

# Postmaster support policy

## Contract suspension

Version 5.2



Post Office is determined to reset its relationship with postmasters and has introduced policies that set out guidelines on how Post Office should support postmasters, specifically for use across twelve areas.

The policies stand on their own but should be reviewed in conjunction with each other. Support teams should have an awareness of all twelve policies and how they link together.

The twelve Postmaster Support Policies are listed in section 3.2 of this policy and can be found [on the hub, here.](#)

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# 1 Definitions

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## 1.1 Definitions

1. **Postmaster Suspension Decisions Governance Committee (“Committee”)** - The purpose of Committee is to review and provide oversight on decisions taken in respect of postmaster contract suspensions ensuring that any decision taken is done so within a legally and procedurally compliant and ethical framework.
2. **Branch Assurance** - This is a comprehensive assessment of the current trading position of a branch, and includes the verification of reported levels of cash, foreign currency (if applicable), stock items and vouchers as well as a compliance review, to check if mandatory business conformance and regulatory compliance controls are operating as intended.
3. **Review** – A review into the matter that may give rise to Post Office exercising its suspension rights undertaken by the Contract Advisor.
4. **Postmaster or postmaster**– this refers to a limited company, partnership, limited liability partnership, other entity or individual that contracts with Post Office for the operation of a Post Office® branch
5. **Temporary Postmaster** - this refers to a limited company, partnership, limited liability partnership, other entity or individual that contracts with the Post Office for the operation of a Post Office® branch on a temporary basis
6. **Non-suspension monitoring** – The period after any decision taken not to suspend a postmaster’s contract/agreement whereby there is continued monitoring of the issues identified over a defined period of time.
7. **Contract Suspension Decision Rationale** (see appendix 8.1) – A rationale completed by the Contract Advisor which captures the facts and findings of the review into the matter and sets out the rationale outlining the recommendation for review by the Head of Contract Management & Deployment (with support from Post Office legal services as required)
8. **Suspension Review Period** – An initial, then monthly, review of the suspension made by the Postmaster Suspension Decisions Governance Committee to ensure there is still a basis for suspension.

## 2 Overview

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### 2.1 Introduction

The Retail Engagement Director has overall accountability to the Board of Directors for the design and implementation of controls to manage risk in the network<sup>1</sup>. Risk in the network is an agenda item for the Risk Committee and the Post Office<sup>2</sup> board is updated as required.

This policy is a non-contractual document provided for information. It does not form part of a contract between any postmaster<sup>3</sup> and Post Office.

This policy forms part of a suite of policies designed to deal with the management of postmaster contracts and for those teams deploying any aspect of this policy it should be read together with the Postmaster Contract Performance and Postmaster Contract Termination policies. These policies can be found [on the hub, here](#).

### 2.2 Purpose

This policy is part of a framework that has been established to set the minimum operating policies relating to the management of contracts with postmasters.

Post Office recognises that there may be occasions where it is necessary to suspend the contractual relationship with a postmaster. The purpose of this policy is to identify the circumstances in which suspension should be considered and the criteria which must be met before a decision to suspend is made. It will also outline the procedures to be followed in the case of suspension. Wherever possible Post Office will seek alternatives to suspension as outlined later in this policy.

This policy is one of a number of policies which provide a clear risk and governance framework and an effective system of internal control for the management of risk across the Group. Compliance with these policies supports the Group in meeting its business objectives and to balance the needs of postmasters, customers, shareholders, employees, other stakeholders (such as the government departments) and third party commercial partners including Royal Mail.

### 2.3 Core principles

The act of suspension is a neutral, precautionary act. It is used to investigate the cause of a potential contractual breach identified by the Contract Advisor. It does not imply there has been any such breach.

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<sup>1</sup> In this policy, "network" means branches not directly managed by Post Office.

<sup>2</sup> In this Policy "Post Office" and "Group" means Post Office Limited.

<sup>3</sup> In this Policy "postmaster" refers to a limited company, partnership, limited liability partnership or other entity or individual that contracts with Post Office for the operation of a Post Office® branch.

It is recognised that suspension may have an impact on the postmaster's core business and on the Post Office brand; therefore, a contract will only be suspended where absolutely necessary and after all reasonable alternatives have been considered (set out further under 4.2).

The period of suspension should be for as short a time as possible and Post Office will remain in touch with the postmaster throughout this time. Each suspended postmaster shall be assigned, and notified of, a specific Contract Advisor to keep them up to date with developments during the period of suspension.

