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Postal changes on articles for the blind

POST AND TELECOMMUNICATIONS

May 1980

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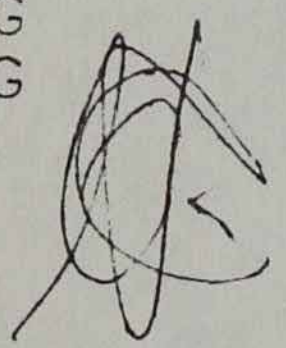
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MARGARET THATCHER PRIME MINISTER 10 DOWNING STREET
LONDON

MA'AM I WOULD LIKE YOU TO INCLUDE THE NATIONAL MUSIC FOR THE BLIND IN
YOUR LIST OF APPLICANTS FOR V.A.T. EXEMPTION WE COULD ASSIST FAR MORE
LONELY BLIND IF YOU DO PLEASE GOD YOU WILL HELP US
DEREK MILLS FOUNDER DIRECTOR NUMBER TWO HIGH PARK ROAD
SOUTHPORT MERSEYSIDE PR9 7QL TELEPHONE 0704 28010

COL 10 MA'AM V.A.T. PR9 7QL 0704 28010

628621 PO LV G
889113 PO SW G



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DEPARTMENT OF INDUSTRY
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LONDON SW1E 6RB

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SWITCHBOARD 01-212 7676

Post +
Telecomm

From the
Minister of State 's Office

The Hon Adam Butler MP

M Pattison Esq
Private Secretary to the
Prime Minister
10 Downing Street
London
SW1

Mr Ingham

11 December 1980

Mr Wolfson to see

2. RA

MAD
10/12

Dear Sir,

POSTAL CHARGES FOR THE BLIND

Thank you for your letter of 5 December.

The Post Office have agreed not to make any announcement on this subject before Christmas. When an announcement is to be made they have undertaken to consult us in good time beforehand, in order that the presentation can be handled in accordance with the Prime Minister's wishes as set out in your letter.

Copies of this letter go to Mike Tully at DHSS, and to Richard Prescott in the Paymaster General's Office.

Yours sincerely,

Jonathan Hudson

Jonathan Hudson
Private Secretary

*f + Tels.*

10 DOWNING STREET

From the Private Secretary

5 December, 1980.

Postal Charges for the Blind

Our correspondence on postal charges for the blind rests with your letter to me of 22 August, but Bernie Merkel wrote to me on 14 November about the possibility of finding charitable funds to support Mr. Mills' service.

We took this some way forward. A potential benefactor was found. The RNIB agreed to act as a channel, whilst making it clear that they had some doubts about Mr. Mills' organisation, that they did not regard his service as a necessary one, and they could not in any sense assume an obligation to take financial responsibility if the benefactor later pulled out.

Mr. Mills, however, made it clear that he would not accept support from charitable funds. He continues to believe that the Post Office has a moral obligation to carry his packages free of charge. If and when the Post Office withdraw the existing concession, he intends to go public and make a fuss about it.

In these circumstances, the Prime Minister acknowledges that it is not possible for Government to enable Mr. Mills to continue, either by regularising the Post Office arrangement, or by finding private sources of support. She accepts, therefore, that the Post Office must now withdraw the concession. She has asked that the timing and press handling of the withdrawal should be most carefully considered. In particular, she would not wish it to take place until after Christmas. I suppose it might be synchronised with the increase in postal charges, but you will have to consider whether this makes it easier to present the action simply as a Scrooge-like economy, and not as the necessary elimination of an anomaly.

The Prime Minister also believes the social services correspondents should be briefed on the efforts made by Ministers to arrange private financial assistance to meet Mr. Mills' postal costs, so that it is made clear that his complaint is not

/ that

GB

that he has been prevented from continuing his service, but that he feels the Post Office have a duty to handle it free of charge.

I am sending a copy of this letter to Mike Tully (Department of Health and Social Security).

M. A. PATTISON

Jonathan Hudson, Esq.,
Department of Industry.

1. MR. WOLFSON
2. PRIME MINISTER

National Music for the Blind

You asked us to find a private benefactor to finance Mr. Mills' service of circulating cassettes to the blind by post, now that the Post Office have decided that they cannot justify a concession to him.

