

Appendix 1

Service Levels			
Service Level Performance Criterion	Key Indicator	Service Level Performance Measure	Service Level Threshold
Complete and accurate payment of monthly rents	Payment of liabilities	Levels of accuracy, on time, in full for all rents	100%
Complete and accurate payment of rates of due date rates	Payment of liabilities	Levels of accuracy, on time, in full for all rates	100%
Complete and accurate payment of service charges	Payment of liabilities	Levels of accuracy, on time, in full only for all service charges which are agreed	100%
Set up strategic planning meeting as and when required with core team and experts as required	Meeting set up	Level of prompt response with appropriate expert set up with 1 weeks' notice	100%
Account management report production	All reports listed in reports list	Produced on time, complete and accurate	100%
Account management action and issue log tracking	All actions and issues tracked using a suitable workflow system for timing, resolution and owner	All actions captured and resolved within due date	95%
Account management meeting planning and scheduling	All meetings listed in the service specification set up, chaired and management	All set up in full with suitably skilled attendees	100%

	effectively with reports and information available		
Lease events management	All lease events scheduled and tracked , notified to Post Office and actioned within required timescales	All events captured, scheduled and actioned	100%
Landlord and tenant obligations management	All obligations and actions managed and tracked and actioned to completion on time in full	All events captured, scheduled and actioned,	100%
Manage landlord and tenant obligations	All obligations of landlords to Post Office and Post office to Landlords and tenants to Post office and Post Office to tenants managed	All managed and tracked and actioned to completion on time in full	100%
Oversee repairs, maintenance, and statutory compliance.	All actions completed to time and to quality standards	All tracked, actioned and monitored to completion	90%
Maintain an accurate asset register detailing all freehold, leasehold, and other interests including rent roll.	Action register completed and maintained accurately	Tracked and confirmed each month with sample checks were required	97%
Co-ordinate with Post Office suppliers to ensure joined up delivery.	Measure CSAT performance with other partners and maintained a healthy challenging working relation	Track CSAT and address any DSAT matters from regular feedback	90%

Manage designated Post Office client bank accounts.  Administer full treasury service, ensuring 100% accuracy of payments and receipts.	All accounts managed to full conformance	Measure any account issues and there are zero receipts and payment inaccuracies	0%
Plan and challenge all areas of spend to radically save costs	Prepare and keep a live quantified, radical and other cost saving initiatives in addition to strategic initiatives and site exits	Define and execute initiatives in 5-10% range and report progress every month	100%
Raise and reconcile rent, service charge and insurance demands	Reconciliations produced accurately and in time every month	On time accurate and complete	100%
Keep an ongoing risk register covering in scope property risks, account risks commercial risks and other. Manage the risks showing mitigations and residual risks to acceptable levels	Systemic method and database for good practice risk management with monthly reporting	Complete and accurate data	99%
Produce monthly and quarterly financial including cashflow statements and forecasts with variance analysis.	Produced on time, accurately with informative variance analysis for actuals for td and full year forecast across all expense types	Report quality and timely production	100%
Manage debt recovery and audit processes.	All debts correctly quantified and recovery processes robust	Debt process is robust timely and accurate with accurate reporting bad debt	100%

Appendix 2

Specification & Deliverables

1. Purpose and Overview

This specification defines the scope of services required for the management and strategic oversight of the Post Office’s national property portfolio, representing assets across all UK regions, including Northern Ireland, and requiring local market expertise in each location.

The Service Provider shall deliver an end-to-end estates management solution encompassing strategic estate planning, operational management, resourcing, administration and Treasury, advisory services, alongside large scale cost reduction across all spend areas and portfolio insight generation.

The contract environment is commercially sensitive and operationally high-risk, requiring management of concurrent transactions, complex stakeholder relationships, and real-time reporting across multiple systems. A strong understanding of lease law, natural lease management, rates, service charges, financial modelling, governance, and change management are essential to maintaining compliance and portfolio performance.

The portfolio is volatile, subject to continual change through disposals, natural lease expiries, surrenders, and re-organisation. The service provider must therefore demonstrate flexibility, scalability, and proactive risk management to maintain consistent performance and continuity of service across a shifting asset base. This volatility should be viewed as a key operational challenge inherent to the service.