Accordingly this policy, and its linked policies, sets out clear and consistent guidelines to ensure that:

- a review is carried out to establish the applicable facts before any formal action is considered, to provide the postmaster with the opportunity to identify and address any issues of concern and to determine whether Post Office has the right to suspend the postmaster's contract;
- consideration is given to the postmaster's particular circumstances before deciding, acting in good faith, whether to suspend the postmaster's contract;
- suspension only happens when it is necessary and alternatives have been considered; and
- postmasters continue to receive payment during any period of suspension.

Post Office will handle these situations in good faith and apply the principles of fairness, transparency, and professionalism (being the underpinning behaviours of Post Office).

## 2.4 Application

This policy is applicable to all all Post Office employees<sup>4</sup> who manage postmaster contracts on behalf of Post Office and defines the minimum standards to control financial loss, postmaster impact, regulatory breaches and reputational damage in line with the Post Office's Risk Appetite.

## 2.5 The risk

In taking any decision to suspend a postmaster, Post Office needs to:

- ensure any decisions taken in respect of a postmaster contract are not exercised arbitrarily, capriciously, or unreasonably;
- exercise any contractual power (including the right to suspend) honestly and in good faith for the purpose for which it was conferred on Post Office; and

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<sup>4</sup> In this policy "employee" means permanent staff, temporary staff including agency staff, contractors, consultants and anyone else working for or on behalf of Post Office and, for clarity, does not include postmasters or postmasters' staff.

- exercise any discretion in accordance with the obligations of good faith, fair dealing, transparency, co-operation and trust, and confidence.

The decision to suspend a postmaster's agreement creates the risk to Post Office and postmasters of inconsistent contractual treatment of postmasters by the contract management team, both through how the decision is reached and by not suspending an agreement when it is appropriate to do so.

Section 3.5 sets out the policy required operational standards Post Office has implemented to control this risk.

## 3 Risk appetite and required operational standards

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### 3.1 Risk appetite

Risk appetite is the extent to which the Post Office will accept that a risk might happen in pursuit of day-to-day business transactions. It therefore defines the boundaries of activity and levels of exposure that Post Office is willing and able to tolerate.

Post Office takes its legal and regulatory responsibilities seriously and consequently has:

- **Averse risk appetite** to risks around service and support provided to postmasters.
- **Averse risk appetite** towards risks around our core operational processes that impact postmasters.
- **Averse risk appetite** to being non-compliant with our statutory and regulatory obligations.
- **Averse risk appetite** for financial crime to occur within any part of Post Office or the network.
- **Averse risk appetite** in relation to unethical behaviour by Post Office employees.
- **Averse risk appetite** to risks around disputes and litigation.
- **Cautious risk appetite** towards the risk of service interruptions that would considerably reduce branch availability across the network resulting in the inability to serve customers.

Post Office acknowledges however that in certain scenarios even after extensive controls have been implemented a risk may still sit outside the agreed Risk Appetite/Risk Tolerance. Risks outside of Appetite/Tolerance may be presented to the relevant governance forums for escalation/agreement of the risk position.

If a risk is identified which is outside of agreed policy a risk exception note will be required, details of which can be found [here](#).

### 3.2 Policy framework

This policy is part of a framework that has been established to set the minimum operating policies relating to the management of postmaster contract risks throughout the business and network in line with Post Office's risk appetite. The framework includes the following policies:

- Postmaster Onboarding
- Postmaster Training
- Postmaster Complaint Handling
- Network Monitoring and Branch Assurance Support
- Network Cash and Stock Management
- Network Transaction Corrections

- Postmaster Account Support
- Postmaster Accounting Dispute Resolution
- Postmaster Contract Performance
- Postmaster Contract Suspension (this policy)
- Postmaster Contract Termination
- Postmaster Contract Termination Decision Review

### 3.3 Who must comply?

Compliance with this policy is mandatory for all Post Office employees who manage postmaster contracts on behalf of Post Office.

Where non-compliance with this policy by Post Office employees is identified by Post Office, Post Office will carry out an investigation. Where it is identified that an instance of non-compliance is caused through wilful disregard or negligence, this will be investigated in accordance with the Group Investigations Policy.

