*Project Initiation Document Template v1.04 – This document describes a single change project, and will be kept updated throughout the project life. It serves to inform stakeholders, project team, and project board of the purpose and impact of the change project. The Project Sponsor is accountable for the quality of this document. Text in red italics describes how to use the template and fields that must be filled in. **Please remove all red italicised text from your final document.** All document text remaining should be black Chevin font.*

1   Investment Committee Business Case

Source of Funds	Unbudgeted	Sponsor / Project Manager	Kevin Gilliland/Angela Van Den Bogerd

Ultimate Authority	Chief Financial Officer/ POL IC

Cut/paste guidance: If you need to cut/paste this info from/to other documents, use "Paste Special, Unformatted Text" to avoid pasting the from-format into the to-format.

Detail the main objective of the change. Describe critical success factors for each objective.

How will you measure success? What indicators will you use to judge success? Provide descriptions of the Key Performance Indicators (with targets) for this change.

(If not applicable to the project, please enter N/A)

Describe the contractual framework and terms.

Identify any supplier(s). Add commentary on the supplier's track record of delivering such projects and delivery risk.

Identify any client(s). Describe settlement terms and the working capital impact.

Contact Head of Finance to include comment on any financial issues impacting the decision of the case. Economics and financials should be based on the Group impact (i.e. strip out the effect of Inter Business payments etc).

REQUEST

This paper seeks approval for the funding of the Branch Support Programme the purpose of which is to improve the effectiveness and efficiency of the support provided to subpostmasters and operators in the running of their Post Office branches. The Programme is one of the key strategic programmes which reports into the Network Transformation Committee.

Approval is sought in 2014/15 for £3.581m[1] one-off operating expenditure and £0.675m annual operating expenditure which includes resource costs and investment to deliver specific activities within the individual work streams. This is broken down into the following areas:

- Internal resource costs to manage the Programme £1.046m

- Investment in appointment process to attract and recruit higher quality subpostmasters   £0.035m

---

[1] There may be an opportunity to further align the Branch Support Programme with the Network Transformation Programme to avoid duplication of costs. The full extent of this will be identified following further analysis.

- Investment in on-line training modules to replace 80% of classroom training £0.550m

- Investment in the development of IT software to create unified case management system

  for all support functions £1.000m[2]

- On-going running costs, licences and hosting for IT software for case management £0.500m[3]

- Annual hosting costs for recruitment and on-line training portals £0.175m

- Re-writing of HNG transactions to remove opportunity for errors and losses £0.250m

- Investment in internal training and communications to support culture change £0.200m

- Commissioning of resource to support with the revised operating model £0.250m

- Legal fees to review appointment and contractual processes £0.250m[4]

In addition, due to the fact that most of the cost savings will be realised by reducing headcount there will potentially be Voluntary Redundancy (VR) of approximately £4m which has also been included in the case economics.

Approval Request (£m)	Total	CapEx	Exceptionals	VR	Lease Obligation	Disposal Proceeds
Sunk	£0.422	–	£0.422	–	–	–
New	£8.256	–	£4.256	£4.000	–	–
Total Request	£8.678	0.0	£4.678	£4.000	0.0	0.0

	NPV @ 12%	IRR	Payback	PV/I		Recurring PBITDA	Steady State – Yr
Economics	£5.8m	38.2%	3.2 Yrs	1.7		£3.855m	2016/17
	Green	Green	Green	Green			

Resource Requirement for 2014/15	Heads	Duration	Cost
Skills Group	5	11	556,894
Skills Group	2	3	79,600
Total Request	7	15	636,494

2 BACKGROUND

To address the concerns of some subpostmasters over recent years about Horizon, the Post Office commissioned forensic accountants, Second Sight in 2012 to undertake an independent review of the cases. The interim report was published in July 2013 and

---

[2] Budget for this spend is not currently within the IT Strategy plan, hence the request for this funding.
[3] As per footnote 2.
[4] Figure based on information provided by Crown Franchise Team for contract piece

whilst the report identified that there were no systemic issues with the Horizon system, it suggested that Post Office should examine the training and support offered to its subpostmasters.

