



## The National Federation of SubPostmasters Background Information

The National Federation of SubPostmasters (NFSP) represents the interests of 14,000 subpostmasters throughout the United Kingdom. Sub post offices make up 97% of the national network of post offices and are run by private business people, subpostmasters.

### The Post Office Network

The post office network reaches into every urban community and nearly every sizeable rural settlement. It is the largest retail network in Europe, with 94% of people in the UK living within one mile of a post office.

Subpostmasters are not Post Office Ltd employees, but instead have a contract with Post Office Ltd to provide services using their own premises and staff. Sixty percent of subpostmasters are men and the term is taken to include both men and women. Generally, subpostmasters receive a fixed payment from Post Office Ltd; this is topped up by a variable payment based on the number of transactions they carry out. Most subpostmasters run their post office business under the same roof as another retail business. In urban areas this is often a newsagent or stationery business. In rural areas it is typically a village shop.

Post offices offer over 170 services including -

- Banking and financial services
- Cash management for businesses
- Bill payment, bureau de change and postal orders
- Pensions and other benefit payments
- Insurance services
- Car tax and fishing licences
- National lottery tickets
- Mail and distribution, stamps, parcels
- Passport renewal applications

As well as providing essential local government, banking, retail and mail services, post offices play important roles in providing direct support for vulnerable residents and a focal point for the community.

Our national post office network is currently facing a challenging period. This is in part due to general trends in retailing, including the increasing dominance of the supermarkets allied with higher levels of car ownership and more commuting. Technological and other innovations including direct debit, telephone call centres and the internet are also impacting on the network. The Government's introduction of the direct payment of state pensions and benefits directly into bank accounts has also had a major effect on post office income.

As a result of these challenges, the Government and Post Office Ltd have embarked on major programmes to develop and modernise the post office network. Most recently, in December 2006, the Government announced proposals for an investment programme of £1.7bn over five years, to support the post office network and enable restructuring to place it on a firmer footing. The Government also announced an expected 2,500 post office closures and the setting up of 500 new post office outlets for small remote communities.

Subpostmasters, the people who run the post offices, are thus operating in a time of great change. It is the role of NFSP to support subpostmasters in this critical time and to work towards the development of a thriving and sustainable post office network offering products and services to meet the needs of twenty-first century Britain.

## **The Federation**

The National Federation of SubPostmasters is a strong national organisation committed to achieving a thriving, successful post office network. It has been representing the interests of subpostmasters for over one hundred years and is the only organisation recognised by the Post Office to represent subpostmasters.

The Federation is an independent membership organisation with a commercial trading arm, and a modern trade union. It is committed to ensuring that all rural and urban communities throughout the country are able to access Post Office services through a viable and sustainable sub post office network.

NFSP meets its aims and objectives by:

### *Political Lobbying and Campaigning*

The National Federation of SubPostmasters (NFSP) has lobbied successive Governments to commit to maintaining a strong national network of post offices. This involves liaison with Ministers, officials, MPs, members of the devolved administrations and members of the House of Lords; providing evidence to select committees; responding to consultation papers; and maintaining a strong media and public campaigning presence. The Federation has also carried out work on European Union postal services legislation and in the European Parliament.

NFSP works closely with a wide range of other influential lobbying groups dealing with small business, rural, urban and community issues. A further key part of NFSP's work involves liaison with other postal sector organisations, including the regulator Postcomm and the consumer watchdog Postwatch.

### *Advice, Information, Support and Representation*

Members of the Federation have access to a 24 hour helpline offering advice on legal, tax, general business issues and emotional support. NFSP also provides representation and guidance to members in the event of disciplinary action or disputes with Post Office Ltd.

A network of over 90 local branches throughout the UK gives subpostmasters the opportunity to talk to colleagues working in their field, discuss new initiatives and provides mutual support. Branch secretaries receive regular detailed information updates from NFSP Headquarters and offer assistance at a local level. Local support is backed up by an Executive Council of experienced subpostmasters and a professional team at Headquarters.

NFSP also produces a monthly journal covering events and issues affecting subpostmasters.

### *Negotiation Over Pay and Conditions*

NFSP is the only organisation recognised by Post Office Ltd to negotiate on behalf of subpostmasters nationwide. A team of negotiators works throughout the year to improve the pay and conditions of service for subpostmasters. NFSP negotiates with Post Office Ltd the payment for every item of work that goes over a subpostmaster's counter. Other issues NFSP has dealt with over recent years include the introduction of a new type of community office to safeguard the future of post offices in the smallest rural communities. NFSP has also negotiated a discretionary fund providing compensation for subpostmasters if their office closes or relocates, reimbursements of the cost of relief subpostmasters when taking a holiday and the abolition of introductory fees for new subpostmasters.

### *Sourcing of Free and Discounted Commercial Services*

NFSP offers a range of discounted commercial products and services to members. These include insurance and financial services, travel discounts and discounts on car and van purchase. NFSP runs an annual exhibition of commercial retailers providing products and services for subpostmasters. NFSP members also have access to a major UK wholesaler which enables them to buy retail stock at reduced rates.

### *Benevolent Fund*

NFSP runs a benevolent fund that offers temporary financial assistance and a subpostmasters' trauma counselling service. The fund is operated as a charity and available to serving or retired subpostmasters, their widows, widowers and children in cases of severe illness, bereavement or other domestic crisis. Assistance may be provided with a range of items including nursing/residential home fees, holiday costs, adaptation of privately owned vehicles, removal expenses and equipment. The fund relies on donations from individuals, donations from NFSP branches and bequests.

## *Structure of NFSP*

Currently the National Federation of SubPostmasters is divided into more than 90 local branches within 10 regions.

The Executive Council is the body entrusted with the general management of the Federation. There are 16 members of the Executive Council, all of whom are working subpostmasters. The Executive Council is serviced by the General Secretary, based at NFSP Headquarters in West Sussex.

The Executive Council has overall control of negotiations with Post Office Ltd on all matters relating to the pay and conditions of subpostmasters. Specific areas of responsibility are delegated to two sub committees, the Negotiating Committee and the Publicity & Development Committee. The National President, Vice President, the Federation Trustees, the General Purposes Committee and the members of the Board of Benevolence are drawn from the Executive Council.

The General Secretary, Assistant General Secretaries and other staff are based at NFSP Headquarters, which provides the Federation's administrative services and a variety of other functions.

The Executive Council is considering the future structure and organisation of the NFSP in the light of changes in the post office network over recent years. This is work in progress, which will seek to meet membership needs through the most effective framework.