### 3.4 Roles and responsibilities

- **Audit, Risk and Compliance Committee** – is the Committee of the Post Office Limited Board which reviews and approves Postmaster Support policies.
- **Risk and Compliance Committee** - is the standing committee of the Strategic Executive Group who review and approve Postmaster Support policies for recommendation to the Audit, Risk and Compliance Committee.
- **Retail Engagement Director** – is the policy owner, who must comply with the governance responsibilities set out at section 6.1.
- **Head of Contract Management & Deployment** - is accountable for the deployment of this policy, for supporting Post Office personnel who carry out actions under this policy and for regularly reviewing the effectiveness of this policy and for drafting any amendments to it that may be required.
- **Postmaster Suspension Decisions Governance Committee** – A group whose role it is to review all new, and ongoing suspensions, and consists of:
  - a) Head of Contract Management & Deployment (non-voting chair)
  - b) Head of Assurance & Complex Investigations
  - c) Retail Operations Director
  - d) Head of Postmaster Engagement
  - e) Head of Group Assurance
  - f) Head of Legal – Dispute Resolution

g) Head of Risk

- **Contract Advisor(s)** – is (are) responsible for deploying the procedures set out in this policy. The Contract Advisor(s) form part of the **Contracts Team**.

The **Contract Advisor** must:

- apply the Post Office's underpinning behaviours of fairness, transparency and professionalism;
  - be conversant with this policy and linked policies;
  - gather as much preliminary information as possible relating to the issue which has caused suspension to be considered, liaising as appropriate with the postmaster and other Post Office teams;
  - complete the Contract Suspension Decision Rationale when suspending a postmaster's contract;
  - consult with the Head of Contract Management & Deployment before suspending a postmaster's contract, and as necessary during the suspension process;
  - consider the options available as an alternative to suspension;
  - ensure any decision is made in line with all other linked Post Office policies;
  - ensure this suspension policy is adhered to and the postmaster is supported throughout the procedure, including arranging for the postmaster to be notified of the specific Contract Advisor dealing with their case;
  - make the postmaster aware of the support available to them, including from the National Federation of Sub Postmasters;
  - explain at the outset, when a postmaster's contract is being suspended, what involvement will be requested from the postmaster during the contract suspension period;
  - keep in regular contact with the suspended postmaster throughout the suspension period;
  - deal with any contact (written or otherwise) from the postmaster, in a timely manner;
  - if a meeting is required, be flexible, within reason, over the availability of the postmaster; and
  - keep the suspension regularly under review (see 3.7), reinstating (or terminating) the agreement as soon as practicable.
- **National Federation of Sub Postmasters (NFSP)** – is a professional trade association which exists to support postmasters.

- **Postmaster** – refers to a limited company, partnership, limited liability partnership, other entity or individual that contracts with Post Office for the operation of a Post Office® branch.

As many postmasters are limited companies or partnerships (and as individual postmasters may appoint managers to operate a branch on their behalf) any steps that need to be taken by a postmaster under this policy can be taken by someone authorised to act on that postmaster's behalf (such as a director or partner).

- In relation to this policy, the **postmaster** is expected to:
  - comply with the terms of the suspension;
  - be transparent and open towards Post Office;
  - ensure they respond to written correspondence and telephone calls in a timely manner in order to assist the Contract Advisor in reaching a decision; and
  - be flexible and available for meetings with the Contract Advisor if one is required.

In relation to this policy, the postmaster may:

- contact their NFSP representative to support them through the process;
- arrange legal representation or other support for any written correspondence or meetings with Post Office;
- let their NFSP representative, legal representation or other support talk on their behalf during any meeting with Post Office Ltd
- request information and evidence from Post Office in connection with this process and wider investigation; and
- contact a Contract Advisor at any time during the suspension process, including regarding potential or actual termination.

If alternative action has been taken in preference to suspending the postmaster, the postmaster should comply with the terms of such alternative action.

### 3.5 Policy required operational standards

A required operational standard defines the level of control that must be in place to manage inherent risks so that they remain within the defined Risk Appetite statements. This section of the policy also sets out the Business Area(s) responsible for managing that risk through their controls, and all employees must ensure that they comply with the policy requirements. There must be mechanisms in place within each business unit to demonstrate compliance. The policy required operational standard can cover a range of control types, i.e., directive, detective, corrective and preventive which are required to ensure risks are managed to an acceptable level and within the defined Risk Appetite.

The table below sets out the relationships between identified risk and the required policy operational standard in consideration of the stated risk appetite.