The RNIB agreed to act as a channel for a charitable donation. They made it clear that they had some doubts about Mr. Mills' organisation, and that they did not regard his service as a necessary one. But they were prepared to be helpful. *A potential benefactor was found! See*

Mr. Mills, however, has now made it clear that he will not accept this arrangement. He believes that the Post Office should have a moral obligation to carry his packages free. If and when they withdraw the existing concession, he intends to go public and make a fuss about it.

We are at an impasse. Ministers cannot direct the Post Office to continue a concession, which the Post Office believe already puts them in breach of the Post Office Act. Mr. Mills makes it clear that he will not accept any arrangement for meeting his postal charges. He believes there should be no charges.

We may now have to accept that the Post Office will impose charges, and Mr. Mills will seek to create a public row. If you agree that we are left with no alternatives, there are two steps which we might usefully take:-

1. We should ensure that the Post Office does not withdraw the present arrangements until after Christmas - I suppose they might time it to coincide with the increase in postal charges.
2. We might arrange for social services correspondents to be briefed on the efforts made by Ministers to arrange private financial assistance to meet Mr. Mills' postal costs, thus making it clear that Mr. Mills' complaint is not that he has been prevented from continuing his service, but that he feels the Post Office have a duty to service him free of charge.

/ Agree

Agree that we should now allow the Post Office to withdraw the existing concession, and that we should take these precautions?

MA

Yes

3 December, 1980.

HS

Post +
Telecomm

21 November 1980

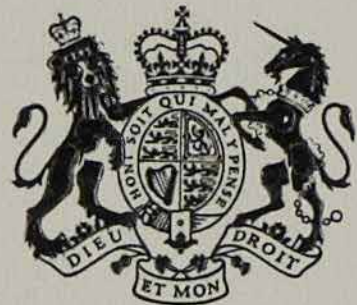
Thank you for your letter of 14 November about postal charges for the blind.

I am grateful for the trouble you have taken over this. We will now deal direct with Mr. Venn of RNIB to see whether we can help to find charitable support for National Music for the Blind.

M.A. PATTISON

KARBY

B.C. Merkel, Esq.,
Department of Health and Social Security.



DEPARTMENT OF HEALTH & SOCIAL SECURITY
 Alexander Fleming House, Elephant & Castle, London SE1 6BY
 Telephone 01-407 5522

From the Secretary of State for Social Services

Mr Wolfson
Can you now take
this forward?

MAP 14/11

Mike Pattison Esq
 Private Secretary
 10 Downing Street
 Whitehall
 LONDON SW1

14 November 1980

Dear Mike

Further to my letter of 23 October about postal charges for the blind, I can now let you know the outcome of the meeting between DHSS officials and representatives of the RNIB.

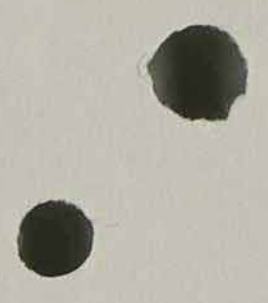
As you know, the RNIB are well aware of the background to Mr Mills' organisation. In fact, they have in the past given us information about it on a confidential basis. They share the doubts we have expressed about the administrative side of National Music for the Blind. However, they, as we, recognise that Mr Mills is well-intentioned and that many people do benefit from the service he provides. They do not regard this as a necessary service and could not themselves fund it from within their own resources. They are, however, willing to act as a channel for funds from a private benefactor on the clear understanding that there can be no question of them taking on a financial responsibility if those funds should cease.

As the discussions took place with Mr Venn, the Director-General of RNIB, he agreed that he himself would be the best point of contact for No 10 to take this further. Are we right in assuming that this is what the Prime Minister has in mind? Does she envisage that, say, David Wolfson may have a role to play in helping to locate a willing benefactor? He has suggested to our Secretary of State in the past that he might be able to help in this direction.

I am copying this letter to the recipients of your letter of 9 September.

Yours ever
Berni Merkel

B MERKEL
 Private Secretary



14 NOV 1980



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BF 1 week post
 NAA 23/x
 telecomp

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

M Pattison Esq
 Private Secretary
 10 Downing Street
 London
 SW1

23 October 1980

Dear Mike

Thank you for sending us a copy of your letter of 9 September to Jonathan Hudson about postal charges for the blind.