As a result of this, the Branch Support Programme was established to review the lifecycle of the subpostmaster's experience with Post Office; "fix" the issues identified in the Second Sight report and the subsequent mediation cases and ensure any lessons learnt are factored into future ways of working. To do this, nine work streams have been established as part of the Programme to capture all of the touch points a subpostmaster has when running their branch. These are working to the Programme guiding principles of:

- Treat people with dignity and respect

- Stand in the subpostmaster's shoes

- Right first time

A LEAN approach is being used to map the critical business processes within the scope of the work streams to ensure that the most cost effective process is delivered to reduce non-value add activity. This methodology also helps to embed the principles of continuous improvement within the relevant work areas. The work streams are detailed at Annex 1.

A number of "quick wins" have already been implemented and funding was provided to the Programme until the end of April 2014 to initiate some further critical initiatives, including the development of the Horizon Information Centre (HORIce) data tool and the development of on-line regulatory compliance training to address the key themes highlighted in the Second Sight report including how subpostmaster material contract breaches are dealt with; how problem branches are identified (HORice); improving the way we identify and support branches experiencing accounting issues; and how we provide training and support to new subpostmasters

In addition to this, specific activity has been undertaken with the Network Business Support Centre and Finance Service Centre to identify improvement opportunities in ways of working.

The areas currently out of scope within the Programme are:

- Crown network as an entity
- Supply Chain (with the exception of the Retail Cash team)
- Network Transformation Programme as an entity
- Business Transformation Programme

However, as part of the work streams, the Programme will be mapping out the dependencies and impacts to avoid potential duplication or unnecessary costs.

3. OPTIONS

A number of options have been considered. Option 2 is the preferred option.

Option 1	
Do Nothing – Do not act on the improvement opportunities	Post Office has publicly stated that the issues identified in the Second Sight Interim report will be fixed.
Option 2 - Preferred Option	
Adopt a programmatic approach to make the desired improvements	In order for the issues identified in the Second Sight Interim report and the internal review to be fixed for the future, a programmatic approach to reviewing the end to end support processes is required. The complexity of the work streams and their interdependencies create a need for this approach. This inclusive, programmatic approach will ensure that the level of cultural change required

	to embed the new ways of working is achieved.
Option 3	
Make the required improvements within the existing business as usual structure	Some of the required changes could be made within the existing business as usual teams. However, this would only exacerbate the issue of silo-based working which impacts on the support provided to subpostmasters. Delivering change within isolated areas would not improve the end to end experience and it would mean that the reduction in operating costs would not be realised, largely due to the fact that a full end to end review of the processes would not have taken place.
Option 4	
Make the required improvements within the existing business as usual structure and request that the Business Transformation Programme deliver the case management IT tool.	The case management system could be developed as part of the Business Transformation Programme with the supplier incurring the investment cost (estimated at £1m in this business case) however the timescale in appointing the partner could delay the benefit realisation.

4 .CUSTOMER JOURNEY/MARKETING CONSIDERATION

Part of the cultural change which the Programme has to embed is to place the customer at the heart of our internal processes. If the work streams achieving their objectives, the customer will see a number of positive changes:

- Recruiting higher quality subpostmasters will result in viable, sustainable businesses which offer a great customer experience
- Improving the way subpostmasters are trained and supported will result in a better service to our customers, creating a highly professional brand and reducing the number of complaints
- Re-writing Horizon transactions to make it simpler for branch will make it easier for customers to do business with us
- Creating a stream-lined operational model with everybody trained to a high standard, putting customers first and using a common IT platform to record contact with branches will make it easier for customers to do business with us.
- The presence of real-time Horizon information and effective intervention processes will enable better targeted training and support to branches which will prevent small issues turning into bigger ones
- The revised approach to dealing with suspensions and contractual breaches will create a more stable environment for the customers accessing those specific branches.

5. BENEFITS

The remit of the Branch Support Programme is to improve the experience for the subpostmaster in the long term and to fix the root causes of the issues identified as part of Project Sparrow so Post Office is not exposed to the same level of risk (reputational and financial) in the future. Each of the work streams has been tasked with identifying a more cost effective method of providing support to branches and therefore each investment identified will have a specific return as part of the Programme however some of these need to be determined as part of the 14/15 Programme. Benefits areas identified to date are set out below.