The subsequent pages define the terms used in greater detail:

Risk area	Description of risk	Required operational standard	Business owners	Control(s)	Frequency
Postmaster Contract Suspension	Inconsistent contractual treatment of postmasters by the contract management team	<p><b>Preventive control</b></p> <p>Where suspension is considered, the Contract Advisor will complete a Contract Suspension Decision Rationale. This will set out the factors they have considered to support the decision to suspended, or not to suspend, a postmaster agreement. The Head of Contract Management &amp; Deployment will review and sign-off all decisions and rationales with, if required, support from Post Office's legal team.</p>	Head of Contract Management & Deployment	A suspension decision rationale is completed and signed off for all suspension and non-suspension decisions made.	Every time
		<p><b>Detective control</b></p> <p>Where a decision not to suspend a postmaster's agreement has been made, the Contract Advisor will update the non-suspension rationale with any required follow-up activities. Non-suspension cases</p>	Head of Contract Management & Deployment	Monitoring 'non-suspension' decisions	Monthly

Risk area	Description of risk	Required operational standard	Business owners	Control(s)	Frequency
		<p>will be discussed, and progress monitored, with the Head of Contract Management &amp; Deployment.</p> <p><b>Detective control</b> The Postmaster Suspension Decision Governance Committee (PSDGC) meets monthly. Its purpose is to:</p> <ul style="list-style-type: none"> <li>Review and approve all decisions to suspend a postmaster's agreement, to make sure it is in line with the relevant contract and Post Office policies.</li> <li>Review all ongoing postmaster agreement suspensions and approve it is reasonable and proper to keep a postmaster suspended. If not, the Committee will recommend steps are taken to either reinstate the postmaster's contract or request that a termination review is triggered.</li> </ul> <p><b>Detective control</b> All postmaster agreement suspension cases are checked to make sure a suspension letter has been sent to the address listed in the preface to the postmaster agreement (or an alternative address nominated by the suspended postmaster).</p> <p><b>Detective control</b> All postmasters who have had the agreement suspended will receive payment during the</p>	<p>The Postmaster Suspension Decision Governance Committee</p> <p>Head of Contract Management &amp; Deployment</p> <p>Head of Contract</p>	<p>The Postmaster Suspension Decision Governance Committee review suspension decisions</p> <p>Issuing suspension letters</p> <p>Check postmaster remuneration is still being paid during</p>	<p>Monthly</p> <p>Monthly</p> <p>Monthly</p>

Risk area	Description of risk	Required operational standard	Business owners	Control(s)	Frequency
		<p>suspension period (based on average fees received over the previous 12-month period).</p> <p><b>Preventive control</b> The Postmaster Contract Suspension Policy is reviewed every twelve months, or sooner in the event of material changes to a policy. The Risk and Compliance Committee (R&amp;CC) and the Audit, Risk and Compliance Committee (ARC) approve the policy before the latest version is published and circulated to the business.</p> <p><b>Preventive control</b> All members of the Contract Management Team, and any teams or colleagues who may be involved in the decisions being taken, will be provided with training on the Postmaster Contract Suspension Policy. There will be initial training if they are new to role and ongoing annual refresher training thereafter.</p>	<p>Management &amp; Deployment</p> <p>Head of Contract Management &amp; Deployment</p> <p>Head of Contract Management &amp; Deployment</p>	<p>the suspension period</p> <p>Annual review of the Postmaster Contract Suspension Policy</p> <p>Annual training of the Postmaster Contract Suspension Policy</p>	<p>Annually</p> <p>Annually</p>

## 4 Procedure

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### 4.1 Review

#### Preliminary review

Any review will be a fair and unbiased method of considering issues identified prior to any formal action being considered. The process of review allows Post Office to establish facts and gives the postmaster the opportunity to identify and answer any issues of concern.

Post Office will ensure that complete records are kept of all reviews and that any decisions taken in relation to an investigation are documented in rationale documents.

Records will be retained in accordance with Post Office's document retention policy<sup>5</sup>.

Details of the investigation and relevant supporting records and information will be shared with the postmaster unless the material is subject to a restriction on disclosure such as:

- legal privilege;
- data protection law; and/or
- material relating to a criminal investigation.

The Contract Advisor should make an assessment of whether any restrictions on disclosure apply in advance of sharing material with the postmaster and seek advice from Post Office's Data Protection and Information Rights Team if required.

The Contract Advisor will inform the postmaster of the grounds on which the postmaster is being reviewed and the postmaster's rights to access information and records relating to the review.

When considering suspension, Post Office must complete a preliminary review. This preliminary review will, as a minimum, include a review of the contract between Post Office and the postmaster to confirm the extent of Post Office's right to suspend.

