

Postmaster support policy

Postmaster accounting dispute resolution

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1 Overview

1.1 Introduction

The relationship between postmasters and Post Office is vital to mutual success. Working in partnership with postmasters, we support them in serving our customers and communities.

This is one of ten 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 all the postmaster support policies can be found in the 'Policy framework' section of this document.

The accounting dispute resolution 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 approval on behalf of 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 postmaster¹ and Post Office².

1.2 Purpose

Where a discrepancy is identified, the postmaster has the right to ask for it be reviewed to establish the cause. The purpose of this policy is to set out the expected standards for Post Office employees in dealing with any discrepancy the postmaster wants reviewing and providing a resolution.

1.3 Who must comply

Except for colleagues working in Directly Managed Branches who instead comply with the Crown Offices - loss and gains policy, compliance with this policy is mandatory for all employees³ working within or for Post Office Limited, including permanent and temporary colleagues (consultants, contractors, third party agents and their employees), who are involved in the handling and management of postmaster accounting dispute resolution activities.

1.4 Strategic partners

The principles and procedures described in this policy for accounting dispute resolution also apply to strategic partners.

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 accounting dispute resolution.
- Providing comprehensive operational training to branch staff to make sure they feel confident when using Horizon, including further support in identifying common causes of discrepancies and how to correct them.
- Aiming to complete an accounting dispute investigation within 21 working days.
- Advising the postmaster why a particular decision relating to the outcome of an investigation into a disputed discrepancy has been made, and making all documents and information used in making the decision available to the postmaster.
- Twice weekly reviews of open accounting dispute resolution cases, to make sure they are being progressed appropriately.
- Quality control checks, by team managers, on all individual cases completed.
- Independent monthly checks on a sample of completed cases.
- Advising the postmaster of their right to ask for an accounting dispute decision to be escalated if they disagree with the outcome
- A governance committee, including representatives from operations, legal and contract management, to review escalated cases and decide on a resolution, based on the findings of the review and information provided by the postmaster.
- Having quality assurance self assessment controls in place to make sure Post Office employees and processes are compliant with this policy.
- Providing annual refresher training (unless required earlier due to changes made) on this policy for employees who are involved in the handling and management of postmaster accounting dispute resolution activities.

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

- When a postmaster disputes a discrepancy, they will not be contacted about settling the disputed amount while the investigation is in progress.
- Investigating disputed discrepancies properly, fully, and fairly, and making sure we comply with contractual obligations in relation to discrepancies and investigations.
- Considering any relevant postmaster circumstances we are made aware of. This includes those who find themselves in a vulnerable situation due to health, financial capability, financial resilience, or life events.
- Properly and accurately producing all relevant records, explaining all relevant transactions and/or any alleged or apparent shortfalls or gains attributed to the postmaster.
- Communicating, not concealing, any known problems, bugs, or errors in, or generated by, Horizon or any other system in use within Post Office, which might have financial and/or other resulting implications for the postmaster.
- Making reasonable enquiries, undertaking reasonable analysis and even-handed investigation. Considering the facts and information available to best understand the probable causes of the alleged or apparent shortfalls or gains.
- Establishing whether the alleged shortfall represents a genuine loss to Post Office.

2.2 Postmasters

Many postmasters operate through 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

The postmaster support policies are reviewed annually and set out guidelines on how Post Office should support postmasters across ten specific areas. Each policy stands on its own, but should be reviewed in conjunction with the others.

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
- Network 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. This could be to deal with an urgent or emerging situation, accessing professional resources, or getting friendly support and advice by joining a community group.

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 manager, 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 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
1.1	Annual	29 April 2025

4.2 Policy approval

Committee	Date approved
POL ARC	23 January 2025

Next policy annual review date: 31 July 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.

Accounting dispute – the management and resolution of any discrepancy identified.

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. A discrepancy could be negative or positive.

Established gain – An event that causes a positive discrepancy (i.e. the situation where the branch has more cash and/or stock than the derived figures for cash and/or stock on Horizon), which has been investigated by Post Office, and/or agreed by the postmaster, and found to be a genuine gain to Post Office which was caused by the negligence, carelessness or error of the postmaster and/or a member of their team.

Established loss – An event that causes a negative discrepancy (i.e. the situation where the branch has less cash and/or stock than the derived figures for cash and/or stock on Horizon), which has been investigated by Post Office, and/or agreed by the postmaster, and found to be a **genuine loss** to Post Office which was caused by the negligence, carelessness or error of the postmaster and/or a member of their team.

Genuine loss – The shortfall represents a genuine loss properly attributable to the postmaster.

- a) A genuine loss means real financial harm to Post Office. A shortfall in the branch accounts is not sufficient on its own.
- b) For Post Office to have suffered real financial harm, the shortfall must be tied to a physical loss of cash or stock in branch or be traced through Post Office's back-end accounting systems to a real financial loss.

If a postmaster ever has any uncertainty about the cause of a discrepancy, they should always raise a dispute and not make a payment in branch to clear the shortfall.

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

Shortfall – An event that causes a negative discrepancy (e.g., the situation where the branch has less cash and/or stock than the derived figures for cash and/or stock on Horizon), which will be investigated by Post Office.

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.

Once approved, the Audit, Risk and Compliance Committee is responsible for overseeing compliance with this policy.

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