POL00038603



# Post Office Fraud and Loss Prevention Policy

The purpose of this Policy is to outline the framework for the Post Office fraud and loss prevention measures which are employed in order to support the delivery of the Post Office security vision.

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# 1 Introduction

The vision of Post Office security is to minimise crime and business loss against Post Office Limited, thereby protecting our people, customers, assets, products, brand and reputation through a risk based, commercially focused approach that positively embraces innovation and change.

Post Office is committed to preventing, detecting and reporting fraud and loss, and in co-operating with the police and other appropriate authorities in the investigation and prosecution of those responsible.

## 1.1 Policy Objective

The objective of this Policy is to ensure that all Post Office employees, agents/SPMR and contractors are aware of the fraud and loss prevention measures employed by Post Office.

The Policy covers:

- Framework principles
- Roles and responsibilities
- Measurement & monitoring
- Control
- Risk appetite
- Subordinate policies
- Governance

## 1.2 Risk Definition

This Policy addresses the management of fraud and loss risks faced by Post Office. In general these risks can be summarised as;

- Risks to our property
- Risks to our information
- Risks to our brand and reputation

## 1.3 Scope of Application

This Policy applies to all areas of Post Office, including all employees, agents/SPMR and contractors, all property and all information.

In the case of any Post Office joint venture, outsourcing or other 'arms-length' arrangements, Post Office must satisfy itself through contractual assurance arrangements that appropriate systems and controls are in place with 3rd parties to monitor and mitigate security risk.

This Policy does not apply directly to outsourced service providers or to suppliers.

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### 1.4 Compliance with this Policy

Compliance with the Policy is mandatory for all Post Office employees, agents/SPMR and contractors and will be assessed as part of the regular review processes conducted by the various Governance Framework Forums and will be reported upon to the Security Leadership Forum.

### 1.5 Policy Owner

The Policy owner is the Head of Security, who has:

- Overall accountability and responsibility for setting and maintaining the Policy and for monitoring compliance with the Policy
- Responsibility for ensuring that the Policy remains up to date and relevant for the Post Office
- Responsibility for ensuring that compliance issues are identified, addressed and escalated as appropriate

### 1.6 Policy Revision

This Policy must be reviewed and approved by the Post Office ExCo via the Risk & Compliance Committee on an annual basis. All revisions must be fully documented in the 'version history' section of this document.

Relevant procedures must be updated to conform to the Policy and updated within three months from the date of approval of this Policy by the Post Office Board.

Changes to the Policy must be communicated to all relevant staff noted on the Policy cover sheet who must in turn ensure that the changes are cascaded to staff, contractors and/or 3rd parties as appropriate.

