



Group Executive Agenda

Remember (a+vei) (otw) (p&o) & (cit) !

Date		Present	In Attendance		Apologies
Monday 16 th May 2016		- Paula Vennells (Chair) - Alisdair Cameron - Neil Hayward - Nick Kennett - Martin George - Kevin Gilliland - Jane MacLeod - David Hussey - Alwen Lyons	Tom Wechsler	Other attendees :	None
Start Time	Finish Time				
09.30hrs	11.00hrs				
Location					
Room 1.19 Wakefield					

Agenda Item	Action Needed	Purpose	Lead	Timing
1. Performance - Update				
1.1 Operations	For Information	Monthly update	Chris Broe / Angela Van Den Bogerd	09.30 – 10.10
1.2 Customer (Incl. Complaints)	For information	Monthly update	Radha Davies	10.10 – 10.30
1.3 Sales – Reports required only	For information	Monthly update	Kevin	N/A
1.4 Financials – Reports required only	For information	Report P12 Flash Results to GE	AI	N/A
2. Round Table Discussions			All	10.30 – 11.00
Close				11.00



Operations Update

Al Cameron, Angela Van-Den-Bogerd, Rob Houghton

April 2016

Summary

Context

- We agreed to start explaining performance in our Operations to enable a shared understanding of where we are and ensure focus on improvement

Questions

- How did Supply Chain, Support Services, IT and MI perform for period 1?

Conclusions

Supply Chain

- Improvements are apparent in both accidents and sick absence numbers.
- Quality of Service for CViT is expected to show an improvement on P12 and last year's performance.
- Cost and Income are broadly on target for the month.
- Engagement improved significantly since the last survey; up five percentage points to 59%

Support Services

- April service levels improved across our Branch & Customer support team due predominately to dual running. The scorecard metrics have been amended to reflect expected service levels whilst in transition from Dearne to Chesterfield and new advisors get up to speed
- The consolidation of the service centres into Chesterfield is well underway with 20 new customer helpline advisors operational.
- Our final recruitment drive completed 6th May; 119 roles filled ahead of full contact centre readiness by the end of July 2016.
- The refurbishment of Future Walk completes mid May in readiness to receive the relocated teams - 23rd May further 12 colleagues from Branch Standards, 31st May further 21 colleagues from POEX, 4th July further 43 colleagues from NBSC / Customer Care and 30th July remaining 35 NBSC and Customer Care colleagues are operational from Future Walk.

IT

- April experienced an increase in the number of Severity 1 and Severity 2 incidents
- An issue with POLSAP data resulted in additional work to ensure Agent Pay was processed for scheduled payroll run
- Transtrack experienced multiple failures this month. The planned upgrade is due to go live 14th May 2016
- AEI had 140 branches unable to process transactions due to corrupt user profiles. Program underway for AEI PC refresh

Metrics are improving across Supply Chain with traffic incidents a concern

MEASURE	PERIOD 1								
	Month				Year				
	Target	Actuals	Variance	Last Month (P12)	YTD Target	YTD Actuals	YTD Var	Full Year Target	Full Year 2015/16
Accidents (H&S Site Report)	8	3	-5	13	8	3	-5	93	104
Accidents - LTIFR (Lost Time Injury Frequency Rate)	0.705	0	0.705	2.338	0.705	0	0.705	0.705	1.04
Sick Absence - %age	3.70%	3.36%	-0.34%	4.07%	3.70%	3.36%	-0.34%	3.70%	4.03%
Number of Blameworthy Road Traffic Incidents	12	15	3	15	12	15	3	150	159
CVIT Quality of Service ^φ	95.00%			96.50%	95.00%			95.00%	96.50%
Cash & Coin Centre Quality of Service	98.20%	100.00%	1.80%	100.00%	98.20%	100.00%	1.80%	99.00%	99.97%
Stock Centre Quality of Service	98.20%	99.89%	1.69%	99.75%	98.20%	99.89%	1.69%	99.00%	99.50%
High Value Mails Quality of Service	98.20%	99.84%	1.64%	99.80%	98.20%	99.84%	1.64%	99.00%	99.77%
Income £m*	£2.7	£2.7	£0.0	£2.4	£2.7	£2.7	£0.0	29.8	29.0
Cost £m*	£6.9	£6.8	-£0.1	£5.3	£6.9	£6.8	-£0.1	59.0	67.1

^φ Data currently not available as the replacement SQL database continues in development.

*Financial targets currently reflect BAU but will be updated to IRIS figures in future months.

Our People focus remains on safety and sickness

Compliance and Safety

- Accidents below target, much improved on last month and lower than P1 last year.
- None of the accidents resulted in lost time – providing an excellent start to the year.
- There were 2 attacks (Swiss Cottage and Princeville (Bradford)) in P1. Both were 'case snatches' whilst crossing the pavement. Our people are reminded to remain vigilant for this type of attack.
- Losses from attacks totalled c.£7k in the period; below last year's monthly average of £9.25k and well below the average monthly loss of £28.08k in 14/15.
- Blameworthy accidents are above target but the weekly average is an improvement on last month and comparative YTD figures also show a year on year improvement.
 - Vehicle and Driver Telemetry, due to be implemented in Q3, will help to reduce blameworthy accidents.

Colleague

- Sick Absence falls to 3.36% (4.07% in March and 4.03% for FY 15/16) and is now within target. Long Term sick absence reduced considerably as key depots such as London East benefitted from people returning to work.
- The 2016 survey results showed that Supply Chain engagement stands at 59%; this is up from 54% in 2015 survey and higher than the Post Office overall.

A solid financial performance with the IRIS letter sent out on Monday 9th May.

Customer

- P1 Quality of Service for CViT remains low at 95.91%.
- Root Cause Analysis is unavailable at this point.

Contribution

- Both cost and income are broadly on track for the month.
- The transfer of the Wholesale Cash Team to the Treasury Liquidity Team has enabled business to reduce it's on-balance cash holdings by £20m a night; which saves £200k per year.

Change

- The Transtrack Project has been given gating approval to go live; this is anticipated to be before the end of May however the date has yet to be confirmed.
- The WH Smiths deal will see an increase in POL CViT serviced ATMs over the coming year. A work-strand is underway to plan the best way of implementing these from a Supply Chain perspective.
- Project IRIS has been re-planned due to the week's delay with the S188 due to be sent out now on the 9th May with formal consultation beginning on the 16th.