The Programme will also be tracking subpostmaster and operator satisfaction with the new ways of working. This will include tracking the specific questions regarding support within the Agent Engagement Survey, gathering feedback from the Branch User Forum and also using on-line feedback surveys as part of the roll-out of on-line training.

Improvement Activity[5]	Cost of Implementation	Activity Specific Benefit	Overall Programme Level Benefit
Revised on-line subpostmaster appointment – an improved web-site to attract agents, a revised selection process to ensure we are recruiting the right people and an improved support package following transfer.	£35k in 14/15. Annual hosting cost of £20k pa	Actual benefit to be determined in Q2 14/15.	£3.03m reduction in support costs[6]
Replace the majority of new entrant classroom with on-line training – 80% reduction in classroom training course content for new colleagues and subpostmasters with on-line learning modules. There are additional benefits to this which include the provision of a digital platform which is available to the whole network and where other benefits such as compliance training and "real-time" learning could be realised.	£550k in 14/15. Annual hosting costs £155k pa	Recurring saving of 20 FTEs which equates to £600k per year.	
Re-writing Horizon processes – to reduce the rate of errors and losses will deliver both a financial and a resource benefit in chasing those errors. A transaction process is currently being re-written which has resulted in Finance Service Centre investigating 364 cases for bureau debit card transactions to the potential loss value of £895k. 30 of these cases were passed to subpostmasters to pay which totalled £65k in value. Whilst Post Office was able to defend the majority of the charge-backs, resource was still required to chase down these enquiries and provide evidence.	£250k in 14/15.	Dependent on what changes to processes are made	
Introduce a Customer Management System – delivering a consistent IT	£1m in 14/15 for investment in the	TBC as part of Programme	

---

[5] The table below outlines some of the Programme activities which will deliver the £3.03m cost reduction in support costs.

[6] Detailed breakdown of activities and assumptions are attached in Annex 7

platform for those teams supporting branches will enable operating cost reduction benefits to be realised. The requirements will be determined from across the business to ensure that the system dovetails with existing or future business systems.	development of IT software to create unified case management system. Annual running costs, licences and hosting for IT software £500k pa.	14/15. Migrating teams within network, NBSC, FSC, Security and others to a common CRM tool will enable processes and true workload to be mapped and identified. Once this is in place, this will allow for meaningful reviews of activity to be undertaken.	
Subpostmaster material contract breaches – revised approach has resulted in c. 50% reduction (from 188 in 2012/13 to 99 in 13/14) number of precautionary suspensions.	Nil	Cost of reduction in resource required in sourcing temporary alternative solutions to be determined in Q2 14/15.	
Subpostmaster material contract breaches – revised approach to suspensions is already having a positive impact on the amount of former agent debt that needs to be recovered. The number of suspensions is now less than half, and the amount of new debt added to be recovered by Finance Service Centre has reduced by approximately £900k. This figure is based on the actual new debt amount in Period 10 compared to the year-end period figure for 2012/13.[7] This amount doesn't include the legal costs or resource that is required to chase repayment.	Nil	£1m pa net reduction in agent debt	£1m pa net reduction in agent debt
Implementation of HORIce – will reduce the amount of losses to Post Office and the amount that subpostmasters and operators have to re-pay by ensuring intervention	Nil. (£100k one off cost was funded in Q4 12/13.	TBC on output of trial ending Oct 2014. Whilst we	TBC as output of trial ending Oct 2014.

---

[7] Whilst the current agent debt has increased by £600k, the former agent debt has decreased by £1.5m, providing a net figure of £900k.

| happens sooner to prevent losses escalating into larger amounts. In one case alone where losses were perpetrated by the subpostmaster's son over the space of a year totalling £185k, the activity he was doing to facilitate the fraud would have been evident within the space of possibly two months instead of a year | | anticipate that quicker access to better data could initially increase the amount of losses identified in the short term, the overall average value of losses identified will decrease over time. | |

6. KEY RISKS AND DEPENDENCIES

Because the majority of operating cost reduction benefit is delivered through a reduction in resource, then there is a risk that the cost may be taken out of the specific process area but not off the bottom line of the overall business. This could be particularly evident where CWU represented grade jobs are removed and we seek to exit via the voluntary redundancy process. Compulsory redundancy may need to be an option considered.