I am afraid we are still not in a position to reply. This is a very delicate subject and one that DHSS officials are approaching with 'all due care'.

They will be meeting representatives of the RNIB this week and hope to be in a position to offer comments by the beginning of next week.

I am sorry that we did not inform you of the position earlier.

Yours ever

Bernie Merkel

B MERKEL
 Private Secretary



23 OCT 1980



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RESTRICTED

B.



10 DOWNING STREET

From the Private Secretary

9 September 1980

Thank you for your letter of 22 August about postal charges for the blind.

The Prime Minister recognises the difficulties involved in this case but, as I have made clear before, she intends to ensure that some way is found of supporting National Music for the Blind's services.

We have been looking further at the possibility of obtaining support from a private benefactor. I believe that this might be possible if we could find a responsible charity which would be prepared to channel the funds to Mr. Mills' organisation. I assume that the RNIB would be the obvious choice. I should be grateful if Don Brereton, to whom I am copying this letter, could arrange for enquiries to be made of RNIB, or some other suitable organisation, about this possibility. Once soundings have been taken, we can take this up direct from No. 10 with a suitable official of the organisation in question.

I am also sending copies of this letter to Richard Prescott (Paymaster General's Office) and David Wright (Cabinet Office).

M. A. PATTISON

J.C. Hudson, Esq.,
Department of Industry.

(Duplicate copy sent to Bernie Merkel in Patrick Jenkin's office 16-10-80)

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M.A.P.

Would R.N.I.B. act as "Clearing
House" for a Charitable Donation to support
Mr. Mills work.

If no, no problem.

If not, we should have difficulty
getting Charitable funds to Mr. Mills.

DW

MR. WOLFSON

Please see the attached papers on postal charges for the blind.

The Prime Minister has returned to the idea of arranging for a private benefactor to replace that part of the Post Office subsidy which the Post Office firmly intend to withdraw. We discussed earlier the problems over Mr. Mills' determination to seek publicity. Where do we go from here?

MA

1 September 1980

PRIME MINISTER

We have not yet resolved the problem of postal charges for the blind. Here is a letter from Mr. Butler's office suggesting four alternatives.

The first option is to persuade the Post Office to maintain the status quo, quietly. This is unlikely to work for several reasons, but particularly because Mr. Mills - who runs this little charity - is likely to press for a formal statement of the position, thus raising the issue for other charities;

Secondly, DHSS "at official level" have said that they would not be prepared to provide any financial support to replace the extra Post Office concession;

Thirdly, a private benefactor might be found, but when David Wolfson and I looked into this, we concluded that Mr. Mills was not likely to be satisfied with discreet support from charitable sources. He seems determined to go for publicity;

The fourth option would be to encourage the Post Office to retain the basic concession on reading needs, whilst allowing them to withdraw extension to cover entertainment material like music.

The fourth option would not meet your concern: there would be bad publicity over a question of current expenditure of about £5,000. This really only leaves the option of your directing Mr. Jenkin to find this sum. His original doubts are set out in the letter at Flag A.

Do you want me to go back to Mr. Jenkin's office saying that you do now wish him to find the money?

27 August 1980

MJP
Will the P.O. continue
the concession until we
find a private benefactor.
There is no objection to substituting
David Jenkin's benefaction for public.
David Jenkin's Trust I have in mind now

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DEPARTMENT OF INDUSTRY
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From the
Minister of State's Private Secretary

M Pattison Esq
Private Secretary to
the Prime Minister
10 Downing Street
LONDON SW1

22 August 1980

Dear Mike,

POSTAL CHARGES FOR THE BLIND

Your letter of 10 July asked for a report of developments since my letter of 9 July in which I said officials were looking at various possible ways of financing postal charges for National Music for the Blind.

Officials here have been pursuing the question with the DHSS and, at this stage, there would appear to be four alternatives.

Firstly, as you suggested in your letter of 30 June, we could ask the Post Office to continue to allow National Music for the Blind to abuse the basic concession. The Post Office would probably not be prepared to maintain the status quo; they might be in breach of the Post Office Act if they discriminated in this manner. If the concession were extended to similar organisations, the cost to the Post Office would be £1½ million to £2 million per annum. We share the Post Office's doubts that the concession could be restricted to National Music for the Blind, and we have no powers to require them to provide such a concession. Furthermore, Mr Mills could well bring matters to a head by pressing for a formal extension of the concession to cover entertainment material.