The scope is divided into:

- **Core Services:** ongoing delivery activities forming the backbone of the contract.
- **Call-Off Services:** specialist or project-based workstreams instructed by the Post Office on a need’s basis.

2. Core Services

The Core Services represent the ongoing management and strategic oversight responsibilities expected of the appointed Service Provider. They require a high level of reporting, analytical insight, governance, Treasury discipline, and stakeholder coordination ensuring the portfolio remains compliant, cost-efficient, and aligned with the Post Office’s strategic and sustainability objectives.

Service Area	Objective	Core Activities	Deliverables/Outputs	Frequency
1. Strategic Estate Management	To provide strategic leadership, research-based insight and commercial foresight that continuously informs estate decisions across a complex	<ul style="list-style-type: none"><li>• Understands the Post Office’s corporate strategy and ensures all estates advice is fully aligned.</li><li>• Continuously align delivery with the Post</li></ul>	Monthly Property board meetings to review strategy. Week strategy review meetings.	Weekly/Monthly/Quarterly/Annual/Ad Hoc Requests.

	<p>national dispersed portfolio</p>	<p>Office's evolving estate strategy and organizational priorities.</p> <ul style="list-style-type: none"><li>• Undertake research and forecasting using internal data and external market intelligence. Conduct scenario modelling and risk analysis to inform decision making.</li><li>• Integrate environmental, social and governance (ESG) objective into estate strategy.</li><li>• Present strategic options and recommendations with no delay or disruption to the Post Office's strategic execution plan.</li><li>• Provide national representation across all regions including Northern Ireland.</li></ul>	<p>Quarterly strategic insight reports. ESG and risk alignment summary. Strategic thought leadership on sector activity.</p>	
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<b>2.Account Management &amp; Governance</b>	To provide single point co-ordination, performance control and contract governance across all service lines.	<ul style="list-style-type: none"> <li>• Act as main client liaison.</li> <li>• Chair weekly, monthly, and quarterly governance meetings.</li> <li>• Produce KPI dashboards and service trackers.</li> <li>• Maintain action logs and risk registers.</li> <li>• Co-ordinate all internal and subcontractor activity and ensure they deliver.</li> </ul> <p>Work collaboratively with Post Office Legal, FM, Procurement and Finance teams, ensuring alignment with all third-party suppliers.</p> <p>Drive problem solving and cross supplier collaboration to achieve joined up outcomes to drive Post Office strategy and objectives</p>	<ul style="list-style-type: none"> <li>• Weekly operational meetings.</li> <li>• Quarterly governance packs and KPI dashboards.</li> <li>• Annual service and resource plan.</li> <li>• Issue log and escalation record.</li> <li>• Financial opportunities and risks identification and execution</li> <li>• Contract service reviews bimonthly</li> </ul>	Weekly/Monthly/Quarterly/Annual
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<b>3. Operational Estates Management</b>	To deliver end to end property management across a diverse and high-volume estate ensuring compliance and value protection and operational efficiency.	<ul style="list-style-type: none"> <li>• Administer leases, licenses and rent events with 100% accuracy.</li> <li>• Manage landlord and tenant obligations with 100% accuracy.</li> <li>• Review and challenge OPEX and third-party costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Live accurate and complete property database and critical date register.</li> <li>• Monthly property summary report.</li> <li>• Quarterly performance and</li> </ul>	Weekly/Monthly/Quarterly/Annual
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		<ul style="list-style-type: none"> <li>• Oversee repairs, maintenance, and statutory compliance.</li> <li>• Manage sublets, franchises and related third party interactions. Maintain an accurate asset register detailing all freehold, leasehold, and other interests including rent roll. Co-ordinate with Post Office suppliers to ensure joined up delivery.</li> </ul>	<p>compliance review. Lease events or administration managed 100% completion and accuracy.</p>	
<b>4. Client Financial Management and Treasury</b>	To provide full financial control and transparency, and treasury management in compliance with RICS and accounting standards.	<ul style="list-style-type: none"> <li>• Manage designated Post Office client bank accounts.</li> <li>• Administer full treasury service,</li> <li>• ensuring 100% accuracy of payments and receipts. Pay rent, rates, and service charges with total conformance. Plan and challenge all areas of spend to radically save costs. Maintain a topical list and progress status on all opportunities and their impacts on budgets and forecast reports</li> <li>• Manage, challenge and agree service charges process from Landlords for all</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly financial statements and commentary.</li> <li>• Quarterly management reports.</li> <li>• Annual audited accounts.</li> <li>• Forecasting and arrears analysis. Quarterly and half yearly audits. IFRS 16 reporting suite. Quarterly and half yearly POL audit review.</li> </ul>	Weekly/Monthly/Quarterly/Annual