## 2 Fraud and Loss Prevention Policy

### 2.1 Framework Principles

Explanation of what the policy entails

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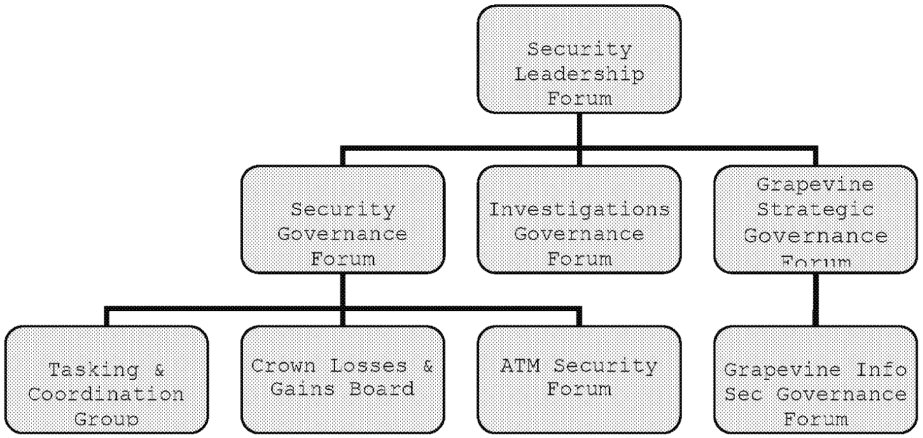
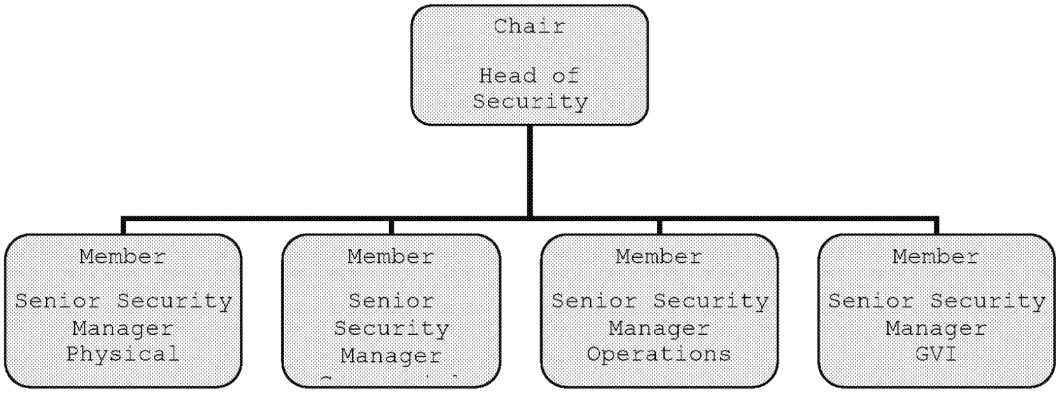
## 2.2 Roles and Responsibilities

**Security Governance Framework** exists to manage the day-to-day security activity within the company, provide a dedicated security over watch and to offer advice and assistance to the wider company on management of its security risks.




**The Security Leadership Forum** is responsible for the review and implementation of Post Office strategic security direction and the overall management of the Post Office security function.




**The Security Governance Forum** is responsible for the strategic and tactical governance of security risks and incidents against Post Office, ensuring risk management and mitigation activity is deployed as appropriate.

