



Operational Excellence Incentive

We are launching an Operational Excellence Incentive to remunerate you for the time already spent on back-office activities. By carrying out the existing operational requirements for the running of your branch, Post Office will pay you up to 5% more of your total variable remuneration each month. These payments will be based on meeting the requirements for daily cash declarations, cash pouch remittances, cash holdings and monthly trading period accounting.

At the start of the period each branch is given 100 points to start with and will only have points deducted if they miss certain operational requirements. The final points score for the period then translates to the potential incentive payment the branch might receive for that period.

If a branch completes the remuneration period with 81+ points, it would receive a payment equal to between 0.25% and 5% of its variable remuneration that month depending on its final points score (please see table on the right). For example, a branch that earns £1,000 in variable remuneration could earn £1,000 x 5% = £50 for maintaining 100 points. There would be no payment for a score below 81.

Gateway to Incentive: Trading Period Balance



Every month a branch has a one-week window to complete their Trading Period (TP) balance.



If a branch misses its one-week window, the branch wouldn't be able to receive any Operational Excellence Incentive payment for that month.



The Trading Period balance is a complete monthly stock and cash check.



Points achieved	Remuneration multiplier
100	5.00%
99	4.75%
98	4.50%
97	4.25%
96	4.00%
95	3.75%
94	3.50%
93	3.25%
92	3.00%
91	2.75%
90	2.50%
89	2.25%
88	2.00%
87	1.75%
86	1.50%
85	1.25%
84	1.00%
83	0.75%
82	0.50%
81	0.25%
80 or less	0.00%

Cash Declarations

2pts

Branches are contractually required to complete an accurate cash declaration on all used stock units each day.

If a branch were to miss a cash declaration, then the branch will lose 2 points for each day this happens.

Best practice is to complete a cash declaration as the last thing that you do before leaving the branch.

For branches open late, cash declarations must be completed just before 7pm.

Cash Pouches

2pts

When branches send back cash to the Post Office it is important that they send the correct amounts back.

For every cash pouch that has the incorrect amount in it and creates a transaction correction, the branch will lose 2 points from the incentive scheme.

Try to make up any cash pouches before declaring cash. If you do prepare cash pouches after your cash declaration, re-declare your cash and don't include the cash pouches in the figures to be sure that your cash is correct.

Cash Management

1pt

Excess cash is cash that should have been returned to the cash centre but has instead remained in branch.

If the branch receives a message to retain 10k and they declare on the same day that they have 25k, it would be expected that the branch would return 15k. If the branch only returned 10k, then the remaining 5k would be considered excess cash.

The branch will lose a point for every 1k of excess cash it averages over the remuneration period. For example, a branch that averages 4k of excess cash over a period will lose 4 points.