		<p>material works and services from initial agreement to accurate annual budgets agreement, final billings checking, challenging and payment. Ensure all completed in a timely manner. Manage disputes to conclusion.</p> <p>Manage service charges to tenants from initial works and services agreements to accurate and annual budgets and final charges issued and collection in full. Ensure all completed in a timely manner. Manage disputes to conclusion.</p> <p>Raise and reconcile rent, service charge and insurance demands.</p> <p>Produce monthly and quarterly financial statements with variance analysis.</p> <p>Prepare annual budgets and quarterly forecasts.</p> <p>Manage debt recovery and audit processes.</p>		
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		Deliver IFRS 16 reporting and data validation. Support treasury planning and short term cashflow forecasting.		
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5. Reporting & Insight Generation	To provide data driven insight and research led analysis supporting continuous improvement and strategic decision making.	<ul style="list-style-type: none"><li>• Maintain portfolio dashboards and performance trackers.</li><li>• Integrate data from multiple Post Office systems (Finance, Network and FM).</li><li>• Produce Forward looking narrative commentary.</li></ul> Undertake ad hoc research project on instruction.  Deliver integrated insight across financial, operational and ESG Metrics.	<ul style="list-style-type: none"><li>• Quarterly performance dashboards.</li><li>• Annual performance review.</li></ul> Ad hoc research briefs. Annual list of cost reduction initiatives	Monthly/Quarterly/Annual/Ad Hoc
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6. Risk & Resourcing	To ensure continuity and adequate resourcing for a fast moving and volatile portfolio	<ul style="list-style-type: none"><li>• Maintain flexible resource model and surge capacity plan.</li><li>• Monitor workload volumes and allocation.</li><li>• Update risk and continuity registers. Provide visibility on staffing capacity and capability. Manage resource planning to accommodate short notice disposals, lease expiries and surrender programmes</li></ul>	<ul style="list-style-type: none"><li>• Quarterly resource &amp; risk report.</li><li>• Annual continuity plan. Monthly exception and capacity report.</li></ul>	Monthly/Quarterly/Annual/
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Core Services Narrative

The core services are designed to operate as a fully integrated, intelligence led estate management function. The service provider must maintain a high frequency of reporting, analysis, and engagement, producing deliverables that combine quantitative data and qualitative insight.

Due to the fluid nature of the Post Office's diminishing yet volatile portfolio, workload volumes will fluctuate significantly, requiring adaptable resourcing and the ability to absorb periods of intense transactional and analytical activity without reduction in service quality.

There must be no delay or disruption to the Post Offices' ongoing property strategy execution. The service providers mobilisation plan will therefore be critical to maintaining business continuity and strategic momentum with minimal disruption and delay.

The Post Office expects active participation in strategic planning, supported by research, modelling and actionable recommendations. The service providers fee model should reflect the strategic input, analytical depth, treasury management and administrative intensity inherent to this role.

3. Call Off Services

The following specialist disciplines shall be provided as and when instructed by the Post Office. While delivered on a call off basis, these services form an essential part of the overall contract, supporting strategic and operational delivery through targeted professional advice.

Call Off Services Schedule

Service Area	Objective	Scope of Work/Activities	Deliverables/Outputs	Frequency/Instruction Basis
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<b>1. Lease Advisory</b>	To provide professional advice and representation in all rent review, renewal, and lease restructuring matters.	<ul style="list-style-type: none"> <li>• Conduct rent reviews, lease renewals, valuations, and negotiations acting as both tenant and landlord.</li> <li>• Advise on regears, surrenders, and assignments.</li> <li>• Prepare evidence and recommendation papers.</li> <li>• Represent the Client in third party negotiations</li> </ul>	<ul style="list-style-type: none"> <li>• Rent review and renewal reports.</li> <li>• Valuation evidence packs.</li> <li>• Negotiation summaries and outcomes.</li> </ul>	As Instructed
<b>2. Rating</b>	To manage business rates exposure and recovery opportunities across the portfolio.	<ul style="list-style-type: none"> <li>• Review assessments and pursue appeals.</li> <li>• Engage with the VOA and billing authorities.</li> <li>• Develop mitigation strategies for void properties.</li> <li>• Provide budget forecasts. Rates payment management.</li> <li>• Ensure all opportunities to save cost are fully reviewed, presented and managed to delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly rates forecast.</li> <li>• Appeal Outcome and tracking register.</li> <li>• Annual budget.</li> <li>• Annual list of cost saving initiatives at commencement of POL's budget year.</li> </ul>	Quarterly/As Instructed