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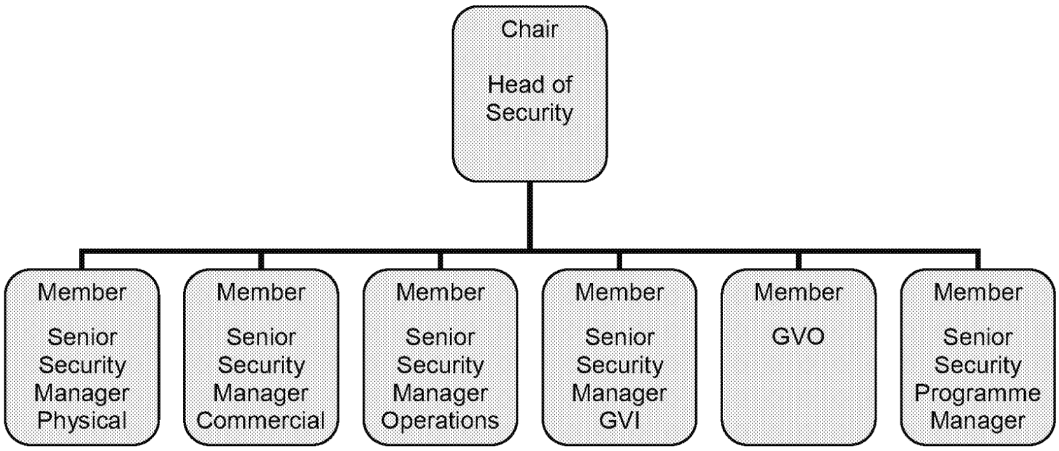
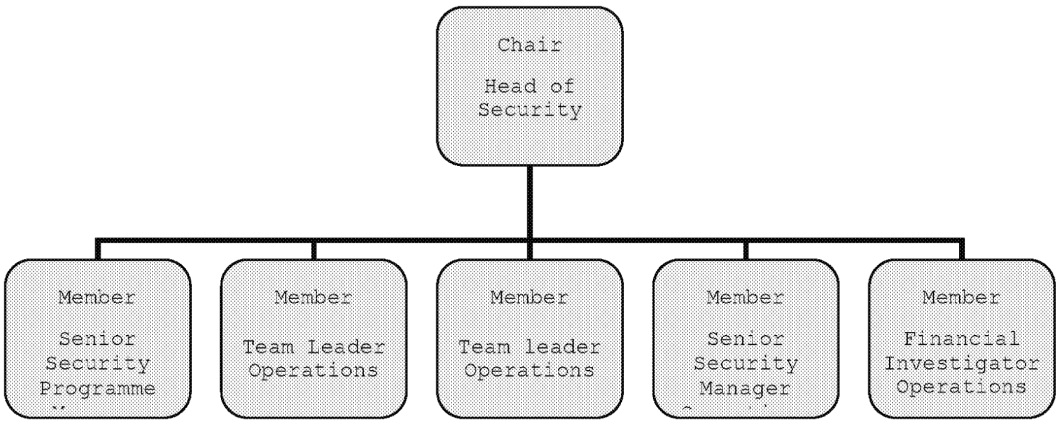
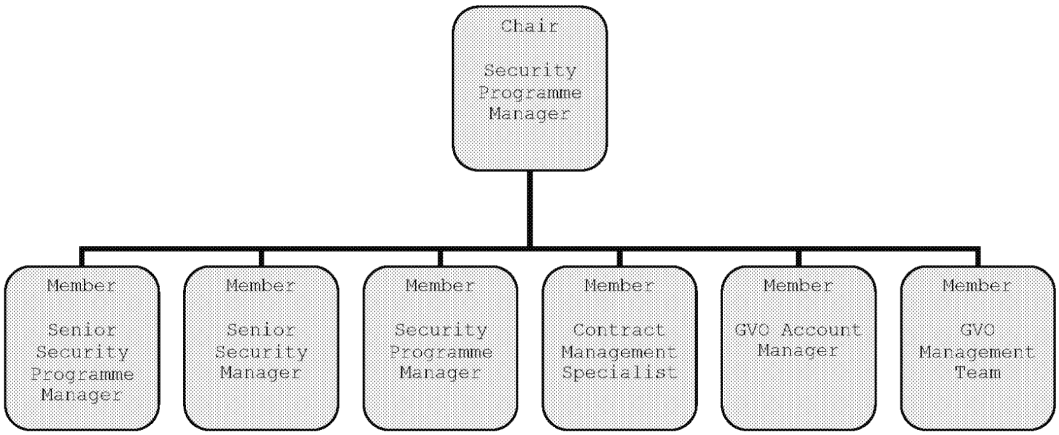



**The Investigations Governance Forum** is responsible for the strategic and tactical governance of all live case work/criminal investigations involving Post Office.




**The Grapevine Strategic Governance Forum** is responsible for providing a detailed review of performance information, service improvement initiatives and end to end service improvement plans.




**The Tasking and Co-ordination Group (TCG)** is responsible for providing a framework to identify key operational priorities and deploy

