



# Branch Support Programme

Steering Group Meeting – Friday 6<sup>th</sup> June 2014

# Agenda



## Programme Overview

## Programme Governance

- Link into Transformation Committee
- Role of Steering Group and working group – sign off Terms of Reference

## Overall Programme Status

- High level milestone plan

## Work Stream Status

## Risks and Issues

## Branch Support Programme - Overview



### Purpose

The purpose of the Branch Support Programme (BSP) is to improve the effectiveness and efficiency of the support we provide to our subpostmasters and operators in the running of their Post Offices from an operational and engagement perspective.

### Business Case

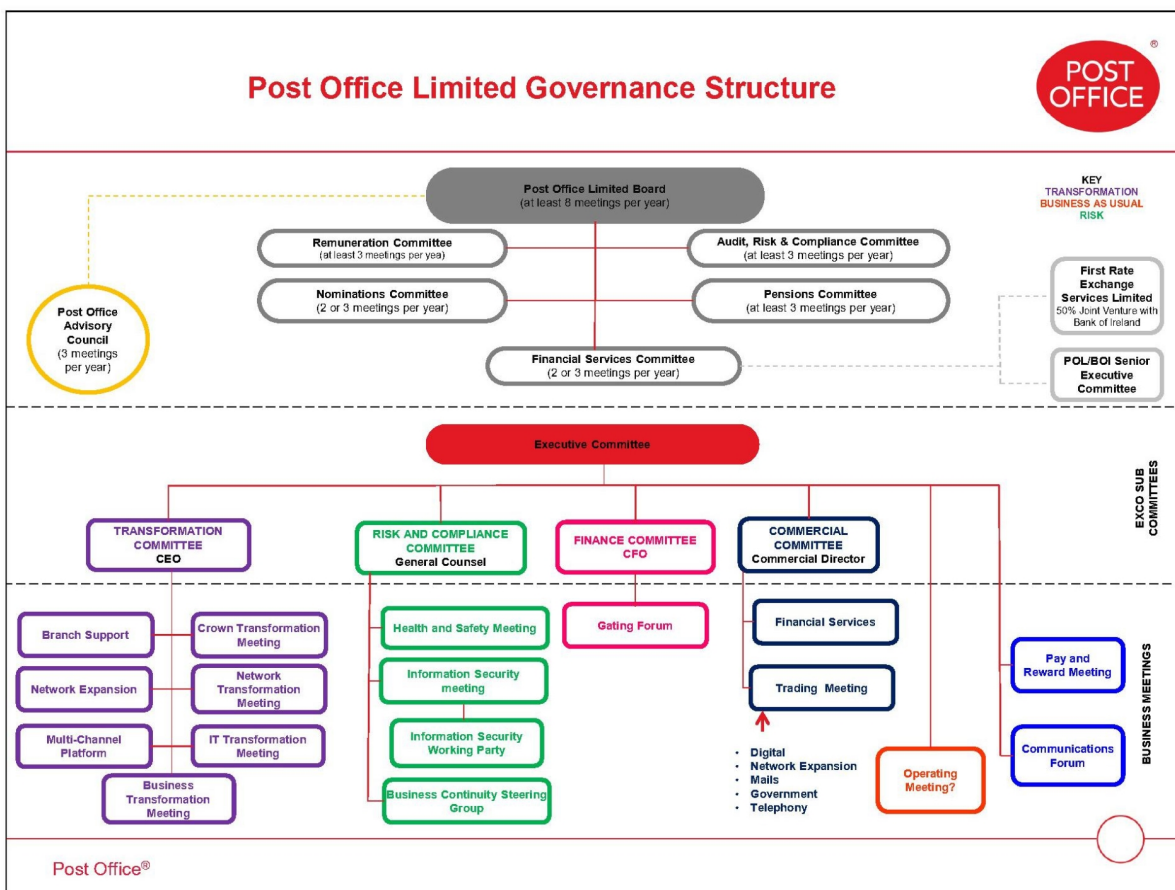
- Spend £8.678m (£4.678m exceptional £4m VR)
- Payback £3.2 years

### KPIs

- Reduce operating costs by £3m pa
- Spmr suspensions less than 60 pa
- Agent debt reduced by £1m pa
- NBSC call volumes reduced by 25%
- Satisfaction with on-line training modules 95%
- Audit losses over £10k reduced by 50%

Agent Engagement Survey Index will be tracked to assess impact







Branch Support Transformation Programme					Time		A
Programme Summary – To improve the support we provide to subpostmasters and operators in the running of their Post Offices from the moment they join to the point where they leave the business.					Cost		G
					Benefit		G
					Quality		G
Performance (Benefits)					Programme Scale		
					Cost C. £4.25m (+ VR c £4m)		
					Timescales - complete by March 2015		
					Customers, Colleagues and Third Party Engagement		
					Customers		
					Colleagues		
					Third Parties		
					Delivery Plan RAG status (Time)		
					Revised suspension approach launched		
					HORice launched		
					Regulatory Compliance on-line modules		
					On-line training modules launched		
					Branch view tool launched		
					2013-14		
					2014-15		
					2015-16		
					5		