The Post Office could not be expected to increase its subsidy to the Blind beyond the £5.6 million cost of the basic concession. They rightly point out that support for the disabled is the responsibility of Government. However, DHSS,

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with whom this responsibility lies, have at official level stated that they would not be prepared to provide any support for this concession.

Thirdly, a private benefactor might be persuaded to provide the £5,000 or so per annum needed to finance National Music for the Blind's postal charges. I wrote to you on 25 June about the suitability of this organisation to receive such assistance.

The fourth option of allowing the Post Office to withdraw the entertainment concession whilst retaining the basic concession remains.

The Post Office is prepared to continue to finance the concession to National Music for the Blind whilst it awaits a response from Government.

However, they believe that they must make a statement about the future of the concession to National Music for the Blind, since the existence of the review is known to Mr Mills and others. In making public their decision to withdraw the concession on entertainment material, the Post Office will make it clear that the Government had not been prepared to provide support.

The alternatives are therefore, either to allow the additional concession to be withdrawn and accept that there could be some unfavourable comment concerning the attitude of both the Post Office and the Government, or to provide financial support along the lines described above.

I am copying this letter to Don Brereton (DHSS), Richard Prescott (Paymaster General's Office) and David Wright.

*Yours sincerely,
Jonathan Hudson*

J C HUDSON

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27 AUG 1980

with the... responsibility lies, have an official level... stated that they would not be prepared to provide any support... for the...

... a private benefactor... the 2,000... for the... about the... assistance.

The... of allowing... the... concession...

The... of... to...

However, they believe... the... of the... the... of the... the... of the...

The... of... the... of... the... of...

I am copying this letter to... (DHR), Richard Prescott... (Lawrence...) and...

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Post + Tels.

DJG

file

BF 24/7/80.

10 July 1980

Thank you for your letter of 9 July, reporting further consideration of the problem of postal charges for the blind.

The Prime Minister looks forward to learning the outcome of the further work which is now in hand.

M. A. PATTISON

Jonathan Hudson, Esq.,
Department of Industry.

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DEPARTMENT OF INDUSTRY
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123 VICTORIA STREET
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SWITCHBOARD 01-212 7676

From the
Minister of State's Office

The Hon Adam Butler MP

M Pattison Esq
Private Secretary to the
Prime Minister
10 Downing Street
London
SW1

9 July 1980

Prime Minister

ms

*Mr Butler is now trying to
find a way out of his dilemma
on National Music for the Blind.*

Dear Sir,

MAP 9/11

POSTAL CHARGES FOR THE BLIND

Thank you for your letter of 30 June 1980. Our look at the legal situation has shown that any means by which the Post Office were to give Mr Mills exceptional treatment could, if they became public, lead to charges against the Post Office by other organisations not so benefiting, that discrimination was being exercised in favour of National Music for the Blind. Ministers would then no doubt receive representations that they should exercise their powers under the Post Office Act of 1969 to issue a direction to the Post Office to cease such discrimination. This would, of course, place Ministers in an impossible position.

There is however a wider issue of principle other than the position of this one small organisation. The Articles for the Blind Service is in effect a social service financed by the Post Office, but one which it is under no obligation to provide. We would not at this stage wish to rule out the possibility of financial support being provided for National Music for the Blind, but we would also like to examine with DHSS and other Departments involved whether the responsibility for the service to the blind might not be transferred to Government, but with financial adjustments to ensure that no net increase in total public expenditure was involved. This is something which we intend to pursue urgently with those concerned, and will let you know of the outcome as soon as possible.

I am sending copies of this letter to Don Brereton (DHSS) Richard Prescott (Paymaster General's Office) and David Wright.

Yours sincerely,

Jonathan Hudson

Jonathan Hudson
Private Secretary

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- 9 JUL 1980



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Port + Tel ^{mt}

10 DOWNING STREET

From the Private Secretary

30 June 1980

BF 27.80

Thank you for your further letter of 25 June about National Music for the Blind.