The Network Transformation Programme also makes it difficult for some operating cost benefits to be fully realised immediately. For example, the new contractual processes will result in a decrease in the number of contractual cases that need to be managed, but the upsurge in NT recruitment cases means that full-scale cuts in resource may not happen immediately.

This Programme is as much about culture and behaviour as well as processes and systems. If the guiding principles are not embedded into the organisation, then there is the significant risk that subpostmaster engagement will not improve and the relationship between Post Office and its subpostmasters worsens.

The Programme is also dependent on other projects which are:

- Project Sparrow. The two Programmes need to be closely aligned to ensure that all the gaps and issues identified in mediation cases have been resolved. The prosecution policy which the Programme will define will also have a direct impact on the action taken with subpostmasters to recover losses. The business as usual complaints process and the independent resolution of future cases also needs to be aligned.
- Business Transformation. The Programmes need to ensure that there are no double-counting of benefits regarding operational cost reduction. Meetings between the two Programmes have taken place and Business Transformation is fully aware of the scope of the Branch Support Programme. It has been agreed that the Design Partner will not spend time investigating the areas already completed by Branch Support, which potentially will reduce the costs in Business Transformation, but will spend time with the Programme to ensure business processes are mapped consistently and the operating models being proposed align with the overall blueprint of the Business Transformation Programme. The timeline of the two Programmes and the fact that Branch Support will transfer into business as usual by the end of March 2015 means that we cannot wait for a CRM tool to be developed by the new Partner. However, what we

will do is ensure that the Programme is fully aligned with the IT strategy of the Business Transformation Programme.

- Network Transformation. The new policies and processes created within the Branch Support Programme will support the new operating models.
- Branch Counter Refresh/IT Roadmap. Some of the improvement opportunities required to support branches, such as having the ability to self-help more successfully and interacting with the support functions in a more engaging way will only be delivered once Horizon moves to a different web-based platform. The estimated timescales for this are between 2015 and 2017.
- Digital Programme. A big focus of the Branch Support Programme will be to provide subpostmasters and operators with alternative channels for training and support, namely a digital channel. Therefore the Programme needs to ensure that it is working towards a common digital platform. There are already close links with the Digital Programme as they are assisting in producing an on-line Regulatory Compliance channel for new entrants.

The Branch Support Programme will ensure it remains aligned with other Programmes through the governance required by the Programme. Progress will be reported at the Network Transformation Committee, ExCo and POL Board. The Programme Director is a member of the Business Transformation Committee.

7. SUMMARY FINANCIALS

Incremental Profit & Loss (£)	2014/15	2015/16	2016/17	2017/18	2018/19
Incremental Revenue	-	-	-	-	-
Recurring benefits	-	£4,030,000	£4,030,000	£4,030,000	£4,030,000
Recurring costs	-	(£175,000)	(£175,000)	(£175,000)	(£175,000)
Lease Rental	-	-	-	-	-
Group Recurring PBITDA	-	**£3,855,000**	**£3,855,000**	**£3,855,000**	**£3,855,000**
One-off Costs (OpEx) – Operating	-	-	-	-	-
Group PBITDA	-	**£3,855,000**	**£3,855,000**	**£3,855,000**	**£3,855,000**
Depreciation	-	-	-	-	-
One-off Costs (OpEx) – Exceptional	(£8,503,400)	-	-	-	-
Group PBIT	**(£8,503,400)**	**£3,855,000**	**£3,855,000**	**£3,855,000**	**£3,855,000**

Incremental Cashflow (£)	2014/15	2015/16	2016/17	2017/18	2018/19
Recurring PBITDA (as per above)	-	£3,855,000	£3,855,000	£3,855,000	£3,855,000
Other Change in Working Capital	-	-	-	-	-
Group Cashflow from Operations	-	**£3,855,000**	**£3,855,000**	**£3,855,000**	**£3,855,000**
One-off Costs (OpEx)	(£8,503,400)	-	-	-	-
Capital Expenditure (CapEx)	-	-	-	-	-
Total Cashflow	**(£8,503,400)**	**£3,855,000**	**£3,855,000**	**£3,855,000**	**£3,855,000**

8. KEY PERFORMANCE INDICATORS

KPI	Current	End-State	Achieving the End-state
Operating cost reduction	£39m[8]	£36m	This will be achieved by adopting the "right first time" approach to: • Recruiting the right people • Engineering products and processes to remove the opportunity for errors and the amount of Transaction Corrections issued • Delivering training and support in