## Performance

In terms of detail regarding the suspensions:

£61,631.30 audit shortage – no admissions – no repayment and queries over Company operating Franchise

Operator arrested and bailed re theft of customers wallet within branch

Subpmr hospitalised and on life support – branch closed since 09/04/14 and defunded 01/05/14

£31,409.32 audit shortage – Subpmr admitted misuse of £30k to support retail business

SPMR arrested and bailed, loss of £26,394.26 made up of incident loss, cheque fraud and what appears to be a rolling loss –

Police investigation continues following robbery at branch. Assistant has been arrested and admitted to staging an incident

and cheque fraud – he has been detained

SPMR £85.06 over at audit, evidence of the Subpostmaster reintroducing a large amount of cash and there was also a large

discrepancy in the cash declaration made on the 28th May. Inconsistencies in explanations provided by the SPMR and on

assessment of the information available the risk to POL funds for further investigation be conducted while the SPMR remained in post was too high.



# Roles and responsibilities of groups

## Steering Group meeting

- Understand progress against the milestone plan, costs, benefits and quality of the Programme and report this to Transformation Committee
- Ratify milestone changes if necessary
- Understand risks and issues of delivery of the Programme and ensure actions proposed by work streams will be adequate to mitigate those risks
- Make decisions on deliverables as required by the Work Stream meeting
- Challenge each other and respective teams who are responsible for delivering certain areas of the Programme
- Ensure Programme is administered in line with Post Office governance standards and controls are in place

*Attendees: Kevin Gilliland, Paul Brown, Michael Larkin, Ian Kennedy, Brian Deveney, Dave Hulbert, Harry Clarke, Angela Van-den Bogerd, Gayle Peacock*

## Working Group meeting

- Formal up-date on progress with each work stream
- Manage interdependencies between each work stream
- Identify risks and issues associated with delivery of milestones and benefits, proposing mitigating actions
- Agree proposals and make decisions regarding deliverables to present to the Steering Group
- Agree on which issues need to be escalated to Steering Group

*Attendees: Pam Heap, Drew McBride, Craig Tuthill/ Lin Norbury, Sarah Malone, Julie Thomas, Ann Miller, Claire Langley, Amanda Stevens, Kendra Dickinson, Rod Ismay, Doug Brown, Andy Hayward, Michael Brown, Andy Holt, Karl Oliver, Andy Garner, Richard Weaver/Jonathan Knox, Georgina Blair, Angela Van-den Bogerd, Gayle Peacock, Anne Allaker, Peter Prior-Mills, Dave Ireland*

# Milestone Plan



Activity/Work stream	Owner	Benefits/Metric associated	Q1	Q2	Q3	Q4
Pre-appointment	Craig Tuthill/Lin Norbury	£30k per annum resource saving		Streamline supporting interview process	Launch revised application process	
Training	Sarah Malone/Julie Thomas	£450k saving 95% satisfaction		Revise counter training room content to on-line platform		
Communications	Richard Weaver			Launch branch communication research Review findings of research to identify solutions Agent engagement survey launched		
Operational Support	Amanda Stevens	£635k NBSC £640k FSC £530k Network Services	<b>Dates for revising call categorisation into NBSC, call review, review of FSC teams and Network Services to be identified and agreed</b>			Deploy CRM across Ops Support areas
Physical Support	Pam Heap	£250k audit admin £100k audit review		Centralisation of audit admin		Revised audit process launched
IT	Peter Prior-Mills			Branch profile requirements identified Branch profile options scoped, agreed and build starts Bureau duplicate receipt launched		Deploy CRM Revised cheque rem process launched
Leavers	Craig Tuthill/Lin Norbury	£1m net debt 50% spmr suspensions		Revised contractual breach policy launched		
On-line Regulatory Compliance	Gayle Peacock	£51k joiners (14/15) £135k additionally after full migration		Prototype ready for testing New joiners process launched	Being migration of remaining network	
HORice	Gayle Peacock	50% reduction in audit shortages > £10k		Launch of HORice pilot		