The contractual right to suspend may arise:

- if the postmaster is arrested or charged with a criminal offence;
- if the postmaster has civil proceedings brought against them;
- there are grounds to suspect the postmaster is insolvent; and/or
- due to irregularities or misconduct in the operation of the branch.

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<sup>5</sup> The Document Retention and Disposal Policy (Group Policy) can be found in the Group Key Policies on The Hub <https://poluk.sharepoint.com/sites/thehub/Policies/Forms/AllItems.aspx?id=%2Fsites%2Fthehub%2FPolicies%2FDocuments%20Retention%20and%20Disposal%20Policy%20v1%2E3%2Epdf&parent=%2Fsites%2Fthehub%2FPolicies>

Post Office must check the contract in each case as the grounds may differ. If the contract does not contain a contractual right to suspend, the Post Office must not suspend the postmaster from operating the branch; and

A review of the facts related to the review to establish whether Post Office is itself in material breach of duty in respect of the matters giving rise to the right to suspend. If it is, Post Office must not suspend the postmaster from operating the branch.

This will include:

- a review of previous correspondence with the postmaster; and
- a review of any other supporting documents held by Post Office.

This investigation may also include:

- a Branch Assurance visit;
- a review of Network Monitoring records; and
- information provided to Post Office by an outside body or source, for example, the police, insolvency practitioners, or Post Office clients.

Once this initial investigation has been completed, the Contract Advisor should refer to 4.3 (Contract Suspension Decision Rationale) to determine whether there is sufficient rationale to warrant suspending the postmaster.

### **Review during suspension**

Post Office is likely, in most cases, to need to complete further reviews once a postmaster is suspended from operating the branch. These reviews may be complex but must be completed as soon as practicable (in accordance with section 4.7 (suspension period)) in order to limit any period of suspension to what is necessary to complete the review. The output of these further reviews should be recorded in the Contract Termination Decision Rationale document.

A process map detailing the contract suspension process can be found in appendix 8.2.

## **4.2 Alternatives to suspension**

Suspension will only be applied where absolutely necessary to review the cause of a potential contractual breach identified by the Contract Advisor and where all alternative options have been considered.

Alternative options to suspension may include:

- Non-suspension monitoring – continued monitoring of the issues identified over a defined period of time, with any further or escalating issues being flagged to the Contract Advisor to reconsider suspension.

- Other contractual performance measures and/or restrictions contained in the Postmaster Contract Performance policy<sup>6</sup>.

The Contract Advisor should document alternatives to suspension in the same way as a decision to suspend a postmaster (in the Contract Suspension Decision Rationale) and Post Office should ensure that records of these decisions are also kept in accordance with Post Office's document retention policy.

### 4.3 Contract Suspension Decision Rationale

Post Office must not suspend any postmaster from operating the branch without reasonable and proper cause (even if they have a contractual right to do so). This power is discretionary but must be exercised in good faith. This is a question of fact but means that Post Office should apply its underpinning behaviours of fairness, transparency, and professionalism.

Whenever a review leads to suspension being considered, the Contract Suspension Decision Rationale must be completed by the Contract Advisor. This captures the background of the case, investigation undertaken and rationale behind the decision to be taken. The document will be used by the Head of Contract Management & Deployment, if required with support from Post Office's legal team, as a basis for their decision on suspension. The rationale will subsequently be shared with the Postmaster Suspension Decision Governance Committee as part of its monthly review.

Factors that the Head of Contract Management & Deployment should consider when deciding whether or not to suspend a postmaster from operating the branch include:

- There being a risk to the postmaster;
- There being an immediate risk to Post Office assets;
- There being a risk to Post Office's brand and/or Post Office's reputation of the postmaster continuing to operate the branch.

This is not intended to be a full list of considerations relevant to suspension and the Head of Contract Management & Deployment should consider all the circumstances of the case and conduct a balancing exercise of the relevant risks.

### 4.4 Informing a postmaster of suspension

In the first instance, the postmaster will be informed by the Contract Advisor via telephone call of any suspension. Where a postmaster cannot be contacted immediately, Post Office will make every effort to inform the postmaster of their suspension through whatever contact details they hold for the postmaster. This initial contact will be followed up by a Suspension Letter, which will be sent as soon as possible following suspension by the Contract Advisor.

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<sup>6</sup> The Postmaster Contract Performance policy can be found on the hub, [here](#).