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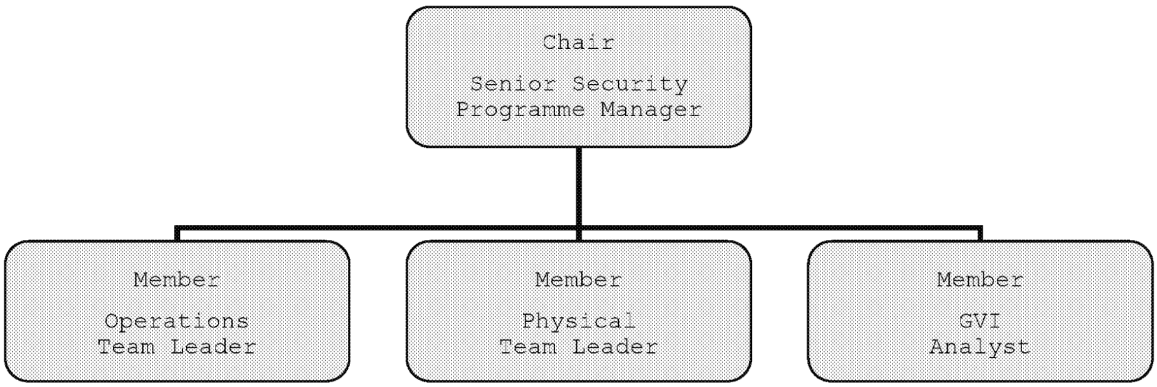
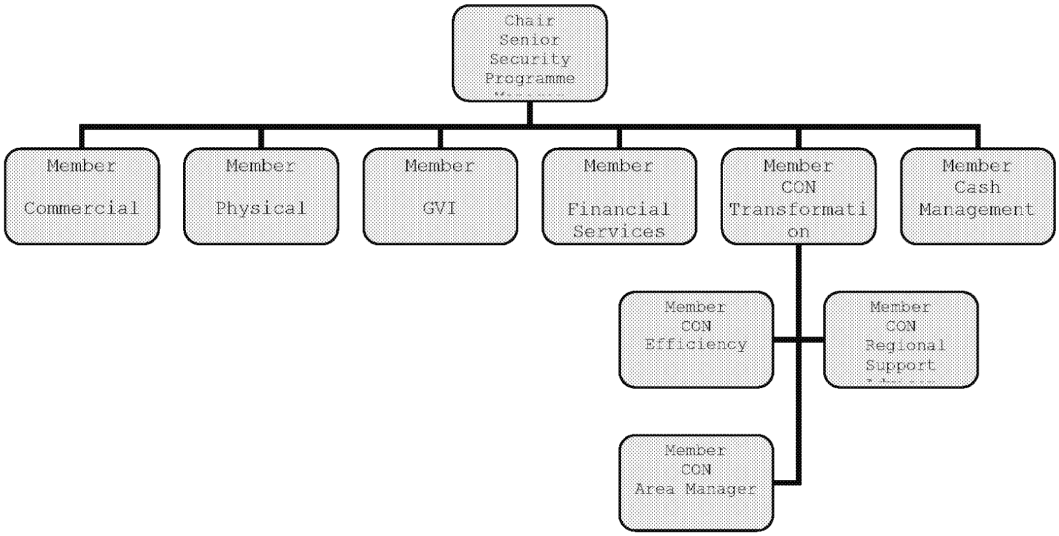
resources to mitigate gaps in the priorities. It acts as an intelligence platform drawing together information sources in order to identify current and emerging trends, deploying resources as required in order to support the security strategy.




**The Crown Losses and Gains Board** is responsible for driving down losses and gains within the Crown Network by deploying appropriate strategic and tactical methods of awareness, prevention and enforcement.




**The ATM Security Forum** is responsible for the strategic and tactical governance of ATM risk and incidents that impact Post Office, deploying risk management and mitigating activities as appropriate.

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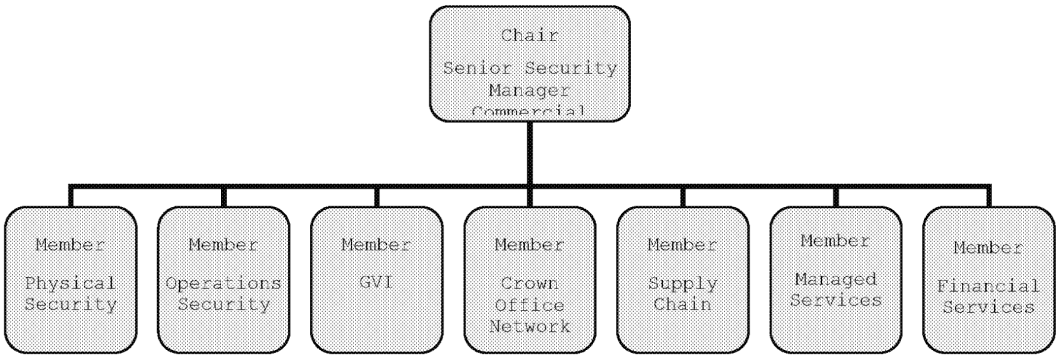


## 2.3 Measurement and Monitoring

The Policy will be measured and monitored as part of the regular review processes conducted by the various Governance Framework Forums and will be reported upon to the Security Leadership Forum.