Support Services Transformation – a reminder

Support Services will provide effective and efficient “back office” support to the branch network and central functions to enable postmasters, branch managers and operators to run their post offices as successfully as possible

Support Services Transformation is constructed around three broad improvement levers:

- 1. Optimisation of ways of working within the service centres – instil lean principles; root cause analysis; continuous improvement; reengineer and standardise processes**
- 2. Consolidation of service centres sites – reduce the number of locations from which “Back Office” Support Services are provided. Realign management structures; introduce spans of control in line with best practice**
- 3. Automation/technology enabled - robotics process automation; case management tool; optimisation of systems**

Support Services approach is underpinned by three guiding principles:

- 1. Right First Time – reducing failure demand by designing and delivering products, transactions and processes that mitigate the risk of error and in the event of errors occurring root cause analysis is undertaken as part of the business as usual process.**
- 2. One Number to Ring – branches have only one number to ring to access “Back Office” support.**
- 3. One View of the Branch – case management tool enables join up across “Back Office” support services and a one team approach.**

Support Services Transformation – the journey so far

Consolidated site at Chesterfield

- Relocation to consolidated site at Chesterfield is underway and ahead of schedule:
 - IT upgrade is complete
 - Refurbishment will be finished mid May
 - Recruitment of new people to fill the 119 (includes branch standards) roles is also complete
 - 20 new Customer Helpline staff are already working from Chesterfield
- Teams exit from Leeds Admin and St Helens end May as per plan. Dartford exit completed in January

Branch & Customer Support Team

- c50% of new people recruited to Chesterfield – customer scorecard metrics for Q1 & Q2 reflect the expected service levels whilst new recruits and ways of working embed. Metrics will be reset at Q3
- People recruited for attitude – already evidenced in performance of new helpline advisors
- New structure effective from 1st July. Roles and responsibilities refocused on customer service fulfilment; root cause analysis and continuous improvement.
- Process re-engineering and training on lean ways of working continues across branch & customer teams.
- Call recording now in place enabling enhanced coaching of branch & customer advisors
- BT Intelligence system now in place enabling responsiveness control of call options ie proactive management of calls

FSC & HRSC

- Strong leadership now in place - Joe Connor appointed to Head of Shared Services from 1st April
- **FSC** - Further template reduction – c 25 roles (29% reduction) removed from template 16/17
- **FSC** - Robotics Process Automation – proof of concept during May to identify opportunities
- **HRSC** – decision to replace Advice Line with mailbox postponed until Success Factors Implementation however £140k efficiencies agreed at CRG will still happen in 16/17

In that context the Branch & Customer operation is in line with expectations

Indicators Support Services Key Performance		Current Month – April 2016			YTD			Prior YTD Outturn
		Actual	Target	Variance	Actual	Target	Variance	
Branch Helpline NBSC	Volume of calls	46379			46379			587206
	Calls abandoned	13%	15%		13%	15%		6%
	Average time (seconds) in queue	129	300		129	300		No prior year info
	Average handling time	352	420		352	420		284
	Customer Satisfaction	Survey option at the end of call introduced from Q2. Metrics in place from Oct 2016.						
	Postmaster Satisfaction (annual & pulse survey)	Pulse survey in Sept 2016				75%		71% (annual)
Customer Helpline POEX	Volume of calls	33169			33169			416378
	Calls abandoned	14%	15%		14%	15%		15%
	Average time (seconds) in queue	69	300		69	300		No prior year info
	Average handling time (seconds)	249	300		249	300		302
	Customer satisfaction	Survey option at the end of call introduced from Q2. Metrics in place from Oct 2016.						
Customer Care Unit CCU	Total closed complaints	3669			3669			4128
	Complaints closed in 10 working days	89%	95%		89%	95%		70%
Executive Correspondence Team ECT	Number of cases received	185			185			133
	Cases resolved within 10 working days	45%	85%		45%	85%		68%

HRSC, FSC and Agency Contracts are performing well

Support Services Key Performance Indicators		Current Month - April 2016			YTD			YTD Prior Outturn
		Act	Tgt	Var	Act	Tgt	Var	
Customer - HRSC	Calls answered within 20 secs	73%	80%	-7%	73%	80%	-7%	71%
	Calls resolved at tier 1	90%	80%	10%	90%	80%	10%	N/A
	Calls abandoned	2%	5%	3%	2%	5%	3%	N/A
	CPSI	98%	90%	8%	98%	90%	8%	91%
	Sub-Postmaster Satisfaction 2016 Pulse survey Sept	0%	0%	0%	0%	0%	0%	70%
Customer - FSC	Invoices paid on time	77%	70%	7%	77%	70%	7%	58%
	Customer settlements on time	100%	100%	0%	100%	100%	0%	100%
	Customer enquiries - open items (millions)	3.2	3	0.2	3.2	3	0.2	0.00
	Sub-Postmaster Satisfaction 2016 Pulse survey Sept	0	0	N/A	0	0	N/A	51%
Customer - Agency Contracts	Number of audits	60	N/A	N/A	60	N/A	N/A	116
	Agents suspended as a result of audit	7	N/A	N/A	7	N/A	N/A	4
	Terminations/notice given	0	N/A	N/A	0	N/A	N/A	2
	Non-suspension cases	17	N/A	N/A	17	N/A	N/A	14
	Amount of losses recovered from non-suspension	£103.3k	N/A	N/A	£103.3K	N/A	N/A	£170.1K



Support Services: KPI Commentary – Customer

Branch & Customer Support:

Dynamics call logging tool was down for a full week with all advisors across both NBSC and POEX having to operate manually ie whilst calls could be taken advisors did not have access to the knowledge base or process maps. The issue is linked to a certificate. Investigations are being undertaken with supplier as to how this can be prevented in the future.

NBSC resource gap remains a key issue for impact on service provision, however training plan well underway in readiness for the closure of Dearne House on 31 July. Whilst grade of service is low for the overall period, the last week of the period saw service levels significantly improve due primarily to the routing of calls more effectively into the centre. Call abandonment rate is also reducing across both centres outturning at c.6% in the last week of Period 1.

POEX Grade of Service continues to improve period by period - new recruits are handling calls and having a positive impact on performance during dual running period

CCU missed target, however, this is linked to the Dynamics issue as the backlog of complaint handling was significant and directly affected the ability to close the cases within the target.

ECT has not had access to the team shared drive since the migration of EUC which has made it difficult to track historic and on-going cases. There are 42 telecoms cases from the shared drive which are currently being reconciled with the Telecoms team. Work is being done with Tom Wechsler to understand requirements for 2016/17 and discussions will be held with Tom Moran to understand how his new role can help with the resolution of difficult network cases.