When informing the postmaster of their suspension, subject to any restrictions on disclosure (see 4.1 above) the Contract Advisor should outline the following to the postmaster:

- The reason(s) for the suspension, including the factual circumstances and contractual basis;
- That they are being suspended in accordance with their contract and in line with the Post Office Suspension Policy<sup>7</sup>, a copy of which can be made available to the postmaster on request;
- That a preliminary review has already been carried out and that information and records relating to the preliminary review and any subsequent review will be made available to them where possible;
- That the suspension period will be kept to the minimum period required to complete the review and that the postmaster will be kept informed throughout the period of suspension as per the processes outlined in 4.7;
- That the postmaster will receive payment during their suspension as per 4.5;
- The possibility of Post Office arranging for a temporary operator to operate their premises and the processes involved in this, if the postmaster is willing (see 4.6); and
- Any other relevant information that should be shared with the postmaster at this stage.

## 4.5 Payment during suspension

Postmasters will receive payment during suspension. This will be based on average fees over the previous twelve-month period. Where the postmaster has been appointed for less than twelve-months then this will be based on the average fees received since appointment. Postmasters should contact their Contract Advisors to understand in more detail how average fees are calculated.

## 4.6 Temporary operation during suspension period

In order to minimise the impact of any suspension period on the postmaster's business, on communities and on Post Office, Post Office will offer to attempt to find a temporary operator for any premises where the postmaster has been suspended. A temporary operator will only be able to operate with the express permission of the postmaster.

The postmaster and the temporary operator will be responsible for negotiating the commercial arrangements between them. If a commercial arrangement is made between the postmaster and temporary operator whereby the postmaster charges the temporary operator Post Office will need to consider whether any deductions need to be made to the payment made to the postmaster during suspension.

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<sup>7</sup> The Postmaster Contract Suspension policy can be found on the hub, [here](#).

## 4.7 Suspension period

Suspension periods will be kept to the minimum period reasonably required to complete the review and both Post Office and postmasters must cooperate in this regard.

Post Office may suspend a postmaster for as long as it has a reasonable and proper reason to do so in the view of the Postmaster Suspension Decision Governance Committee. The Post Office must act promptly to review the circumstances of the suspension and decide to either re-instate the postmaster or terminate the postmaster's contract as soon as is practicable.

Post Office will keep any suspensions under regular review to make sure it continues to have a contractual basis for suspension throughout. The review will be completed by the Postmaster Suspension Decisions Governance Committee (see 4.8).

In addition to this there should be regular communication with the postmaster through their Contract Advisor.

## 4.8 Postmaster Suspension Decisions Governance Committee

The purpose of the Committee is to sit on a monthly basis and:

- Review and approve all decisions to suspend a Postmaster's Agreement taken since the last Committee meeting to ensure that a decision to suspend was taken in line with the relevant contract and Post Office policies;
- Review all ongoing Postmaster Agreement suspensions and approve that it is reasonable and proper to keep a Postmaster suspended. If not, the Committee will recommend that steps are taken to reinstate the Postmaster's contract or request that a termination review is triggered (in which case the principles of the Postmaster Contract Termination Policy<sup>8</sup> will apply);
- Ensure that the relevant team has been engaged with and there is a clear line of sight on the actions required (for example any discrepancies associated with the suspension or engagement with external agencies through the Assurance & Complex Investigations Team);
- Ensure the lessons learnt from the Committee are shared with the appropriate team(s) and monitor progress to completion.

## 4.9 Reinstatement or termination following a period of suspension

Reinstatement or termination should happen as quickly as possible once a review has been completed or Post Office identifies that it no longer has a reasonable and proper reason to maintain the suspension.

For reinstatements, the postmaster should receive a letter confirming the end of the suspension period and the outcomes of any review. For terminations, the postmaster will receive communications in accordance with the Postmaster Contract Termination policy.

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<sup>8</sup> The Postmaster Contract Termination policy can be found on the hub, [here](#).

The Contract Advisor is responsible for ensuring the postmaster's reinstatement is carefully planned, supported and in accordance with the wishes of the postmaster. This may be assisted by liaising with the relevant Area Manager, other Post Office support teams and/or the NFSP. Examples of considerations that the Contract Advisor should make include:

- What date is appropriate for any re-fund or transfer branch assurance visits to take place;
- Whether it is appropriate for the postmaster to undergo further training prior to reinstatement;
- Whether it is appropriate for the postmaster to have additional on-site support post reinstatement. Any decision to terminate the postmaster's contract should be taken in accordance with the Postmaster Contract Termination policy.