The Prime Minister recognises that problems will be created by any form of future assistance for the postal costs of the organisation whether through Government subsidy, from the Post Office itself, or from a private benefactor. She will nevertheless wish to ensure that the organisation continues to have assistance with its postal costs. She believes that the publicity created by preserving this arrangement in some form is likely to be far less harmful than that created by withdrawal of the concession.

You have made it clear that the Post Office were prepared to contemplate continuing the concession, until they were unable to obtain Mr. Mills' agreement not to publicise his special treatment. In your letter of 11 June, you said that you were taking further advice as to whether there would be legal or other obstacles to this course. I have not seen any report of the conclusion, but it is surely not impossible for the Post Office to choose to maintain the existing arrangement, recognising that it is an anomaly, but justifying it as the status quo? If you are convinced that this is impossible, the Prime Minister would like to know what alternative means you can suggest for avoiding the kind of ill-informed but damaging criticism which will certainly follow the announcement of withdrawal of the concession without any alternative form of assistance.

I am sending copies of this letter to Don Brereton (Department of Health and Social Security), Richard Prescott (Paymaster General's Office) and David Wright (Cabinet Office).

M. A. PATTISON

Jonathan Hudson Esq
The Hon. Adam Butler's Office
Department of Industry.

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PRIME MINISTER

You asked us to look again at the possibility of retaining a postal concession for "National Music for the Blind". As I told you, both Adam Butler and Patrick Jenkin felt it wrong in principle to maintain this concession when it was clear that analogous groups could not expect similar treatment. I had a word with David Wolfson about the possibility of finding a private benefactor, and he confirmed that this would be possible provided that the organisation was sufficiently reputable and discreet. Unfortunately, this does not seem to be the case. The attached letter from Mr. Butler's office shows that the man who runs National Music for the Blind is not prepared to accept with discretion help offered to him. The Post Office had made it clear that they might be prepared to continue the postal concession on a one-off basis, if Mr. Mills would keep quiet about it, but he refused to do so.

In view of this further information about the way in which Mr. Mills operates, I think we have little option but to accept Mr. Butler's advice that we should allow the Post Office to withdraw the concession and that we should not seek to substitute a Government subsidy, or private support secured through your good offices. There is no prospect of achieving a discreet one-off arrangement, and we could not publicly defend formal special arrangements for this charity without extending them very much wider.

Agree?

26 June 1980

*Somehow the concession
must be retained. The
putting job retaining it will
be as nothing compared with
rejecting it. not*

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✓ ce D. Wolfson



DEPARTMENT OF INDUSTRY
ASHDOWN HOUSE
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From the
Minister of State's Office

The Hon Adam Butler MP

M Pattison Esq
Private Secretary to
The Prime Minister
10 Downing Street
London SW1

25 June 1980

Dear Mike,

NATIONAL MUSIC FOR THE BLIND

You asked whether National Music for the Blind (NMB) would be a suitable organisation to receive assistance from a charitable source.

The DHSS has consulted both its Regional Social Work Service and, on a confidential basis, a major voluntary organisation for the blind.

Mr Derek Mills, the Director/Founder of NMB is a former British Rail ticket collector who retired early on health grounds and who during his retirement has founded and operated a range of organisations broadly based on the use of tape recorders and cassettes, of which NMB is one. Each organisation is small, and much of the burden of administration, accounting, scripting, actual taping and appeals for funds fall on Mr Mills himself. The concept is of a simulated radio station, "Radio Churchtown", featuring nostalgic music for the blind, disabled, and elderly lonely people.

The scale of the undertaking is small but rapidly expanding. Mr Mills claims to send out 1,980 packages a month with an estimated audience of 3,800. Total expenditure increased from £1,900 in 1977 to £10,000 in 1979. The accounts, however, appear to be kept in somewhat haphazard fashion, with no sharp distinction being drawn between the various organisations, although Mr Mills seems to put a lot of his own money into their organisation, and no one doubts that he is very hard working and that his heart is in the right place. A charitable donor would, however, find it difficult to ensure that the only beneficiaries were blind people.

/ ... Because NMB



Because NMB is virtually a one man activity, there have been doubts in several of the organisations it has approached for funding about the standards of administration and accounting. For example, Sefton Borough Council, the Local Authority, felt obliged to refuse a grant as whilst they thought highly of the organisation they had doubts about the standards of administration and accounting.