FSC:

Invoices Paid on time - 23% paid late. 66% (2012 invs) relate to one supplier and are due to the way the credit us for returns and due to returning non conformant upload invoices to suppliers

Customers Paid On Time – 100% of settlements made on time despite adverse IT issues - resulting to a number of workarounds in place to obtain settlement data

Volume of Severity 1 & 2 incidents (April 2016)

Business Areas		Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	Total
Branches	AEI			3						1	4
	DVLA	1	1								2
	Horizon	1	2	2		1		1			7
	Moneygram			1		3					4
	Paystation		1							1	2
	POCA			1							1
	SSK		1	1							2
	BT-Telephone				1						1
	Lottery				1	1					2
Contact Centres	GlobalPay				1						1
	POLSAP		2								2
	HPBB Services		2	1				2			5
	NSBC Services	1		1							2
Finance Service Centre	Home Phone & BroadBand				1						1
	Credence/MDM		1	3	2	2	1			1	10
	POCA				1						1
	PODG - File Transfer	1	2	1	1					1	6
Mails	POLSAP		1			1				1	3
	Local Collect	1									1
Office	Track & Trace	1									1
	SharePoint, Internet & Drives	1			2		1			1	5
Post Office Mobile	WAVE/Top Up	1	1	8	6	5	1	1	1	1	25
Supply Chain	POLSAP	6	2	2	8	2	1				21
	Transtrack	2	3	6	5	1		2	2	4	25
	Internet				1	1					2
	Shared Drive				1					1	2
	Site Network/Power Outage						2	1			3
Website	WCS					1				1	2
	CDP	7	2	6				2		1	18
Grand Total		23	21	36	31	18	6	9	3	14	161

- We experienced an increase in the number of incidents compared to the previous month.
- A total of 2 Severity 1's and 12 Severity 2's recorded this month.
- Failure to process Client Account periods load from MDM to Horizon resulted in additional work to ensure Agent Pay was processed in time for the scheduled payroll run.
- Transtrack experienced multiple failures this month. This was as a result of the age of equipment and application causing outages. The upgrade is due to go live 28th May 2016.
- AEI had 140 branches unable to process transactions due to corrupt user profiles. Program underway for AEI PC refresh.
- Rod Fishing Licence not accessible via POL website for 3 hours. Network traffic rerouted and additional monitoring configured.

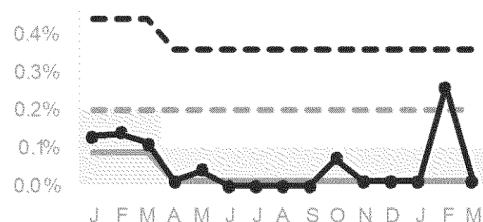


Back Office Incidents

Incident	Root Cause Analysis (<i>Draft</i>)	Actions
P1 – Agents Pay	- Client Account Periods were not loaded to Horizon for 2016/17, causing the Agents Remuneration report to fail. - Account periods were provided, loaded to MDM & approved, but a process breakdown between loading to MDM & authorising for release into the live Horizon system led to the dates being missed.	- Recovery action plan implemented - April Payroll completed - Plan for May payroll advanced - Lessons learnt review to be circulated in May
P2 - Generic Shared Drive Issues - Bristol CVIT / Bolton HR unable to access server bl49xxdc3 - FSC are Unable to calculate the settlement figures for clients due to server access issues	Certain files and servers became inaccessible during separation.	- No improvement actions required, as this was exceptional project activity. - Backlog of issues progressively being resolved, and escalated where necessary.
P2 – Horizon to POLSAP sales files rejected	- Products end-dated inaccurately - Horizon allows transacting on end-dated products - POLSAP files do not load when including end-dated products	- Issue now resolved - Route Cause Analysis Actions not yet captured
P2 – Transtrack Depot Outage - Birmingham - Birmingham Midway - Poole / Bournemouth	- Power failure – old server didn't re-start - Space limit reached, server file clean up required	Transtrack centralization project due live 28th May will resolve all these issues.
P2 – Call Guides for NBSC & POEX Outage	TDC created using RMG certificates, hence we are not aware when they are about to expire	- A project has been instigated to replace all certificates. - The new CC service is monitored with all POL certificates in one place, hence we will be able to renew prior to them expiring.

Lost Time Stats

Incident Ref No	Service	Incident Summary	Severity	Incident Open/Date Time	Incident Resolved Date/Time	Impacted Hours
GY:I8886209	PODG (Agents Pay)	PODG Transaction data file not arrived	Severity1	15/04/2016	20/04/2016 11:26	119 hours
GY:I8935026	Credence	Credence is unavailable due to batch job overrun	Severity1	27/04/2016	27/04/2016 14:02	6 hours
GY:I8826042	File Share	FSC are Unable to calculate the settlement figures for clients due to server access issues.	Severity2	01/04/2016	14/04/2016 10:13	300 hours
GY:I8875571	AEI	Multiple branches unable to process transactions via AEI kiosks	Severity2	13/04/2016	14/04/2016 14:43	27 hours
GY:I8873127	Transtrack	Transtrack unavailable at Manchester CVIT	Severity2	12/04/2016	13/04/2016 11:17	15 hours
GY:I8884751	File Share	Bristol CVIT / Bolton HR unable to access server bl49xxdc3	Severity2	15/04/2016	27/04/2016 16:16	297 hours
GY:I8886591	MS Dynamic	Dynamics - Access issue	Severity2	15/04/2016	22/04/2016 14:32	168 hours
GY:I8892136	Paystation	Ingenico - VPN/FTP connectivity loss	Severity2	18/04/2016	18/04/2016 12:51	21 hours
GY:I8893830	Transtrack	Transtrack Server unavailable at Poole CVIT	Severity2	18/04/2016	18/04/2016 14:35	6 hours
GY:I8898940	Transtrack	Transtrack unavailable at Birmingham Midway	Severity2	19/04/2016	19/04/2016 16:43	10 hours
GY:I8909551	Website	RFL not accessible via POL website	Severity2	21/04/2016	21/04/2016 16:58	9 hours
GY:I8917664	Transtrack	Users unable to access Transtrack at Birmingham CVIT	Severity2	22/04/2016	25/04/2016 08:44	63 hours
GY:I8944642	Warehouse Control System	WCS System is offline	Severity2	29/04/2016	29/04/2016 11:31	4 hours
GY:I8895297	WAVE	Transatel system down	Severity2	18/04/2016	18/04/2016 11:35	33 min

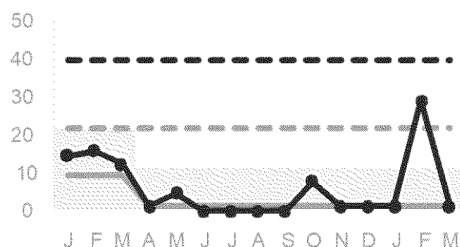


Horizon and Kiosk

Equivalent branches closed

1.1 this month

<40 KPI
22 Target



Total Horizon outage for March equates to 1.1 trading day loss across the 11,500 branch network. We will look to include a metric on how many available trading days for the month this relates to.

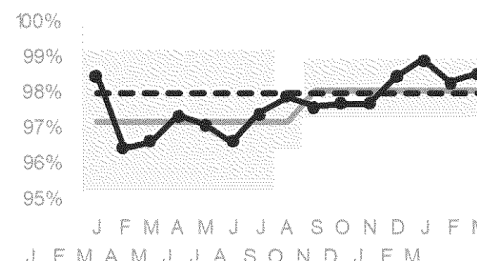
Overall Service Performance

- Horizon service performance remains very stable.
- We continue to further improve stability of the Horizon architecture e.g. Belfast data centre refresh, regular business continuity testing during Saturday evening/Sunday mornings to test & improve the resilience of the network.