---

[8] Calculated based on the teams within scope who provide support to branches. Includes the Crown structure.

			a more effective and cost efficient way • Having sight across all branch contact to ensure effective issue resolution. This will also enable the business to understand true workload and make the relevant efficiencies • Reducing former agent debt A full breakdown of the individual work stream activity and the associated benefits along with assumptions are included within Annex 7.
Number of subpostmaster suspensions	c.200 suspensions for 2012/13	60 per year	Adapting the process for how branch investigations are carried out. The new approach will be to keep the subpostmaster in post while investigations are carried out, unless there is a risk to customer, funds or brand damage.
Agent debt	£2.67 million out-turn 2012/13	£1.6m	• Revising the suspension approach to reduce the amount of new former agent debt. • Intervening earlier with branches to reduce the amount of current agent debt
Reduction of calls into NBSC	c. 47000 calls per period	25% reduction per period	Reviewing the call types into NBSC and undertaking root cause analysis of those call types to reduce the calls.
Reduction in average loss at audit	£740 average loss	50% reduction in number of branch losses over £50k	Introducing HORIce will enable earlier branch intervention which will reduce the average losses at audit. 392 branches out of the 3372 branches audited last year had a loss that exceeded the average loss. 75 branches exceeded the £10k loss mark, with the largest loss being £179k. HORIce will test what intervention is required to reduce those losses and therefore bring down the average loss at audit.
Satisfaction with on-line training modules	95%	95%[9]	Migrating regulatory compliance training onto an on-line platform to enable a more flexible and tailored approach to testing compliance. Making all transactional training available on-line.

Whilst the Programme will not have Agent Engagement as a Key Performance Indicator, we will be tracking the results of the elements of the specific questions which are related to branch support within the Agent Engagement Survey.

9. SENSITIVITIES/TOLERENCES

	Sensitivity rate	Sensitivity	NPV (£m)	IRR (%)	Payback (yrs)

---

[9] Due to the fact that on-line training modules are a new concept for most agency branches, the target for year 1 would be to maintain satisfaction levels with a view to increase this in year 2.

E.G	10% Growth	Worst Case	(1.2)	22.9	No pay back
E.G	20 % Growth	Factor used	0.5	33.7	3.5
E.G	25% Growth	Best Case	1.7	39.2	1.8
E.G	18% Growth	To Hit Hurdles	>£0	30.0	4.0

INVESTMENT APPRAISAL (IA) COMMENTARY

[ ]

Key Considerations

[ ]

Conclusion and Recommendation

[ ]

[Name]
[Head of Investment Appraisal]
[Month/Year]

ANNEX 1. Programme Workstreams

Name of work stream	Objective	Level of change required
Training	To provide co-ordinated, flexible, effective training to post office branches, delivered by highly trained individuals supported by a multi-channel approach.	Full review of who, where, when, what and how we train our branches. Includes IT development and structure review. Business change processes for delivery of training People change required for delivery of training and the accountability
Communications	To ensure all of our communications are personal, simple, co-ordinated, relevant, accurate and timely. They must also be signed off by a release authority, be measurable and visible to all.	Full review of how we interact with branches and development of new channels or materials to support that interaction. Specific communications to support the visions of the other work streams. Cultural change to embed the principles across the business
IT	To provide effective support and meaningful MI to colleagues, customers and clients, enabling sales and improving support	Transaction processes to make things easier for customers and branches Tools for branches to access help and support, and to improve the

Name of work stream	Objective	Level of change required
		experience

Tools and systems for internal teams to support and record contact

Systems and MI in place to reduce inefficiency among teams

Behaviour to support new ways of working |
| Pre-appointment | To ensure our agents are consistently informed, supported, knowledgeable, confident and feel part of Post Office Ltd. To ensure that our leavers in this process also feel informed, supported and valued. | The information that is provided to applicants and how we share that

How we support people through the process, both from a structure and behaviour process

The process of how we attract and recruit agents

The process of how we support agents leaving |
| Operational Support | To ensure consistent, quality, efficient and co-ordinated support is provided to branches to ensure they can serve customers effectively and have their issues resolved in a timely and quality way. | Structure of the operational support model and change in business process