## 2.4 Control

The Security Leadership Forum is tasked with ensuring that all Post Office employees, agents/SPMR and contractors comply with this Policy.

## 2.5 Risk Appetite

Security risk appetite is the maximum level of residual risk that Post Office is prepared to accept in order to deliver its business objectives. Security has developed a robust framework that is used to articulate security risk appetite throughout the Post Office.

In line with the Security Vision and in support of Post Office strategic goals, Security reviews its risk appetite on a quarterly basis and sets target values for specific risks in light of; crime analysis; law enforcement, industry and business intelligence, and environmental scanning.

## 2.6 Supporting Policies and Procedures

This Policy supports the overarching Post Office Security Policy. Security Procedures subordinate to this Policy are listed below with their hyperlinks to the Post Office intranet.

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## 2.7 Governance

The governance of security sits within the overall framework of governance for the Post Office Operating Board as part of the Loss Reduction Programme. The diagram at Appendix A illustrates this more fully.

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## 3 Accessibility

This policy and any subordinate policies are available on the Post Office intranet.

## 4 References

In this section, all the references to other documents should be mentioned, including:

| Ref. | Document Name | Description | Location |
|---|---|---|---|
| 1 | | | |
| | | | |

## 5 Glossary

The following table contains definitions for acronyms and terms used in (and specifically in the context of) this document:

| Acronym | Definition | Term |
|---|---|---|
| ACPO | Association of Chief Police Officers | |
| ATM | Automated Teller Machine | |
| BSIA | British Security Industry Association | |
| CON | Crown Office Network | |
| CPS(NI) | Crown Prosecution Service (Northern Ireland) | |
| DSO | Departmental Security Officer | |
| ExCo | Executive Committee | |
| GVI | Grapevine Insource | |
| GVO | Grapevine Outsource | |
| H&S | Health & Safety | |
| NPIA | National Policing Improvement Agency | |
| PFO | Procurator Fiscal Office | |
| R&CC | Risk & Compliance Committee | |
| SLP | Senior Leadership Programme | |
| SLT | Senior Leadership Team | |
| SPMR | Sub Postmaster | |
| TCG | Tasking Coordination Group | |