There might also be some doubt, on past precedent, about Mr Mills' discretion; the Post Office offered to turn a blind eye to the fact that he was receiving free postage if he kept quiet, but he refused to do so.

In sum, although Mr Mills appears to be a worthy person, it would be difficult to recommend the giving of assistance in view of the doubts which have been expressed about the organisation of the accounts, and of the difficulty of ensuring any assistance only benefited the blind.

I am copying this letter to Don Brereton (DHSS) who may wish to comment on his Department's position, and to John Wiggins (H M Treasury), David Wright (Cabinet Office) and Richard Prescott (Paymaster General's Office).

Yours sincerely,

Jonathan Hudson

Jonathan Hudson
Private Secretary

L.
Post + Telecom

PRIME MINISTER

You were unhappy with Adam Butler's proposal to tell the Post Office that the Government would subsidise neither the basic postal concession for "National Music for the Blind" nor an extension of the concession to cover other entertainment material. You asked what the cost would be, and said that the Government should offer this.

I attach letters from Mr. Butler's office (Flag A) and Mr. Jenkin's office (Flag B). Both feel strongly that, whilst the National Music for the Blind cost would only be about £5,000 a year, this would inevitably be the tip of a very large iceberg. Both hope that you will reconsider, and accept the line originally proposed by Mr. Butler.

Agree with Mr. Butler's original proposal, or do you want to have a word with Mr. Butler and Mr. Jenkin?

MP W.M. Hancock
and with David Woyson
mb.

13 June 1980



DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

Nick Sanders Esq
Private Secretary
10 Downing Street
London SW1

12 June 1980

Dear Nick

POSTAL CHARGES ON ARTICLES FOR THE BLIND

The Secretary of State has seen the exchange of correspondence about postal charges on articles for the blind in which you raised the question of the Government financing the cost of the concession which the Post Office proposes to withdraw from "National Music for the Blind".

Jonathan Hudson's letter of 11 June sets out the cost of financing the postage for "National Music for the Blind" and explaining that this would be likely to have other, and much greater, cost implications. We agree that it would be almost impossible to restrict the subsidy to the £5,000 originally mentioned. We also support the view set out in Hudson's original letter of 21 May that no subsidy should be provided either towards the basic concessions or towards any extension to cover entertainment material.

Yours ever
D

D BRERETON

13 JUN 1980





DEPARTMENT OF INDUSTRY
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123 VICTORIA STREET
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TELEPHONE DIRECT LINE 01-212 6401
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*From the
Minister of State's Office*

The Hon Adam Butler MP

M Pattison Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

11 June 1980

Dear Mike,

POSTAL CHARGES ON ARTICLES FOR THE BLIND

Thank you for your letter of 28 May asking what costs would be involved if the Government was to meet the cost of the Postal concession for "National Music for the Blind". This would be in the region of £5,000 a year. However, I should perhaps re-emphasise that the reason why the Post Office propose to end the concession is not so much the comparatively tiny revenue foregone from this organisation, but concern that to make it permanent would lead to a situation in which the Post Office believes it would be almost impossible to avoid making a general relaxation to include all entertainment material for the blind and possibly other organisations for the disabled at a considerable additional cost. However, we are taking further advice on whether there would be legal and other obstacles to the Post Office making an exception for "National Music for the Blind".

I understand that the DHSS, which would be the appropriate source of any Government subsidy will be commenting.

I am copying this letter to John Wiggins (HM Treasury), Don Brereton (Department of Health and Social Security), David Wright (Cabinet Office) and Richard Prescott (Paymaster General's Office).

Yours sincerely,

Jonathan Hudson

Jonathan Hudson
Private Secretary

File

Post + Telegrams 289



BF 9/6/80

10 DOWNING STREET

From the Private Secretary

28 May 1980

The Prime Minister has seen your letter of 21 May about postal charges on articles for the blind.

Mrs. Thatcher is not happy with the line proposed in the penultimate paragraph of your letter.

Her initial view is that only a small subsidy would be required to cover the cost of the concession which the Post Office is now likely to withdraw, and that the Government should be prepared to cope with this. She recognises that there would be no question of providing finance for an extension of this concession.

It would be helpful if you could now let me have a note of exactly what costs would be involved if the Government was to meet the cost of "National Music for the Blind" on the understanding that the Post Office would maintain its basic concession on reading needs for the blind.

