

# Postmaster support policy

## Network cash and stock management

Version 1 | Public | January 2025



# Contents

<b>1 Overview .....</b>	<b>3</b>
1.1 Introduction .....	3
1.2 Purpose .....	3
1.3 Who must comply.....	3
1.4 Strategic partners .....	3
<b>2 Principles and framework.....</b>	<b>4</b>
2.1 Core principles .....	4
2.2 Postmasters .....	5
2.3 Policy framework.....	5
2.4 Additional policies.....	5
<b>3 Where to go for help .....</b>	<b>6</b>
3.1 Postmaster wellbeing.....	6
3.2 Reporting a concern – how to ‘Speak Up’.....	6
3.3 National Federation of SubPostmasters.....	6
3.4 Policy queries .....	6
<b>4 Document control.....</b>	<b>7</b>
4.1 Document control record.....	7
4.2 Policy approval.....	7
<b>5 Appendices .....</b>	<b>8</b>
Appendix 1 – Definitions.....	8
Appendix 2 – Governance responsibilities.....	8

# 1 Overview

---

## 1.1 Introduction

This is one of nine postmaster support policies which provide a clear framework and define the standard for how Post Office supports and works in partnership with postmasters. Compliance with these policies also supports us in meeting business objectives and balancing the needs of our shareholder, employees, and other stakeholders. Details of the nine policies can be found in the 'Policy framework' section of this document.

The network cash and stock management policy is reviewed and updated annually, or more frequently as necessary. This ensures ongoing compliance with regulatory or legislative changes and to reflect any lessons learned from both internal and external events. It is subject to annual review and endorsement at the Audit, Risk and Compliance Committee (ARC). It is then adopted by Post Office Limited.

This policy is a non-contractual document provided for information. It does not form part of the contract between any postmaster<sup>1</sup> and Post Office<sup>2</sup>.

## 1.2 Purpose

Postmasters provide products and services to customers on behalf of Post Office and, in doing so, are asked to meet the contractual obligations set out in their agreements, with the appropriate support from Post Office. The purpose of this policy is to set out the operating standards for providing cash and stock to branches, so they have the optimum amount available and are properly funded.

## 1.3 Who must comply

Compliance with this policy is mandatory for all employees<sup>3</sup> working within or for Post Office Limited, including permanent and temporary colleagues (consultants, contractors, third party agents and their employees), who deal with cash and/or stock supply and management activities.

## 1.4 Strategic partners

The principles and procedures described in this policy for network cash and stock management also apply to strategic partners.

---

<sup>1</sup> In this policy, "postmaster" refers to a limited company, partnership, limited liability partnership, other entity or individual that contracts with Post Office for the operation of a Post Office branch.

<sup>2</sup> In this policy, "Post Office" and "Group" means Post Office Limited.

<sup>3</sup> In this policy "employee" and "staff" means all persons working for the Group, or on our behalf, in any capacity including employees at all levels, directors, agency workers, volunteers, interns, and contractors.

## 2 Principles and framework

---

### 2.1 Core principles

Post Office will:

Maintain an effective governance and assurance environment including:

- Documented processes for managing cash and stock.
- Supporting branches by planning and forecasting their cash needs, so each branch has adequate levels to carry out Post Office business at all times.
- Using data provided by branches for planning and forecasting, to avoid them holding excess cash or not having enough cash in branch.
- Providing branches with details of deliveries and quantities to return, to maintain optimum operational levels of cash in their branch.
- Supporting branches who raise discrepancies about the cash and stock they expected to receive and the cash and stock they actually received.
- Ensuring transaction corrections can be queried under the Network Transaction Corrections Policy, with unresolved discrepancies reviewed under the Accounting Dispute Resolution Policy.
- Notifying branches and offering support where counterfeit notes, discrepancies, or errors are found in returned cash and stock, including foreign currency buybacks.
- Analysing cash and stock remittance data to improve services to branches and optimise cash and stock levels in the network.
- The use of available feedback and data to understand, and work to resolve, the root causes of cash and stock issues affecting postmasters and their branches.
- Having quality assurance self-assessment controls in place to make sure Post Office employees and processes are compliant with this policy.
- Having an ISO 9001-compliant cash operation that is independently assured each year, including how we identify and pass back discrepancies to postmasters.
- Incentivising branches who complete the agreed core business activities, which help to maintain the optimum cash levels held.
- Providing annual refresher training (unless required earlier due to changes made) on this policy for employees who deal with cash and/or stock supply and management activities.

Foster an environment where postmasters and Post Office work in partnership to manage cash and stock in the network in good faith, with fairness, transparency, and professionalism. This includes, but is not limited to:

- Providing access for branches to order stock online.
- Providing access for branches to order coin online or amend their note and ATM orders.
- Having an emergency cash and stock order facility available to branches.
- Considering all reasonable requests for cash from branches and using a standard and consistent process when responding.
- Providing branches with a number to call if they have any questions about their cash and stock holdings or supply.
- Supporting postmasters in challenging any decisions relating to a branch loss, as a result of a discrepancy or transaction correction.
- Employing suitable methods to minimise discrepancies in cash and stock distributed to branches, such as quality assurance and 100% checking of stock orders sent to branches.

- Automatically supplying special issue stamps to branches that sell them or haven't opted out of receiving them, and notifying those branches when the special issue stock expires or is withdrawn.
- Notifying branches of any disruption to their supply of cash and stock.
- Contingency planning to maintain the optimal levels of cash and stock.