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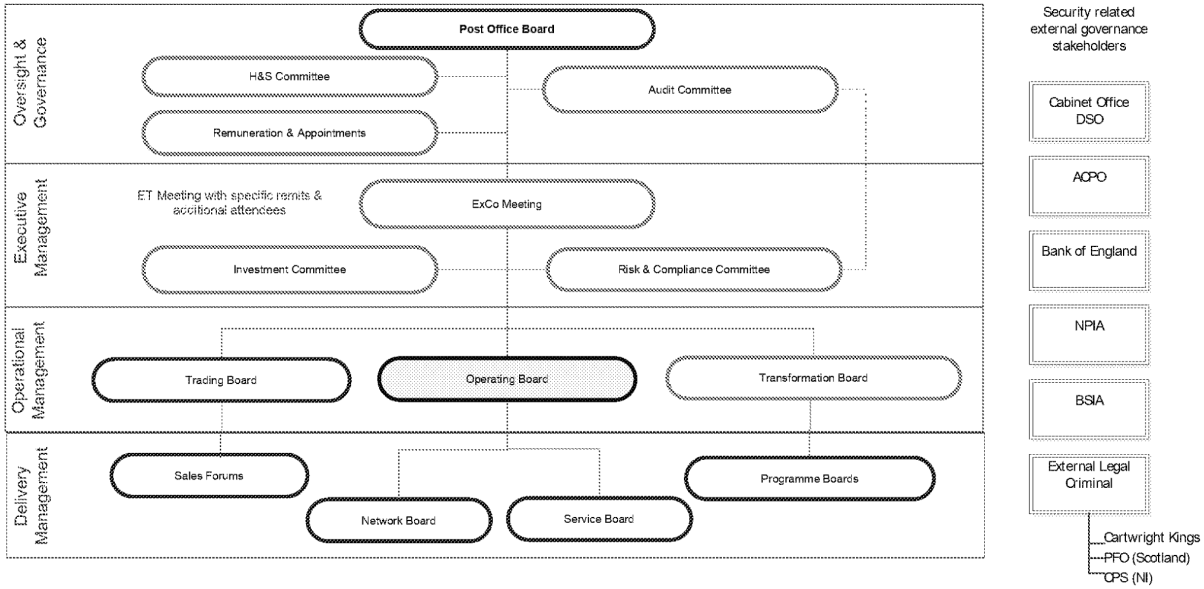
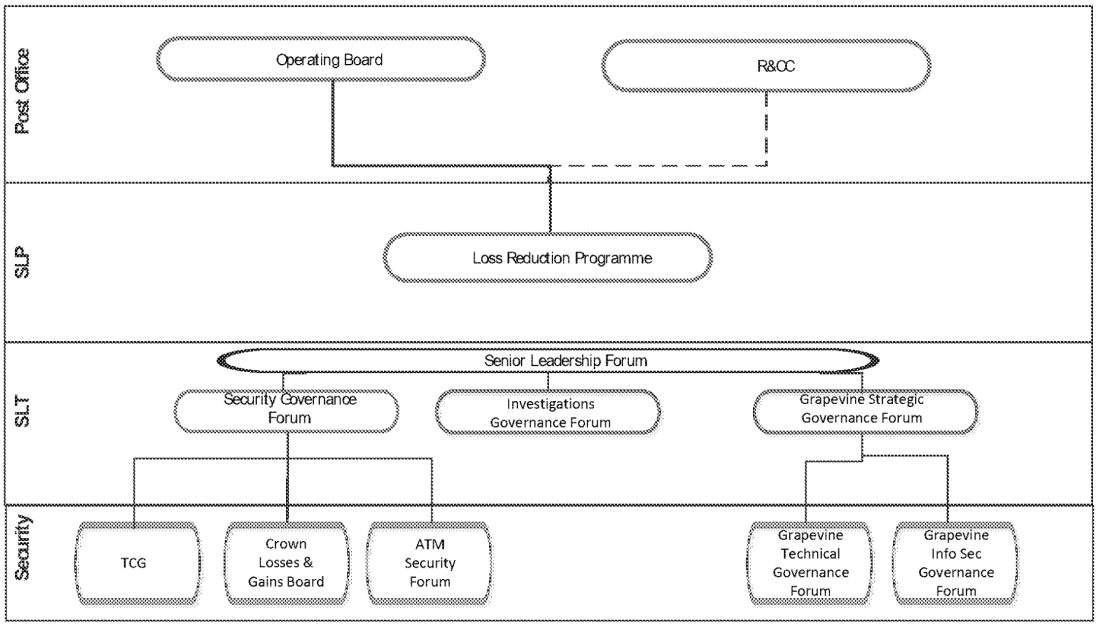
# Appendix A – Governance Framework

## Post Office Governance Framework




## Security Governance Framework



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## Version History

| Date | Version | Updated by | Change summary |
|---|---|---|---|
| 01 Oct 13 | 0.1 | Terry Folkman | Initial draft for Commercial |
| | 0.2 | Sally Smith | |
| | | | |
| | | | |

## Document Location

Unissued.

## Distribution

For Sign-off - This document has been reviewed by the following people:

| Name | Title – Department | Date of Sign off |
|---|---|---|
| John Scott | Head of Security | |
| David Mason | Risk & Compliance Committee | |
| | Executive Committee | |