Branches with faults (day avg)

11899% this month

>98% KPI



% Calls Answered 20s (NCR) target, 98.6% in March.

93.0% this month

80.0% service level



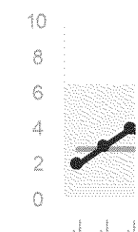
Overall Service Performance

- New NCR service levels implemented in November have continued to have had a positive effective on service levels, which are much improved with a low volume of kiosk outages.
- 154 kiosks were restored within 24 hours compared to 131 in February

Branches/



Branches/



Branch Supplier Performance against KPIs

IT Supplier	Service Description	Target	Mar-16 Actual	Apr-16 Actual	Average YTD	FY 15-16 Previous FY
Fujitsu	No. of Branches Unable to Trade	-	4	5	5	6
	No. of Branches With Intermittent Faults	-	12	6	6	11 **
	Aggregated Lost Hours Trading as % Network	0.36%	0.01%	TBC		
	Sunday Extended Hours	25 hours per month	32	*	*	35 *
NCR	Overall Service Availability	98%	99%	*	*	98%
	No. of Branches with 100% Kiosks Unavailable	-	0	0	0	0 **
	No. of Branches with 50% Kiosks Unavailable	-	3	3	3	3 **
3M Cogent	Availability of Central Infrastructure	100%	100%	*	*	100%
	% of Branch Incidents resolved within 6 hours	95%	85%	*	*	72%
	% of Branch Incidents resolved within 10 hours	100%	97%	*	*	89%
Accenture CDP	Availability	100.0%	TBC			99.5%
Financial Services	Santander Network Availability	99.45%	99.99%	*	*	99.94%
	Failed Client File Delivery by 23.59 same day	2	0	*	*	0
	Average Time for ALL Banking Transactions	2.5 seconds	0.51	*	*	0.52

Key:-

* April data is unavailable until mid May

** Reporting commenced in October 2015; KPI not contractual

* Reporting commenced in August 2015; KPI not contractual

** Reporting commenced in January 2016; KPI not contractual

Business Information Management - Cost Reduction

Headcount reduction : £195k pa of savings

- Consolidation of MI teams completed on 22 April.
- Initial savings of £193k pa identified and HR1 forms completed and staff consultation will commence w/c 9 May
- Exercise underway to identify further staff savings within BIM resulting from eradication of duplicated activities / new systems/ revised processes

Non-staff cost reduction: £420k pa of savings

- Atos are contracted to update product and branch master data at a cost of £89k pm. They do this by rekeying data sent to them by various teams in POL.
- By using the workflow capability inherent within MDM, POL teams can input some of these changes directly to MDM reducing the requirement for re-keying by Atos.
- This approach has been agreed by the impacted teams, particularly Property Projects and IT and will save £35k pm.
- It is planned to complete the implementation of the new approach from 1 September 2016.

Data cleanse: £45k pa savings

Data cleanse activities continue. We have identified that £35k was paid to agents in FY15/16 relating to the capture of a second form of customer ID even though a second form of ID was not captured. A change to Horizon is needed to fix this problem which will be delivered in July 2016. We have removed 592 of the 792 redundant products available for sale on Horizon having prioritised those being transacted in error most frequently NB: total transactions related to these products in FY15/16 was 43,879 resulting in agents pay of £5k. The exercise will complete by the end of June 2016.

Business Information Management

Data Governance – Fixing the core data

- The project to improve the quality of data through the creation of policies, standards, definitions, data profiling etc commenced on 29 April. The schedule is as follows:
 - Planning Phase (Weeks 1-2)
 - Sprint 1 (Weeks 3-6) : Designing Governance frameworks; RACI Matrix defining accountabilities; Data Profiling to support prioritisation of data domains. This sprint will progress in step with the business process management activities being driven by the TOM.
 - Sprint 2 (Weeks 7-10) : Establish Master Data Dissemination Matrix; Master Data Policies; Data profiling of prioritised business data domains and targeted data objects; Data Quality Assessment (PRODUCT);
 - Sprint 3 (Weeks 11-14) Complete Data Governance policies and standards guidelines; Initiate Knowledge Transfer for retained team; Data profiling of prioritised business data domains and targeted data objects; Data Quality Assessment (CUSTOMER);
 - Sprint 4 (Weeks 15-18) Issue Data Governance policies; Complete knowledge transfer for retained team; Data profiling of prioritised business data domains and targeted data objects; Data Quality Assessment (CHANNEL);
 - Close / Handover (weeks 19-20) : Revised Data Change processes in place, Data Governance framework established; ongoing Data Improvement programmes initiated
- Progress to date: Planning sessions between POL BIM team and Atos have been held to agree work packages; Delivery framework agreed with POL Enterprise Data Architect (to enable and consolidate Data Dictionary work).
- Next steps: Refining of framework milestone plan to ensure consistency of planning and reporting (currently has a mix of level 0 to Level 3 detail); Weekly Highlight Reporting to commence w/c 16 May; Target is to stand up initial Governance Forum by mid July (essentially a soft launch)

GE Performance Report – Customer P1 2016/17

Author: Andy Viggers

Sponsor: Martin George

Date: 9/5/2016

Executive Summary

Context

This is the Period 1 2016/17 customer report for the Group Executive (GE), covering Voice of Customer, FS NPS, Social Media, and Complaints.

Questions this paper addresses

1. What is our performance vs. target on our key scorecard metrics?
2. What is the performance by Network segment and product?

Conclusions

Performance in the first period of the year is encouraging, especially in terms of the in-branch experience (via Voice of Customer), with Customer Satisfaction and Wait Time Acceptability on or ahead of their targets, and NPS only 1pp below its target.

As seen through 2016/17, Crown continues to lead the way in terms of Voice of Customer scores, scoring higher than targets (which are already higher than for other segments of the network).

FS NPS, having seen a very strong P12 sees a 6pt month-on-month decline, to +28. However, this is still on target, and in line with the full year outturn from 2016/17.

Summary table below:

KPIs	SOURCE	CURRENT PERIOD (P1)	LAST PERIOD (P12)	YTD	Target
Effort (% saying Post Office is Easy to do business with) <i>[scorecard measure]</i>	VOC	74%	68%*	74%	68%**
NPS	VOC	+64	+64*	+64	+65%**
CSAT (Top 2 Box – % Extremely/Very satisfied)	VOC	84%	87%*	84%	84%**
Wait time Acceptability	VOC	92%	80%*	92%	89%**
FS NPS <i>[scorecard measure]</i>	FS NPS survey	+28	+34	+28	+28

*Changes made to VOC (as previously communicated, see Appendix) mean we cannot make direct comparisons to previous periods. At the end of Q1, we will be doing analysis to enable us to calibrate historic data and allow comparisons.