## 2.2 Postmasters

As many postmasters are limited companies or partnerships (and as individual postmasters may appoint managers to operate a branch on their behalf), any steps that need to be taken by a postmaster under this policy can be taken by someone authorised to act on that postmaster's behalf (such as a director, partner, or manager).

## 2.3 Policy framework

Post Office is determined to reset its relationship with postmasters and has established a suite of postmaster support policies which are subject to an annual review. The policy suite is designed to set out guidelines on how Post Office should support postmasters across nine specific areas. The policies stand on their own, but should be reviewed in conjunction with each other.

Setting branches up for success

- Postmaster onboarding
- Postmaster training

We're listening...

- Postmaster complaint handling

Network monitoring, cash and stock management and account support

- Network monitoring and operational support
- Network cash and stock management
- Network transaction corrections
- Postmaster account support
- Postmaster accounting dispute resolution

Our agreement with the postmaster

- Postmaster contract management

## 2.4 Additional policies

You can find the full set of postmaster support policies at:

<https://corporate.postoffice.co.uk/en/governance/post-office-policies/post-office-policies>

## 3 Where to go for help

---

### 3.1 Postmaster wellbeing

Postmaster wellbeing matters to us. Branch Hub provides an online space where postmasters can find help and support when they need it.

### 3.2 Reporting a concern – how to ‘Speak Up’

Post Office strives to foster an environment where everyone feels comfortable speaking up. We encourage everyone to raise concerns about wrongdoing, illegal activities, or unethical behaviour.

To support this, we have several reporting channels:

- Contacting the Speak Up service, a confidential reporting service which is operated by an independent company on behalf of Post Office.
- Direct to the Speak Up Manager at [speakup@postoffice.co.uk](mailto:speakup@postoffice.co.uk)
- To a frontline team, e.g. area managers, the Branch Support Centre, and Grapevine.

#### Information and contact details

Speak Up:

- Telephone number: 0800 041 8159
- <http://speakup.postoffice.co.uk> which is a secure online web portal
- Email direct: [speakup@postoffice.co.uk](mailto:speakup@postoffice.co.uk)
- Through the QR code below.



### 3.3 National Federation of SubPostmasters

Postmasters may also contact the National Federation of SubPostmasters (NFSP) for help and support, by:

- calling its helpline on 01273 452324
- emailing [admin@nfsp.org.uk](mailto:admin@nfsp.org.uk)
- visiting its website [NFSP.org.uk](http://NFSP.org.uk)

### 3.4 Policy queries

If you have any queries about this policy, or any of the other eight postmaster support policies, you can email us at [postmastersupportpolicies@postoffice.co.uk](mailto:postmastersupportpolicies@postoffice.co.uk).

# 4 Document control

---

## 4.1 Document control record

Version	Document review period	Policy – effective date
1.0	Annual	23 January 2025

## 4.2 Policy approval

Committee	Date approved
POL ARC	23 January 2025

Next policy annual review date: 31 May 2025



## 5 Appendices

---

### Appendix 1 – Definitions

**Audit, Risk and Compliance Committee** – is the Committee of the Post Office Limited Board which reviews and approves the postmaster support policies.

**Cash** - sterling notes, coins, and foreign currency.

**National Federation of SubPostmasters (NFSP)** – a professional trade association which exists to support postmasters.

**Postmaster** – refers to a limited company, partnership, limited liability partnership, other entity or individual that contracts with Post Office for the operation of a Post Office® branch.

**Remittance discrepancy** – the difference between (i) the actual cash and stock received and (ii) the amount of cash and stock that the remittance notification states should have been received.

**Special issue stamp stock** – philatelic stock that is issued on occasions such as Christmas stamps, First Day Covers and commemorative stamps.

**Stock** – in this policy, this means stock items that have a value when sold, such as stamps.

**Strategic partner** – a corporate business that operates post offices in several locations within its retail estate. A strategic partner is likely to operate from more than 25 retail stores, has centralised support functions/head office management and has strategic alignment to future Post Office Limited propositions/network growth.

**Transaction correction** – corrections issued (i) in response to errors identified in the reconciliation between files received from third parties (clients or suppliers) or cash and stock and the data recorded by the branch in Horizon, or (ii) in response to errors caused by mis-keys notified by the branch or a third party/client, or (iii) to provide funds to the postmaster in some cases where repayment is required.

### Appendix 2 – Governance responsibilities

The policy sponsor is responsible for overseeing this policy and the policy owner is responsible for making sure the content is up-to-date and can be implemented. The owner will make sure it is implemented in practice and will inform the owners of other impacted policies where new or significant changes are made to it.

The Audit, Risk and Compliance Committee is responsible for approving this policy and overseeing compliance.



Post Office Limited and Post Office Management Services Limited are registered in England and Wales. Registered numbers 2154540 and 08459718, respectively. Registered Office: 100 Wood Street, London EC2V 7ER

Post Office Management Services Limited is authorised and regulated by the Financial Conduct Authority (FCA), FRN 630318. Its Information Commissioner's Office registration number is ZA090585.

Post Office Limited is authorised and regulated by His Majesty's Revenue and Customs (HMRC), REF 12137104. Its Information Commissioner's Office registration number is Z4866081.

