Postmaster support policy

Network monitoring and operational support

Version 1 | Public | January 2025

POST OFFICE

Contents

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 monitoring and operational support 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[1] and Post Office[2].

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.

Network monitoring and operational support activity helps branches maintain their accounting accuracy for cash and stock. Network Monitoring is in place to identify instances where the integrity and accuracy of cash and stock could be at risk for a branch. Monitoring branch compliance with accounting processes helps to identify any issues early and makes identifying the root cause of these issues easier for both branches and Post Office. This can lead to activities to identify risks and help the branch resolve any associated issues.

This policy explains how we will support branches with any potential issues identified through network monitoring and how Post Office will help those branches maintain accurate records of cash and stock through their branch accounting.

1.3 Who must comply

Compliance with this policy is mandatory for all employees[3] working within or for Post Office Limited, including permanent and temporary colleagues (consultants, contractors, third party agents and their employees), who perform network monitoring and operational support activities on behalf of Post Office.

1.4 Strategic partners

Strategic partners are also monitored under this policy. Where a risk to cash and, or stock is identified, this is raised with the strategic partner who will conduct its own stock check, or request Post Office to carry out a stock check of the identified branch(es).

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[1] 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.

[2] In this policy, "Post Office" and "Group" means Post Office Limited.

[3] 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 and approved processes for monitoring the network and providing operational support.
- Monitoring network activity to identify branches that may be experiencing issues and where there may be potential accounting risks to the branch.
- Offering support to identified branches to resolve branch accounting issues and mitigate risk in the branch. Wherever possible, this support will be offered remotely to minimise branch disruption.
- Notifying postmasters prior to visiting the branch to carry out a full count of cash and stock assets when we are unable to determine the accuracy of the branch's cash and stock records remotely. Post Office will provide support to the postmaster when carrying out the stock check.
- Quality assuring stock checks completed in branch through onsite observation.
- Internal reporting to show how the Post Office network is performing against agreed cash and stock accounting practices.
- Having quality assurance self-assessment controls in place to make sure Post Office employees and processes are compliant with this policy.
- Annual refresher training (unless required earlier due to changes made) on this policy for employees who perform network monitoring and operational support activities.

Foster an environment where postmasters and Post Office work in partnership to maintain effective branch accounting in good faith with fairness, transparency, and professionalism. This includes, but is not limited to:

- Monitoring branches using a risk-based model, so branches identified as most at risk are prioritised to receive support.
- Contacting the postmaster to provide support to help rectify the identified issue(s). This support may be provided through a telephone call, visit or a combination of both.
- Signposting the postmaster to the National Federation of SubPostmasters (NFSP) for advice and support when there is a need to contact or visit the branch.
- Contacting the postmaster to try to arrange a suitable time and date if a stock check is required.
- Assigning the optimum number of employees to complete the stock check, based on the size and complexity of the branch, to minimise disruption and the time the branch will be closed while a full verification of cash and stock is completed during a visit.
- Remunerating the postmaster for the time the branch is closed during a stock check.
- Fully explaining the reason for a stock check to the postmaster, or their representative, at the start of the visit and providing regular updates throughout.
- Inviting the postmaster, or their representative, to verify the count of all physical cash and stock completed to calculate the totals held by the branch. If they decline to verify the figures, a second Post Office employee will repeat the count to confirm the totals are accurate.
- Preparing any excess cash and/or stock/obsolete stock for despatch from the branch once it has been counted and verified.
- Providing a final copy of the visit report to the postmaster/branch by email.
- Completing a stock check, where required, following a security incident (such as a robbery or burglary).

- Where we have been notified of a branch closure, visiting the branch on its final day of trading to complete a full and final balance of the accounts.

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 polices 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
- 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
- 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
- visiting its website 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.

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 March 2025

5 Appendices

Appendix 1 – Definitions

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

Discrepancy – Any difference between (i) the actual cash and stock position of a branch and (ii) the cash and stock position shown on Horizon as derived from transactions input by branch staff into the branch's terminals.

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

Stock check – This is a comprehensive assessment of the current trading position of a Post Office branch, and includes the verification of reported levels of cash, foreign currency (if applicable) and stock items.

Support visits – This is a supportive, face-to-face visit, to help the branch maintain accurate and up-to-date accounting.

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.

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