#### **4.10 Business improvement opportunities**

As part of the review process the Contract Advisor may identify improvement opportunities or business issues outside of the decisions being reviewed (for example have avenues of support not offered to the postmaster been identified). In these instances, the Contract Advisor will capture opportunities on the Contract Suspension Decision Rationale document.

It is the role of the Head of Contract Management & Deployment to follow up on any business improvement opportunities identified. These will be monitored and tracked.

## 5 Where to go for help

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### 5.1 Additional policies

This Policy is one of a set of policies. The full set of policies can be found on the SharePoint Hub under [Postmaster Support Policies](#).

### 5.2 How to raise a concern

Any postmaster, any postmaster's staff or any Post Office employee who suspects that there is a breach of this Policy should report this without any undue delay.

If a postmaster or any postmaster's staff are unable to raise the matter with the area manager of the relevant branch or if a Post Office employee is unable to speak to her or his line manager, any person can bring it to Post Office's attention independently and can use the Speak Up channels for this purpose. Any person can raise concerns anonymously, although disclosing as much information as possible helps ensure Post Office can conduct a thorough investigation.

For more details about how and where to raise concerns, please refer to the current Speak Up Policy which can be found on The Hub under Post Office Key Policies, [accessed here](#), or report online at: <http://speakup.postoffice.co.uk> or call the Speak Up Line on **GRO**.

Please note that a postmaster may also contact the National Federation of Sub-Postmasters (NFSP) for help and support.

### 5.3 Who to contact for more information

If you need further information about this policy or wish to report an issue in relation to this policy, please contact Tracy Marshall, Retail Engagement Director at [tracy.marshall@postoffice.co.uk](mailto:tracy.marshall@postoffice.co.uk) **GRO**.

## 6 Governance

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### 6.1 Governance responsibilities

The Policy sponsor, the Group Chief Retail Officer of Post Office, takes responsibility for policies covering their areas.

The Policy Owner is the Retail Engagement Director who is responsible for ensuring that the content is up to date and is capable of being executed. As part of the review process, they need to ensure that the minimum controls articulated in the policy are working or to identify any gaps and provide an action plan for remediation

Additionally, the Retail Engagement Director is responsible for providing appropriate and timely reporting to the Risk and Compliance Committee and the Audit, Risk and Compliance Committee as required.

The Audit, Risk and Compliance Committee is responsible for approving the Policy and overseeing compliance.

The Board is responsible for setting Post Office's risk appetite.

## 7 Document control

### 7.1 Document control record

#### Summary

GE policy sponsor	Standard owner	Standard implementer	Standard approver
Martin Roberts (Group Chief Retail Officer)	Tracy Marshall (Retail Engagement Director)	David Southall (Head of Contract Management and Deployment)	R&CC/ARC
Version	Document review period	Policy – effective date	Policy location
5.2	Annual	07/2024	Postmaster Support Policies on SharePoint Hub

#### Revision History

Version	Date	Changes	Updated by
1.1	2nd March 2020	Draft Version	Tim Perkins
1.3	6th March 2020	Legal Review	Tim Perkins
1.4	17th March 2020	For working group review	Tim Perkins
1.5	9th April 2020	Final Draft with working group revision	Tim Perkins
1.6	14th May 2020	Final draft following further legal review	Tim Perkins
2.0	6th April 2021	Annual review – initial draft changes	David Southall, Head of Contract Management & Deployment
2.1	14th April 2021	Initial legal review	David Southall, Head of Contract Management & Deployment
2.2	26th April 2021	Second legal review Addition of process map Alignment with other postmaster support policies	David Southall, Head of Contract Management & Deployment
2.3	4th May 2021	Risk appetite amendment	Jo Milton
3.0	23rd May 2021	Updated following ARC feedback including: Updated to V3.0 Addition of definitions Addition of Contract Performance Rationale Added linked policy statement to front page	David Southall, Head of Contract Management & Deployment

