NS

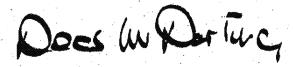
National Federation of SubPostmasters

Evelyh House 22. Windlesham Gardens Shoreham by Sea West Sussex BN43-5AZ

GRO

General Secretary COLIN BAKER

Assistant General Secretaries
KEVIN DAVIS



I am sorry to need to write to you again but I wonder if you have received my letter to you of 5th November 1998 in which I expressed the concerns of Sub-Postmasters at the doubt which had been cast upon the Horizon project by an article in *Computer Weekly*.

I hope that you can understand that I am being faced with a growing number of extremely anxious members who, having read about or heard of, the suggestions that the Benefits Card is to be dropped, are pressing me for an answer.

I would, therefore, appreciate an urgent indication from you of the position of the Government with respect to the Horizon project so that Sub-Postmasters everywhere can know the true position.

I look forward to hearing from you.

**GRO** 

COLIN BAKER
General Secretary

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National Federation of SubPostmasters

5th November 1998

London SW1A 2NS

Evelyn House 22 Windlesham Gardens 3 Shoreham by Sea West Slissex BN 13 SAZ

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GRO

General Secretary
COLIN BAKER

Assistant General Secretaries Kevin Davis Paul Heasman

Dos la Derling,

### **COMPUTER WEEKLY ARTICLE**

I was shocked to read the report in Computer Weekly this morning which purported to have senior Government officials as its source.

The suggestion that the Benefit Payment Card is to be dropped would completely contradict assurances given by Kate Hoey on behalf of your Department at the National Federation of Sub-Postmasters' annual conference in May, and by the Rt. Hon. Peter Mandelson yesterday at the Trade and Industry Select Committee.

It would also appear to undermine the proposals put forward by the Prime Minister at the Labour Party Conference in September for a single account - pilots of which I understood were going to be developed jointly between yourselves and The Post Office.

I would like to make it quite clear that any proposal to automate the post office network which does not involve the continuation of the Benefits Payment Card would be wholly unacceptable to Sub-Postmasters, who have invested their livelihoods on the basis of assurances given by your Government.

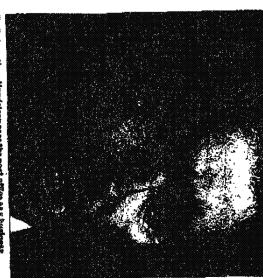
The continued payment of benefits via the post office network is crucial to the survival of thousands of sub post offices. Removing this income would leave the network unstable and unable to survive long term.

I look forward to a speedy response to clarify that you will not let Sub-Postmasters down by reneging on previous promises. I also hope you will do everything possible to prevent your officials from helping further scurrilous articles to appear in the press, which can only serve to undermine Sub-Postmasters' confidence in the integrity of this Government.

I am sending a copy of this letter to the Prime Minister, the Secretary of State for Trade and Industry, The Treasury Chief Secretary and to the Managing Director of Post Office Counters.

**GRO** 

COLIN BAKER
General Secretary



## Finding a path... Mardelson sees the post office as a business

# Ity on Swanwick

A COMMITTEE of MPs have raised Computer Weekly's concerns about the Government's choice of independent auditor of the Synthe Chair traffic control competed systems in the ., au Hampshire.

Government to conduct en which was appointed by the Evaluation Research Agency and the State-owned Defence National Air Traffic Services ness relationship between revealed there is a close busi-Computer Weekly has

> tion Authority and Bill Semple, chief executive of National Air Traffic Services. Weekly has echicised the Stringer said. Company

experts at Defence Evaluarespond?" ional Air Traffic Services. It people, that you are in says they are not the right have been looking at Nattion Research Agency who

cy's credentia. were satisfied o Field and Somple said they ; an indethe agen-

## Benefits card faces a 85-11-3

SMONS

BIN Jacobs and Suspinen Phillips

considering a radical rescue automation project. package to salvage kCL's THE COVERNMENT IS roubled filbs post office

card doesn't have to form uration of the contract". signed in 1996, may be scrapfraud whea the contract was couled as the £150m-a-year ped under a "major recordigintidate to social security benefits payment swipe card. A sonior source said the "The benefits payment

Ministers are locked into last-minute talks with ICL ment insider. changed," added the governpart of the contract if it's and the Post Office on the

> has faced the axe since April future of the project - dubbed when the Treasury insligated HA-Poci or Pathway - which

ering a swipe card-enabled platform to computerise 19,245 post offices. ICL is two years late deliv-

a crisis review. The government is press-

- mostly benefits claimants mated 5% of the population last month's Labour Party shunged by high-street banks. hast accounts for the estiannounced by Tony Blair 20 ing ahead with conference, for post offices to SILE O

### NatWest unveils coin cash dispenser

mechine which would allow benefits payments to be dispensed from the hole-in-the-wall-type machine-NatWest has introduced a coin dispenser-enabled cash

which has provented banks offering this service. teller machines only dispensing cash in multiples of £10. from cash machines using a Mondex card, said a spokesman The technology overcomes the problem of automated Benefits could also be downloaded as electronic cash

> payments by automatic credi making a beaches payment the way for universal hencifit transfer into bank accounts The proposals would prove

work was presented to trade minister Peter Mandelson ney. His hipeprint to turn the thrown a lifeline by Pasi card superfluous. cial reteil and hanking net-Post Office into a customer-Office minister lass McCarr-But Pathway has been

jed". An ICL spokeswomen to proceeding with the preof "temoving or intradium" demand on the government this work ted to the benefits card. said ICL remained commit ICL had relinquished its A Treasury insider said