Development and deployment of tools and technology to support the model

Way we deal with suppliers

Streamlining of transactions causing business inefficiency

Behaviour towards our branches |
| Physical Support | To engage and support our branches effectively to ensure great customer service is provided and business growth. | Structural review of support and necessary transition including recruitment, assessment and transition

Roles and responsibilities, including behaviours

Development of different skill sets |
| Leavers Process | To ensure that quality and consistent support is provided to branches, issues are investigated before contractual | Review of the suspension process, policy and contractual approach

Behavioural change in how we treat |

Name of work stream	Objective	Level of change required
	decisions are made and agents supported during the exit process and	agents with issues

Structural change to support processes

Approach to how we support agents with issues with assistants |
| HORIce | To develop a proof of concept that tests the availability of near real-time data to inform earlier intervention with branches who are displaying unusual behaviour, especially with regards to branch accounting. | How we gather, store and analyse branch data

Tools and systems used to gather data

Capability of teams to use and interpret data

Intervention and management processes |
| Regulatory Compliance on-line training | To develop an on-line solution for colleagues, subpostmasters and their assistants to complete regulatory compliance. | Replacement of manual process for all new entrants with on-line modules

Migration of all regulatory compliance training from Horizon platform to on-line solution |

ANNEX 2. KEY RISKS AND MITIGATIONS

Risk Factor	Impact	Mitigation	Mitigated Impact	Financial Impact
Resource savings may not be realised by 2015 if there are not enough people willing to leave the business.	Benefit reduction	Manage the resource plan of teams with HR to ensure that we have the right people in the right roles and vacancies are not filled.	Key owners already engaged with the Programme and the policy of recruitment freeze is already in place	£4m potential VR costs
Whilst the systems and processes may improve, the culture of the organisation does not change	Benefit reduction in terms of subpostmaster engagement	Guiding principles of the Programme have been established as well as a "vision" for behaviours with measures has been created. LEAN approach is also been adopted within the work streams	Engagement of all key people across the organisation and their teams is already in place. The Communications work stream will also be looking at how we bridge the gap between	

Risk Factor	Impact	Mitigation	Mitigated Impact	Financial Impact
		to try and embed culture of continuous improvement	Post Office and branches.	
The drive to achieve Network Transformation conversion numbers drives the wrong behaviour, resulting in the wrong type of person being appointed	If people don't realise what they are signing up to, this increase the risk to future claims for mediation	We are working closely with the NT Programme to ensure they are aware of the guiding principles of the Programme, and reviewing their processes which impact this area.	Revised recruitment process	
Subpostmasters and operators don't embrace new training methods	Benefit reduction	A series of pilots will be undertaken to test usability before full roll-out. On-line training will only replace training modules where it is appropriate to do so. Operating procedures which can only be done on a face to face basis will continue to be done on a face to face basis.	4000 subpostmasters and operators already active on subspace on-line[10]	
Revised approach to suspensions could increase losses in network or un-paid debt. It could also move former agent debt into current agent debt and prolong repayment.	Benefit reduction	Tracking mechanisms in place to understand the end to end journey and the impacts on each metric. Support provided by HORIce will also enable us to identify if branches are undertaking certain activity to hide gains they have created to pay back losses. A revised policy for large debt may also need to	HORIce is effective in early detection	

---

[10] Figure provided by Digital Programme and EMS who manage the "single-sign on" site for Post Office.

Risk Factor	Impact	Mitigation	Mitigated Impact	Financial Impact
		be introduced.		
Headcount may be reduced before new processes are embedded	Benefit reduction	HR is closely involved with the Programme and an Organisation Design plan is being developed. Also, the Programme has to start documenting business policies and processes which will reduce the chance of activity not happening.	Alignment of milestones	
HORIce may not be the tool required by the business to reduce fraud or non-conformance	Benefit reduction	The pilot will enable Post Office to understand the requirements or a replacement for HORIce if HORIce is not able to provide the requirements.		