I am copying this letter to John Wiggins (HM Treasury), Don Brereton (Department of Health and Social Security) and David Wright (Cabinet Office).

M. A. PATTISON

Jonathan Hudson, Esq.,
Department of Industry.

(Adam Butler's office)

1

PRIME MINISTER

The attached letter from Adam Butler's Office warns of possible criticism of the Post Office over its concessions for the blind.

These have been reviewed, following the 1978 row over the proposed withdrawal of free postage for "National Music for the Blind." The Post Office has now concluded that it cannot continue to provide the concession to "National Music for the Blind" nor can it afford to extend such a concession to similar groups.

Mr. Butler proposes to tell the Post Office that the Government will not subsidise either the basic concession for the blind or an extension of it to cover entertainment material. He will ask the Post Office to consult the Government again if it decides to go further than the removal of the concession for entertainment material.

There is bound to be bad publicity for the move which the Post Office has in mind. This will cause further criticism of the powers of monopoly services, but Keith Joseph is already working on the monopoly question. It is not an appropriate moment for Government to offer new subsidies.

Agree the line proposed by Mr. Butler?

MAP

27 May 1980

No - the subsidy will be very small or less as mentioned. We can't extend it to other groups. There should



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From the
Minister of State's Office

The Hon Adam Butler MP

Nick Sanders Esq
Private Secretary to the
Prime Minister
10 Downing Street
London SW1

21 May 1980

Dear Nick,

POSTAL CHARGES ON ARTICLES FOR THE BLIND

My Minister has asked me to let you know that the Post Office is reconsidering the postage concessions it operates for the blind. This could ultimately lead to public criticism of the Post Office and, by association, the Government.

The concessions were originally introduced in 1906 because of the weight of books etc, in Braille. Voice recordings ("talking books") are also eligible for the concessions. However, a distinction is drawn between the basic reading needs of the blind and entertainment material such as music, commentaries, interviews, message tapes etc which do not qualify for the basic concession.

In the last year or two there has been pressure on the Post Office to apply the concession to entertainment material prepared especially for the blind. In 1978/79, the Post Office withdrew the free postage concession from National Music for the Blind, an organisation which specialises in distributing to the blind cassettes in which much of the content consists of entertainment material. This led to criticism of the Post Office by the BBC and a written PQ. As a result the Post Office continued to provide the concession to National Music for the Blind pending a review of all its services for the blind.

That review has now been completed and the Post Office has concluded that it cannot continue to extend the basic concession to entertainment material. It estimates that to do so would raise the revenue foregone from £5.6 million to £7-£8 million per annum and more important - for the "talking books" concession - open the floodgates to claimants from other, possibly more deserving, organisations for the blind and other disabled groups.

/ ... The Post



The Post Office has put it to us that it should bear none of the cost of concessions to the blind, since it is required to act commercially. It has asked the Government to subsidise the whole of the concessions to the blind.

Officials here have discussed this with the DHSS but I understand that that Department would not be prepared to make specific subsidies available, as their view is that the most appropriate way of helping the needy and disabled is by providing cash benefits.

It is most unlikely that the Post Office would in fact go so far as to withdraw the long standing basic concession to the blind. It is, however, fairly certain to shortly withdraw the concession from entertainment material if no Government subsidy is forthcoming. Moreover, the Post Office has made it clear that when the inevitable public criticism occurs it will say that it has been refused help from the Government.

The Post Office Users' National Council has said that it has no evidence to show that Post Office customers generally are unwilling to finance the basic concession, but it sees no reason to extend the concession to entertainment for either the blind or other disabled. The Royal National Institute for the Blind has traditionally supported the Post Office's policy and has not pressed for an extension of the basic concession to cover entertainment.

We would therefore propose to tell the Post Office that the Government is not prepared to provide a subsidy towards either the basic concession for the blind or towards an extension of that concession to cover entertainment material. We would also ask the Post Office to consult us again should it decide to go further than the removal of the concession for entertainment material. I should be grateful if you could confirm that the Prime Minister is content with this way of proceeding.

I am copying this letter to Anthony Wiggins at the Treasury, and to Don Brereton at the Department of Health and Social Services.

Yours sincerely,

Jonathan Hudson

JONATHAN HUDSON
Private Secretary



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