# Workstream status



Work stream	Status	Next Steps	Next milestone date
Pre-appointment	<ul style="list-style-type: none"> <li>High level plan and benefits identified</li> <li>"End-state" vision agreed by group</li> <li>Potential options for improved web-application process scoped</li> <li>Synergies with NT electronic business plan identified</li> </ul>	<ul style="list-style-type: none"> <li>Agree lower level plan detail with specific business owners</li> <li>Understand electronic business plan in more detail</li> <li>Progress improved on-line application process</li> </ul>	<ul style="list-style-type: none"> <li>Business plan review on 13<sup>th</sup> June</li> <li>Work stream meeting planning session on 17<sup>th</sup> June</li> </ul>
Training	<ul style="list-style-type: none"> <li>"End-state" vision agreed by group</li> <li>Activities identified to deliver business benefit with high level milestones identified</li> </ul>	<ul style="list-style-type: none"> <li>Agree lower level plan to progress to end state</li> </ul>	
Communications	<ul style="list-style-type: none"> <li>High level plan and milestones agreed with work stream group</li> <li>Analysis undertaken on costs associated with "corrective" communications</li> </ul>	<ul style="list-style-type: none"> <li>Agree lower level plan to progress to end state</li> </ul>	
Operational Support	<ul style="list-style-type: none"> <li>"End-state" vision agreed with group</li> <li>High level list of required activities identified</li> <li>Analysis done on NBSC call types to initiate areas for root-cause analysis. Top 3 areas are "mails", "stock" and "telephone numbers" driving in 25% of calls</li> <li>Input into branch profile tool</li> <li>Improvement plans created with NBSC and FSC to tackle "quick wins" in bau</li> </ul>	<ul style="list-style-type: none"> <li>Agree lower level plan to progress to end state and to deliver business case benefits</li> </ul>	

# Workstream status



Work stream	Status	Next Steps	Next milestone date
Physical support	<ul style="list-style-type: none"> <li>Options for supporting 2020 strategy identified</li> <li>Revised way of logging audit results currently being tested after FSA training</li> <li>Agreement reached with Risk and Compliance on suggested alternatives for compliance audits</li> </ul>	<ul style="list-style-type: none"> <li>Arrange meeting with key stakeholders to review the compliance audit process</li> <li>Track benefits of revising audit logging process and identify how this translates into longer term FSA resource plan</li> </ul>	<ul style="list-style-type: none"> <li>June/July deployment of revised audit logging</li> </ul>
IT	<ul style="list-style-type: none"> <li>Branch profile requirements identified with business stakeholders</li> <li>Suggested approach discussed with NT and IT architecture</li> <li>Bureau 2<sup>nd</sup> receipt transaction scripted and passed to Fujitsu for build</li> <li>Revised cheque rem process identified</li> </ul>	<ul style="list-style-type: none"> <li>Agree plan for delivering branch profile tool</li> <li>Get ATOS to complete formal assessment of options</li> </ul>	<ul style="list-style-type: none"> <li>21<sup>st</sup> July for model office testing for bureau receipt</li> <li>w/c 9<sup>th</sup> June for CRM meeting</li> </ul>
Leavers	<ul style="list-style-type: none"> <li>Revised suspension process already implemented with supporting policy change</li> <li>Recognition process to be scoped</li> </ul>	<ul style="list-style-type: none"> <li>Policy PIR to be undertaken</li> <li>Review of plan with work stream group</li> </ul>	<ul style="list-style-type: none"> <li>Work stream meeting scheduled for 1<sup>st</sup> July</li> </ul>
On-line Regulatory Compliance Training	<ul style="list-style-type: none"> <li>Supplier currently progressing build of prototype</li> <li>Users identified for involved in testing prototype</li> <li>Saba providing ORBIT prototype for testing</li> </ul>	<ul style="list-style-type: none"> <li>Test prototypes</li> <li>Agree short, medium and long term plan</li> </ul>	<ul style="list-style-type: none"> <li>Saba BUPA demo on 9<sup>th</sup> June</li> <li>EMC prototype demo on 11<sup>th</sup> June</li> <li>Testing for users 16<sup>th</sup> June</li> </ul>
HORice	<ul style="list-style-type: none"> <li>CR and purchase order raised with Fujitsu</li> </ul>	<ul style="list-style-type: none"> <li>Impact assessment to be returned by Fujitsu</li> </ul>	<ul style="list-style-type: none"> <li>10<sup>th</sup> June is re-planned date</li> </ul>



# Risks and Issues



Risk	Likelihood	Impact	Score	Mitigating action	Owner	Date
Fujitsu and internal POL IT teams do not have resource to deliver Programme changes which is significantly impacting on delivery date	5	3	15	Plan to be produced by IT mapping areas for change, priorities and resource required. Plan for escalations within Fujitsu need to be made available to stakeholders	Dave H	
Majority of savings costs are through people/resource savings, increasing risk of surplus pool	4	4	16	Plan to be created across Programme where resource efficiencies are identified. Vacancies to be sourced on temporary basis or not filled where there is a reduction	Drew Craig Amanda Rod	
Other pressures on time creating inability to mobilise work streams	3	4	12	Steering group to review area representation on Programme and ensure priorities are clearly communicated	Programme Steering Group	13 <sup>th</sup> June 2014
Subpostmasters and operators don't embrace new on-line training methods	3	4	12	Involvement throughout in on-line build and testing of solutions. Planned phases of delivery to ensure buy-in.	Angela/Gayle	
Reduction in spmr suspensions increases net debt figure	3	4	12	Number of suspensions, reasons and impact on overall debt being monitored. HORIce will enable earlier intervention.	Craig/Rod	
HORIce may not be tool to reduce debt	3	3	9	Requirements fully scoped with experts from the area based on knowledge of fraud/non-conformance activity	Gayle	