**Also as previously communicated, these changes may in themselves lead to changes in scores, so we will be reviewing performance and targets during Q1, to adjust if necessary at the end of Q1. Therefore, although the commentary below includes comparisons with targets, they are subject to change.

- **Effort - at a Network level, Effort (those saying Post Office is easy to do business with) is 74%, 6pp higher than target**
 - All segments are performing well, with Crown leading the way on 77%, 10pp ahead of target. The score for both Agency and WHSmith is 71%, 1pp and 4pp ahead of their respective targets.
 - By product:
 - Effort for Passports is 82%, well ahead of the overall target of 68%. Crown continues to be the strongest performing segment with a score of 83%, followed by WHSmith at 81%, then Agency at 76%, also well ahead of target.
 - For Travel Money customers the Effort score is 81%, led by WHSmith at 86%, followed by Crown (82%) and Agency (72%).

- As seen through 2015/16, Mails continues to be the product where fewer customers say Post Office is easy to do business (74%). Crown is ahead of the other segments with a score of 75%, although Agency (74%) and WHSmith (72%) show similar scores.
 - With Mails making up such a large volume of customers, it remains important that we focus on making these transactions as easy as possible.
 - By day of week/time of day:
 - The Effort score is highest on Thursdays (76%) and lowest on Sundays (62%). Indeed, on Sundays, the score is particularly around lunchtimes (11am-2pm, Effort is just 48%).
 - Within Crown, the score is highest on Thursdays, and lowest on Mondays. More specifically, Thursdays after 5pm show the lowest score (70%).
 - In WHSmith, Thursdays are again the best performing day at 77%, with Tuesdays and Wednesdays having the lowest score of 69%.
 - In Agency, Mondays and Fridays are the days with the lowest Effort scores. Mondays after 5pm, and Friday lunchtimes (11am-2pm) also perform less well in Crown score just 66%.
 - **NPS – At a network level, 1pt below its target, driven by Agency**
 - By segment:
 - Crown scores the highest with +73 (+5pp vs target), followed by WHSmith at +64 (+1pp vs target), then Agency at +55 (-4pp vs its target), meaning it is Agency which is pulling down the overall Network-level NPS score.
 - As was seen through 2015/16, the Agency experience, although delivering customer satisfaction and good wait times, is less likely to lead to advocacy. So, although lower NPS scores are anticipated from Agency, as reflected by its target, its scores are still below target.
 - The Agency score is lower as it has a greater a greater proportion of Mails customers than the other segments, 68% vs 53% for Crown and 55% for WHSmith), with Mails seeing lower NPS scores vs. other products. The Agency score particularly low for International Mails at +45, vs +71 for Crown and +69 for WHSmith.
 - Agency performs below Crown and WHSmith for all of the pillars of customer experience excellence, especially Personalisation and Integrity, where scores are 5pp below Network overall.
 - Of those customers not scoring 9 or 10 for Integrity, 34% felt that the member of staff didn't use a friendly tone of voice, and 31% felt that they weren't treated in a professional manner.
 - Of those customers not scoring 9 or 10 for Personalisation, being friendlier is the most popular area for improvement.
 - By product:

Passport customers show the highest levels of advocacy, with NPS at +82. Passport NPS is actually highest in WHSmith (+90), followed by Crown (+84). However, the score for Agency are scoring much lower with 67%.

 - Looking at the pillars of customer experience excellence, Agency scores much lower than Network overall across all measures. The lowest relative performance is for Expectations (-12pp vs Network) and Personalisation (11pp). The drill down options for the personalisation question again highlight that friendliness is an issue.
 - For Travel Money customers, NPS is also high at +74. Crown and WHSmith both perform well at +81 and +76 respectively, well ahead of their targets. However, the score for Agency is +54, which is below its overall NPS target of +59.
 - The Pillar measures for Travel Money in Agency branches are performing below the network however are performing better than the agency total for all visit reasons. The Expectations score (i.e. meeting customers' expectations) is 7pp lower than the Network.
 - For Mails, NPS is lower at +66 at a Network level. All segments perform well vs. their overall NPS targets: Crown is at +71, followed by WHSmith at +65 and Agency at +60.

- **Customer Satisfaction – at 84%, we achieve target for customers extremely/very satisfied**
 - By segment:
 - Crown shows the strongest performance, with 90% of customers extremely/very satisfied, 3pp ahead of its target. This is followed by WHSmith at 84%, hitting its target, then Agency at 77%, 5pp below its target.
 - By product:
 - Passport - which represents 7.4% of VOC respondents - sees the highest score (93% of customers extremely/very satisfied). Both Crown and WHSmith drive this, with scores of 95% and 91% respectively, higher than these segments have performed for either Mails or Travel Money. For Agency the score is lower with 80%, broadly consistent with the other major visit reasons.
 - There are however a smaller proportion of respondents visiting Agency branches for their passport applications than in Crown and WHSmith (Crown – 10% of respondents are Passport customers, WHSmith – 11%, Agency – 2%).
 - For Travel money Customer Satisfaction is at 89%. Crown continues to be the highest performing segment at 92%, again followed by WHSmith at 86%, then Agency at 81%. As previously stated, there appear to be some issues with meeting customers' expectations.
 - Mails customers continue to demonstrate the lowest levels of Customer Satisfaction (85% across the Network). With Mails the most common reason people visit branches (58% of VOC responses), it is important that we get this right. Crown again come out as the best performing segment with 89%, then WHSmith 85% and then Agency with 80%. We see a smaller variance between segments for Mails than for other products, meaning that this is a more consistent experience for the customer.
- **Wait time acceptable – at a Network level, performance is good, with 92% of customers agreeing it was acceptable, 3pp ahead of the target of 89%.**
 - By segment:
 - As seen for the other metrics, Crown shows the strongest performance at 93%. However, on this measure, Agency which has historically seen the best queue times, is ahead of WHSmith, with scores of 92% and 90% respectively. All segments are 1-4pp ahead of their respective targets.
 - By product:
 - For Passports, Wait Time Acceptability is good at 95%, well ahead of the target of 89%. WHSmith performs the best at 96%, followed by Crown (95%) and Agency (91%).
 - For Travel Money, Wait Time acceptability is very good across all three segments: Crown leads with 97%, followed by Agency and WHS with 95%.
 - For Mails, scores are also good, with 92% of customers saying their wait was acceptable. The score for Crown and Agency is 93% with WHSmith at 88%.
- **FS NPS – having seen a very strong P12, sees a 6pt decline in month to +28. This is still ahead of the 2015/16 full year outturn**
 - This decline has been driven by a drops across the Savings and Insurance product ranges:
 - For Car/Van Insurance, customers cited issues with servicing and renewals, direct debits being taken incorrectly, and policy details being incorrect. There was also more general unhappiness with the larger than expected increase in renewal prices.
 - For Travel insurance, customer's issues were more about the in-branch experience. Specifically, applying in branch, wait times and the number of staff available.
 - For Instant Saver/Reward Saver, the main issues were about servicing, in terms of customers having trouble withdrawing money in branch, and poor service received when using the call centre. Interest rate was another main driver, although they are generally poor across the industry.
 - For ISA customers, there were issues with transferring funds into the accounts and general disappointment around the length of time it takes to open the account and get confirmation it's live. This may be due to peak ISA period, but shouldn't impact customers.