ANNEX 3. PROJECT MILESTONES

Work stream	Milestone	Date
Programme Governance	Lower level work stream plans in place to deliver changes	March 2014
HORIce	Build of HORIce commences	May 2014
	Pilot of HORIce commences	May 2014
Leavers Process	Revised approach to contractual breaches launched	March 2014
Pre-appointment	Revised approach to recruitment process launched	September 2014
IT	Begin programme of Horizon transaction improvements	March 2014
	IT requirements fully specified, documented and agreed	June 2014
	Begin migration of support functions onto common platform	August 2014
Training	Build and testing of on-line training modules	December 2014
	Full roll-out of on-line training modules	January 2015
Communication	Complete research into branch communications issues	June 2014
	Agent engagement survey launched to the network	September 2014
Physical Support/Operational	Complete operations model design piece	June 2014
	Begin migration to new operating model	September

Support		2014
	Complete operating model migration	March 2015
Programme migration	Branch Support Programme migrates into business as usual	March 2015
	Programme PIR is concluded	May 2015

ANNEX 4. CONCURRENCES

Directorate/Area of Responsibility	Name, Title	Version Reviewed	Date Agreed
Project Sponsor	Kevin Gilliland, Network and Sales Director	v.8	2.5.2014
Sponsoring Director	As above		
Programme Director	Angela Van Den Bogerd	v.8	2.5.2014
Programme Manager	Gayle Peacock	v.8	
Role – Concurrence			
Finance	Sharon Bull, Head of Finance, Network	v.8	9.5.2014
Security	John Scott, Head of Security	v.8	8.5.2014
FSC	Rod Ismay, Head of Finance Service Centre	v.8	7.5.2014
Operations	Lesley Sewell, Chief Information Officer	v.8	8.5.2014
Marketing	Paul M Brown, Head of Commercial	v.8	9.5.2014
Network Transformation	Ian Kennedy, General Manager Network Transformation Programme	v.8	7.5.2014
Compliance	Dave Mason, Head of Risk Governance	v.8	9.5.2014
Business Transformation Programme & Procurement	Brian Deveney, Business Transformation Programme	v.8	9.5.2014
Network	Julie Thomas, Head of Crown Retail Operations	v.8	8.5.2014
Agents Policy & Contracts	Craig Tuthill, Head of Network Services	v.8	6.5.2014
Legal	Rodric Williams, Legal Services	v.8	
HR	Sarah Malone, Head of Organisation Development	v.8	7.5.2014
Strategy	Michael Brown, Integration Lead, SPMO	v.8	

ANNEX 5. FINANCIAL DETAIL
Summary of one-off costs EXCEPTIONALS – 2014/15

Costs (£k)	P1	P2	P3	P4	P5	P6	P7	P8	P9	P10	P11	P12	2014/15 total
Resource costs		95.1	95.1	95.1	95.1	95.1	95.1	95.1	95.1	95.1	95.1	95.4	**£1,046,4[11]**
Re-writing HNG		100		50			50			50			**£250**
Op model resource		100	75	75									**£250**

[11] Full breakdown of costs can be found in Annex 6.

Training & comms	20	20	20	20	20	20	20	20	20	10	10	£200
On-line training platform					300			250				£550
IT solution build			500			500						£1000
IT solution hosting etc						500						£500
Web-site changes for appointment		35										£35
Legal fees	50	50	50	50	50							£250
Total	365.1	275.1	790.1	165.1	465.1	1165.1	115.1	365.1	165.1	105.1	105.4	4081.4

ANNEX 6 – RESOURCE COST INFORMATION

ROLE	GRADE	NUMBER	DURATION	COST
Programme Director	SLT	1	11 mths	£151,020
Programme Senior Lead	Level 4	1	11 mths	£52,937
Programme Operational Lead	Level 3b	1	11 mths	£43,542
Programme Manager	£640 day rate	1	11 mths	£140,800
PMO	£440 day rate	1	11, mths	£96,800
Business Analysts	£472 day rate	2	11 mths	£213,694
IT project manager	£480 day rate	1	Full year	£105,600
IT Architect	£720 day rate	1	16 weeks	£57,600
Testing resource	£440 day rate	1	10 weeks	£22,000
Branch User Forum Co-ordinator	Level 3A	1	12 mths	£57,000
Programme T&S				£105,417[12]
			Total	£1,046,410

ANNEX 7

---

[12] Includes Branch User Forum T&S

Cost benefit
information for busine

Remember to update the headers & footers! (Add project title and doc classification to footer.)