<b>3. Building Consultancy</b>	To safeguard and enhance asset performance through surveying, project management and lifecycle planning.	<ul style="list-style-type: none"> <li>• Undertake dilapidations assessments and negotiations and demonstrate significant savings</li> <li>• Prepare condition and reinstatement surveys. Manage refurbishment and capital projects. Provide planned maintenance and lifecycle advice.</li> <li>• Separation works with POL's largest landlord Royal Mail as and when required.</li> <li>• Deliver ad-hoc technical reports (e.g. RAAC)</li> </ul>	<ul style="list-style-type: none"> <li>• Survey reports and photographic evidence. Project completion reports.</li> <li>• Lifecycle cost plan. Plans, reports, and costings information to time and quality</li> </ul>	As instructed.
<b>4. Valuation</b>	To deliver accurate RICS compliant valuations for a range of client purposes. Periodic revaluations are only required in connection with transactions; they are not conducted at fixed intervals.	<ul style="list-style-type: none"> <li>• Prepare Red Book valuations for market investment and insurance purposes.</li> <li>• Provide advisory valuations to support estates strategy. Maintain audit trail and supporting evidence.</li> </ul>	<ul style="list-style-type: none"> <li>• Formal valuation reports, both indicative through depending on whether needed for decision making or formal transactions Summary sheets and supporting comparables.</li> </ul>	As instructed.
<b>5. Planning</b>	To advise on planning policy, applications and development control impacting the Post Office's estate.	<ul style="list-style-type: none"> <li>• Monitor and update on any planning applications impacting Post Office</li> <li>• Prepare and submit planning applications and appeals.</li> <li>• Consult with planning authorities.</li> <li>• Advise on CPO and third party planning risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Planning reports and submission documents.</li> <li>• Appeal statements. Development opportunity assessments Monthly report on any submissions or changes which impact</li> </ul>	As instructed.

		<p>Provide strategic input on development potential</p> <p>Prepare and submit planning applications and appeals.</p> <p>Consult with planning authorities.</p> <p>Advise on CPO and third party planning risks.</p> <p>Provide strategic input on development potential.</p>	Post Office	
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		<ul style="list-style-type: none"><li>• Prepare and submit planning applications and appeals.</li><li>• Consult with planning authorities.</li><li>• Advise on CPO and third party planning risks. Provide strategic input on development potential.</li></ul>		
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6. Transactions	To execute acquisition and disposal strategies in support of the Clients operational objectives.	<ul style="list-style-type: none"><li>• Undertaking searches and market advice.</li><li>• Preparation of business cases and strategy papers to support decision making. Co-ordination of third parties throughout acquisition/disposal process and due diligence. Negotiation and preparation of Heads of Terms. Oversee legal process to completion.</li><li>• Ensure documentation and meter data are submitted to Post Office Ltd to aid utility account closures, in line with supplier-specific requirements (to be confirmed by Post Office Ltd). This includes, but not limited to, TR1, Deed of Surrender, solicitor letters, tenancy agreements, photographic meter readings (taken on or as near to disposal date), and full contact details of the incoming party.</li><li>• Undertake Energy</li><li>• Performance Certificate (EPC) surveys and provide recommendation reports in line with current legislation. The supplier is responsible for identifying any actions required to meet minimum energy efficiency standards and advising Post Office Ltd accordingly. EPC surveys and reports must be completed in a timely manner, well in</li></ul>	<ul style="list-style-type: none"><li>• Property searches and market reports.</li><li>• Strategy papers and</li><li>• business cases. Heads of terms. Due diligence and valuation reports.</li></ul>	As instructed.
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		advance of any planned disposal or lease event.		
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