- **Other feedback channels**
 - **Social media activity**
 - The main reasons for consumer social media activity about Post Office remain Wait times, Staff attitude (some of which is positive) and Opening times, although in lower volumes than the previous period.
 - Given the public nature of social media, they represent more extreme versions of customers' views than VOC, but we still see some common themes, i.e. Wait times and Service/Staff attitude are cited as reasons for dissatisfaction.
 - **Complaints (NB – because of reporting timings/processes, complaints numbers and commentary are based on P12 data)**
 - Mails – There were 784 complaints in March (690 about Royal Mail transactions, 89 about Parcelforce Worldwide, which equates to 1.3 complaints per 100,000 transactions). This is an increase of 4% compared to the previous month, but 7% lower than the same period last year. The highest driver in complaints this month was 'Incorrect Advice Given / Service Sold' with 56% of the overall monthly complaints, and issue unlikely to come through from VOC.
 - Government Services – There were 284 complaints in March, stable from the previous month. An increase in Passports complaints (to 112) is linked to higher volumes, with HMPO advising that the busy period for applications has extended; For DVLA, there were 40 complaints, a small increase on the previous period. For POCA, volumes were stable, with over 80% of the complaints are related to two issues lost PINs and lost cards, the remaining recorded complaints are processing and handling issues that have been raised with the POCA team, additional training is provided where necessary. Going forward we should see better analysis of the individual complaints as extra training has been given to our advisors, this training will be ongoing over the coming months.
 - Telecoms - There were 743 complaints in March, down 14% on March most notably provisioning (50%) backlogs having been cleared, faults fell to a lesser extent due to the reduction in provisioning problems. PCA was achieved in March, so complaints should continue to fall.
 - FS and general complaints reporting will be included from P2.

Action plans are in place across all three network segments to address underperformance and seek to improve scores going forward.

Input required

For GE to review and note.

The Report

Looking Back

WHAT HAS GONE WELL?

- Performance in the first period of the year is good, especially in terms of the in-branch experience (via Voice of Customer).
 - Looking at customers' comments the most common themes are Staff, Friendliness and Attentiveness showing how visit the attitude of the staff is to a positive customer experience, and makes up 49% of comments. The next most common thing customers are talking about is Speed, showing the importance of valuing customers' time.
 - We see that scores for Travel Money and Passport applications are particularly high, which is a real positive as we head towards summer where the frequency of these visits increases.
- Voice of Customer has successfully migrated to a new platform giving richer, more actionable data at a branch, segment and network level. For example, we can easily look at scores by time of day and day of week (as referenced in this report), and also understand common themes of verbatim feedback. The Insight team will be working closely with the Network and Product teams to take action from this.
- Network continues to show great focus on customer (and Voice of Customer), seeking to drive improvements in both the experience and the KPIs. For example:
 - Continued high volumes of responses, demonstrating appetite for feedback.
 - Detailed, specific customer plans are in place to address underperformers.

- Increase in SSK migration (customers using SSKs) to improve wait time performance/perception.
- Sharing of best practice, overall, and by individual branches.

WHAT HAS NOT GONE WELL?

- We still see some inconsistency between segments, despite the fact that we are striving for consistency irrespective of branch type.
- Agency scores are lower than for the other segments, especially for Customer Satisfaction and NPS. Although Effort perceptions and Wait time acceptability are good in Agency, it appears that this segment is less likely to be delivering great experiences (i.e. customers being extremely/very satisfied) or advocacy (i.e. NPS):
 - Looking at the comments from we are receiving the same themes are being pulled out for each segment, however there is a greater stress on speed, 15% compared to 12% for Network.
 - Agency has a much greater proportion of its customers visiting for Mails, which continue to see lower scores than other products. This contributes to its lower scores for NPS and Customer Satisfaction.
- We also see inconsistency in the customer experience across the week, with the Effort score much lower on Sundays, especially at lunchtimes.
- FS NPS has shown a decline from the previous period, although it is only back to P11 levels.

Looking Ahead

OPPORTUNITIES?

- To further increase Effort scores by focusing on key drivers in branch: Pace, Service, Experience of Government Services and Environment.
- To focus on areas of underperformance (already being actioned with network colleagues).
- Changes to VOC (including whole network, improvements to the survey and reporting to give more actionable data and insight) means we can utilise the programme even further to drive improvement.
- Further integrate customer research (Voice of Customer, FS NPS, and Nunwood) with Complaints and Social Media to give a more holistic view on the customer experience.

RISKS OR CONCERNS?

- As we go through 2016/17, whether cost pressures will have an impact on the Network's ability to deliver great customer experience.
- Although we continue to see strong performance when we benchmark against our own performance, we will continue to monitor scores on the broader customer relationship level with Nunwood, to help us hopefully improve our position in the Nunwood CEE Index (relative to other brands).

In Conclusion

CONFIDENCE?

We have seen a broadly positive start to customer performance in the first period of the year.

IMPLICATIONS?

We need to continue to focus on the customer experience throughout the year.

Appendix

We have made some changes to the VOC programme for 2016/17, to improve the experience for both customers and colleagues. The changes, which are now live, improve the programme, putting it in line with those of other leading retailers. They give us a customer experience measurement system that is better able to provide action orientated insights, both at a network and branch level.

POST OFFICE

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The specific changes we've made are:

- Migrating to a new IT platform giving:
 - better quality customer data;
 - a greater volume of responses (mobile and desktop);
 - greater analytical capability to provide deeper customer insights;
 - a better survey experience for customers.
- An improved, streamlined questionnaire:
 - giving greater focus on diagnosing customers' issues;
 - understanding desired improvements;
 - providing a more engaging survey experience for customers;
 - with better use of open-ended questions to also help us to better understand the customer's point of view.
- Changing two of the KPIs:
 - moving from Top 3 Box (those Extremely/Very/Fairly Satisfied) to Top 2 Box satisfaction (those Extremely/Very Satisfied);
 - moving from Wait time (% served inside 5 minutes) to Wait time acceptability.
- Reporting VOC based on the whole network in 2016/17

As previously communicated, the changes may in themselves lead to changes in scores, so we will be reviewing performance and targets during Q1, to adjust if necessary at the end of Q1. The targets in this report are therefore provisional.

GE Performance Report (P1)

Author: Karl Oliver & Mike J Elliott Sponsor: Kevin Gilliland

Meeting date: May 2016

Executive Summary

Context

The Period 1 & YTD Sales Performance Report for the General Executive (GE).

Questions this paper addresses

1. How are we trading through a 'volume' lens?
2. What are the implications for our outlook and plans?

Conclusion

Mails – Trading income is £0.4m above target (+2%) when stripped of impact of barcoding income which is £0.3m of target income. Barcoding income will be backdated following Royal Mail negotiations, with income expected in Q3. Fixed income is in-line with target.

Financial Services – Continued strong performance for Credit Card, MoneyGram, Banking and Home & Life Insurance for P1. Mortgage, Savings & Travel have missed target for the period. Travel and Mortgage have strong Marketing campaigns across May.

Telco – P1 performance of 70% vs Target is expected to recover through Period 2 & 3 with the "Free, Free, Free" campaign back in place. Early indicators are positive and we expect to recover volume by the end of Q1.

Government Services (GS) – Continued the strong performance from P12, helped by the delay in the Government Online Passport service enhancement and strong UKVI performance.

In summary, P1 performance has broadly followed the trends from Q4 last year. Strong marketing campaigns for Mortgage and Travel are in place for May and beyond.

Input Sought

For GE review and note.

Looking Back

WHAT HAS GONE WELL?

- Credit Card
 - P1 183% of target (422% YoY) - Network 132% (115% YoY) Direct 194% (670% YoY)
 - Retained market leading position in April for Matched card - Matched sales 75% of total sales
 - Launch of new online servicing platform 'Credit Care' on 12th April - 15k registrations so far
 - Platinum tactical offer of 22 months on BT with no BT fee launched in all channels 5th May
- Home Insurance
 - P1 147% vs target (168% YoY) - Network 138% (145% YoY) Direct 150% (175% YoY)
 - Strong aggregator sales in April continuing on from performance in latter part of 15/16
 - Network activity being supported by regular Customer Offers (Formerly flash sales)
 - Affiliates due to launch in May. Low volume initially, but will pick up momentum as we take learnings and optimise the campaign
- Life Insurance
 - P1 116% of target (108% YoY) - Network 126% (126% YoY) Direct 76% (57% YoY)
 - Strong start to the year in Network, with both Crown & Agency seeing good performance
- Mails (Trading)
 - £0.4m above target (102%)
 - Home Shopping Returns 105% vs target (125%YoY) & Local Collect 158% vs target (141% YoY) continuing positive trend from last year
 - 1c labels up vs target 102% not declining YoY as much as we expected
 - Royal Mail Signed For 105% vs target (104% YoY) due to upselling on increased parcels volumes
 - Int Priority 102% vs target (110% YoY) – Driven by improved upselling in branch & increasing number of market place sellers sending internationally needing a tracked or signed service
- Banking
 - Performance for P1 104% of target (109% YoY) continuing positive trend from 2015-16

WHAT HAS NOT GONE WELL?

- Mortgage
 - Web apps 17%, Contact centre apps 46%, Intermediary 50% & Branch apps 50% in P1
 - Applications behind plan in the period, particularly online where the impact of MCD on MoneySupermarket & other aggregator sites has had a significant effect
 - Web leads didn't spike following the 20th April re-price; symptomatic of the MCD changes on aggregator sites plus our Best Buys being generally only 1bp better than the market
- Travel Money
 - Travel Money at -12% vs target - still trading partially against buy forward
- Travel Insurance
 - Overall 77% vs target
 - Network at 85% vs target (-4k vol) Introduction of quick quote, laminate & improved pricing has not yielded the expected results
 - Direct 70% vs target (-10k vol) -5k from Aggregator delay, -3k from Web due to delay in launch of revised website (now due in June), -1k Contact centre due to reduced sales calls (rather than renewal retention)
- Savings
 - Post Office deposits ended April at £17b
 - Target (to achieve) by end of June revised to £16.5b (up from £16.3b)
 - Improved position through balance management initiatives implemented but is still over plan
 - Online ISA: +£120m due to higher than planned average balances as we reached tax year end & customers utilising allowances
- Lottery
 - No significant rollovers/events to drive sales in P1, POL is performing c.5% below Camelot retail
 - POL Camelot terminals have reduced by c.10% since 13/14, these terminals have subsequently been placed in other retailers
 - Camelot are driving for growth/migration through/to online channels

Looking Ahead

OPPORTUNITIES?

- Telco
 - BT have just announced price rises planned for July 3rd, this has given us a window to further promote Telecoms products as the differentials between our prices and BT prices has increased significantly
 - When BT customers receive their notification of the price changes they have 30 days to leave their existing contracts without penalty. Network briefings have been completed and bespoke collateral is being prepared and is planned to be in the network within 2 weeks
- Government Services
 - Review of forecast with UKVI has identified a £0.5m full-year opportunity, with volumes up 35k over the year to 410k
 - Secure Card Collection transaction has been increased year on year to reflect additional roll out volumes from UKVI
- Financial Services – Credit Card
 - BoI are reviewing the scorecard with intention to increase average accept rate from 42% to 47% - implementation due July

RISKS OR CONCERNS?

- Travel Insurance (Ti)
 - Travel Money running c.12% behind target (-9% YoY) impacting Ti sales
 - Branch improvements (Quick Quote, New Laminate, improved pricing) have failed to deliver expected results
 - Any further delay in Aggregators or Website launch
- Savings
 - plans were built on a 16/17 YE plan of £17.3bn book size
 - BoI's balance sheet position changed and the YE target is now £16.8bn with a dip to £16.5bn by June in order to align with BoI's liquidity requirement profile
 - The requirement for deposits in Q1 will therefore be much lower than originally anticipated
- Mortgage
 - Low application levels (vs target) have continued from the peak in July/August
 - Sales pipeline duration is approximately 3 months and therefore we expect to be c.£0.4m (income) below target for Q1
- Lotto
 - Q4 outturn is trending negatively
 - Final 2 months of the year saw a c.15% drop vs FY performance
 - 16/17 target is at risk as a result of the drop in performance following Camelot game changes made in Q3 last year

In Conclusion

CONFIDENCE?

High - A positive start to 2016-17, with Mails and GS performing in-line with expectations and Telco recovering quickly with offer in place. Financial Services as highlighted.

IMPLICATIONS?

Mortgage, Savings & Lotto are significant risks against 16/17 targets. Travel is exiting buy forward period and P2 will be a strong indicator to underlying trend.

Performance Data

FS	Period P01						YTD to P01					
	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)
Mortgages Total (£m)	58.7	94.9	-36.2	61.8%	-31.8	64.9%	58.7	94.9	-36.2	61.8%	-31.8	64.9%
Credit Card Total	14,749	8,059	6,690	183.0%	11,250	421.5%	14,749	8,059	6,690	183.0%	11,250	421.5%
Growth Bonds	2,754	2,995	-241	92.0%	-1,101	71.4%	2,754	2,995	-241	92.0%	-1,101	71.4%
Instant Access Saver	3,034	2,157	877	140.7%	1,171	162.9%	3,034	2,157	877	140.7%	1,171	162.9%
ISA	3,292	2,120	1,172	155.2%	-369	89.9%	3,292	2,120	1,172	155.2%	-369	89.9%
ISA - Fixed Rate	2,984	4,331	-1,347	68.9%	-7,075	29.7%	2,984	4,331	-1,347	68.9%	-7,075	29.7%
Online Bond Direct	306	1,440	193	21.3%	-1,419	69.2%	7,771	9,967	-2,196	78.0%	-1,419	119.6%
Online ISA Direct	5,017	4,307	710	116.5%	-8,888	36.1%	5,017	4,307	710	116.5%	-8,888	36.1%
Online Saver Direct	777	5,458	-4,681	116.0%	-1,047	42.6%	777	5,458	-4,681	116.0%	-1,047	42.6%
Reward Saver	887	741	146	119.7%	-235	79.1%	887	741	146	119.7%	-235	79.1%
Motor Insurance	10,110	10,696	-586	94.5%	-1,195	89.4%	10,110	10,696	-586	94.5%	-1,195	89.4%
Home Insurance	7,830	5,320	2,510	147.2%	3,178	168.3%	7,830	5,320	2,510	147.2%	3,178	168.3%
Life Assurance	2,234	1,926	308	116.0%	172	108.3%	2,234	1,926	308	116.0%	172	108.3%
Travel Insurance	47,592	62,052	-14,460	76.7%	-8,099	85.5%	47,592	62,052	-14,460	76.7%	-8,099	85.5%
Travel Money (£m)	197.1	226.3	-29.1	87.1%	-18.1	91.6%	197.1	226.3	-29.1	87.1%	-18.1	91.6%
ATM Withdrawal	14,829.8	15,859.3	-1,029.5	93.5%	-1,118.5	93.0%	14,829.8	15,859.3	-1,029.5	93.5%	-1,118.5	93.0%
Cash Withdrawals	6,554.3	6,292.2	262.1	104.2%	526.5	108.7%	6,554.3	6,292.2	262.1	104.2%	526.5	108.7%
Bill Payments (m) Network	10.8	10.1	0.7	106.9%	-1.4	88.8%	10.8	10.1	0.7	106.9%	-1.4	88.8%
MoneyGram (k)	358.2	357.7	0.5	100.2%	53.6	117.6%	358.2	357.7	0.5	100.2%	53.6	117.6%

Mails (including Retail & Lottery)	Period P01						YTD to P01					
	Actual (k)	Target (k)	Vs Target (k)	Vs Target (%)	Vs Last Year (k)	Vs Last Year (%)	Actual (k)	Target (k)	Vs Target (k)	Vs Target (%)	Vs Last Year (k)	Vs Last Year (%)
1st Class Labels Vol	7,426	6,943	483	107.0%	-181	97.6%	7,426	6,943	483	107.0%	-181	97.6%
1st Class Stamps (£k)	17,869	17,267	602	103.5%	-1,269	93.4%	17,869	17,267	602	103.5%	-1,269	93.4%
2nd Class Labels Vol	8,051	7,523	528	107.0%	541	107.2%	8,051	7,523	528	107.0%	541	107.2%
2nd Class & Other Stamps (£k)	18,396	17,663	732	104.1%	-1,143	94.2%	18,396	17,663	732	104.1%	-1,143	94.2%
Home Shopping Returns	2,384	2,626	-242	90.8%	257	112.1%	2,384	2,626	-242	90.8%	257	112.1%
International Express	26	22	4	118.1%	2	110.0%	26	22	4	118.1%	2	110.0%
International Priority	833	853	-20	97.6%	57	107.4%	833	853	-20	97.6%	57	107.4%
International Standard Vol	2,438	2,372	66	102.8%	-61	97.5%	2,438	2,372	66	102.8%	-61	97.5%
Parcelforce 24/48	353	339	14	104.2%	-5	98.6%	353	339	14	104.2%	-5	98.6%
Royal Mail Signed For	7,439	7,160	279	103.9%	383	105.4%	7,439	7,160	279	103.9%	383	105.4%
Special Delivery	4,859	4,847	12	100.2%	100	102.1%	4,859	4,847	12	100.2%	100	102.1%
Retail (£k)	821.7	763.9	57.8	107.6%	171.0	126.3%	821.7	763.9	57.8	107.6%	171.0	126.3%
Lottery (£m)	56.9	65.1	-8.2	87.4%	-7.3	88.6%	56.9	65.1	-8.2	87.4%	-7.3	88.6%

Telecoms	Period P01						YTD to P01					
	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)
HomePhone	7,939	11,383	-3,444	69.7%	-981	89.0%	7,939	11,383	-3,444	69.7%	-981	89.0%

Government Services	Period P01						YTD to P01					
	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)	Actual	Target	Vs Target	Vs Target (%)	Vs Last Year	Vs Last Year (%)
AEI - UKBA	47,672	16,828	30,844	283.3%	16,566	153.3%	47,672	16,828	30,844	283.3%	16,566	153.3%
Passports	385,719	337,814	47,905	114.2%	-6,764	98.3%	385,719	337,814	47,905	114.2%	-6,764	98.3%

Profit & Loss Statement YTD

Strictly Confidential

April 2016

£m	P1			Prior Year		Full Year		Prior Year
	Actual	Budget	Variance	Actual	Variance	Budget	Stretch Target	Outturn
TOTAL GROSS INCOME	90.4	88.1	2.3	89.5	0.9	984.0	984.0	981.6
Cost of Sales	(10.6)	(10.8)	0.2	(10.0)	(0.6)	(120.0)	(120.0)	(110.4)
TOTAL NET INCOME	79.8	77.3	2.5	79.6	0.2	864.0	864.0	871.2
Staff Costs	(21.7)	(21.5)	(0.2)	(21.3)	(0.3)	(226.5)	(210.5)	(231.0)
Postmaster Costs	(37.2)	(36.1)	(1.1)	(41.2)	4.0	(391.1)	(391.1)	(413.2)
Non-Staff Costs	(27.0)	(27.7)	0.7	(25.7)	(1.4)	(285.2)	(282.2)	(276.0)
Total Expenditure (pre Project OpEx)	(85.9)	(85.4)	(0.5)	(88.2)	2.3	(902.8)	(883.8)	(920.2)
FRES - Share Of Operating Profits	3.8	3.6	(0.0)	2.8	0.8	35.8	35.8	35.3
EBITDAS - BAU	(2.3)	(4.5)	2.0	(5.9)	3.4	(3.0)	16.0	(13.7)
Project OpEx	0.0	(0.6)	0.6	(1.9)	1.9	(7.0)	(7.0)	(12.0)
EBITDAS	(2.3)	(5.1)	2.6	(7.8)	5.3	(10.0)	9.0	(25.7)
Depreciation	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(1.2)	(1.2)	(0.4)
Network Payment	7.7	7.7	0.0	12.5	(4.8)	80.0	80.0	130.0
EBIT pre exceptionals items	5.4	2.5	2.6	4.7	0.5	68.8	87.8	103.9