		<p>Added reference to the Group Investigations Policy to section 3.3 Who Must Comply?</p> <p>Updated link to section 5.1</p> <p>Added footnotes to link to other policies referred to in this policy.</p>	
3.1	16 November 2021	<p>Annual Review</p> <p>3.1 Updated risk appetite statements to include Operational statements</p> <p>4.9 New section – referencing Decision Review process and policy</p> <p>4.10 New section – Business Improvement Opportunities</p>	David Southall, Head of Contract Management & Deployment
3.2	18 February 2022	<p>Updates made to reflect legal review of Decision Review Policy and changes relevant to this policy.</p> <p>NFSP review</p>	David Southall, Head of Contract Management & Deployment
4.0	1 <sup>st</sup> April 2022	Amended version number following approval	Jo Milton
4.1	5 <sup>th</sup> July 2022	<p>2.1, 3.4, 3.5, 5.3, 6.1, 7.1 – updated owner and sponsor</p> <p>Font updated to Nunito Sans</p>	Jo Milton
4.2	10 <sup>th</sup> October 2023	<p><b>Annual Review</b></p> <p>1.1 (and throughout) – addition of the Postmaster Suspension Decisions Governance Committee</p> <p>1.1 (and throughout) - Definition of 'Investigation' changed to 'Review' to better reflect what the Contract Advisors do in reviewing the situation and determining any necessary action</p> <p>1.1 (and throughout) - Suspension Rationale renamed Contract Suspension Decision Rationale (plus associated changes throughout)</p> <p>2.1 Policy owner changed to Retail Engagement Director (and associated changes throughout)</p> <p>3.4 RCC and ARC added</p> <p>3.4 Clarified the wording to outline that representation can be provided by NFSP or a legal firm. Anything else would be classed as support</p> <p>3.4 Addition of a note to say that the NFSP representative, legal representation or other support talk on a postmaster's behalf during any meeting with Post Office Ltd</p> <p>3.5 Control standard added whereby the Postmaster Suspension Decisions Governance Committee will review all decisions to suspend</p> <p>3.5 Assurance review now undertaken by Assurance &amp; Complex Investigations</p> <p>4.8 Postmaster Suspension Decisions Governance Committee added</p> <p>4.9 Removal of this section as this review role is covered by the Postmaster Suspension Decisions Governance Committee (4.8)</p>	David Southall

		5.2 Added Speak Up contact details 8.2 Process map updated to reflect Committee	
5.0	15 <sup>th</sup> December 2023	Amended version number following approval Rebranded	Jo Milton
5.1	28 <sup>th</sup> June 2024	2.5 Risks amended to reflect ServiceNow 3.4 GE replaced with SEG 3.5 Minimum Control Standards changed to Policy Required Operational Standards and updated to reflect ServiceNow	Jo Milton
5.2	24 <sup>th</sup> July 2024	4.5 Correction to a 12-month average	Jo Milton

## 7.2 Oversight committee

**Oversight Committee:** Risk and Compliance Committee and Audit, Risk and Compliance Committee

Committee	Date Approved
POL R&CC	10 NOV 2023
POL ARC	27 NOV 2023

**Next review:** 30 NOV 2024

## 7.3 Company details

Post Office Limited and Post Office Management Services Limited are registered in England and Wales. Registered numbers 2154540 and 08459718 respectively. Registered Office: Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ.

Post Office Management Services Limited is authorised and regulated by the Financial Conduct Authority (FCA), FRN 630318. Its Information Commissioners Office registration number is ZA090585.

Post Office Limited is authorised and regulated by Her Majesty's Revenue and Customs (HMRC), REF 12137104. Its Information Commissioners Office registration number is Z4866081.

VAT registration number GB 172 6705 02. Registered office: Finsbury Dials, 20 Finsbury Street, London, England EC2Y 9AQ

## 8 Appendices

### 8.1 Contract Suspension Decision Rationale

Branch Details	
Branch Name	
Branch Code	
Contract Type and Code (i.e., Local NT1)	
Operator Name	
Named individual (any reference made to this individual within this document is as representative of the Operator)	
Is the Operator an absentee (i.e., managing from a distance)?	YES/NO* *delete as applicable
If so, please explain the situation with the Operator's involvement.	
If the Operator is an absentee please name the person in charge of the branch (including details of the person present at the time of the Branch Assurance visit (if applicable)).	
Appointment date	
Original appointment date (If not same as above, for example if the branch converted under Network Transformation)	
Is the contract with a Limited Company?	YES/NO* *delete as applicable
If so, please list the Director's names:	
Date Contract Signed	
Date Contract Countersigned	
Fees over last twelve months (or since opening if less than twelve months – please note time)	
Associated Retail (please refer to Preface and explain any difference with the Agreement)	

Details of registered assistants	
Does the Operator hold a Post Office Agreement at other branches? If so, please list the branch name(s) and branch code(s).	

## Suspension Decision – Background

Background Details	
Date of Branch Assurance visit (if applicable)	
Amount of discrepancy (if applicable)	
Detailed breakdown of the discrepancy	
Who was spoken to (and by who)?	
Reason for discrepancy, if offered (if applicable)	
Does the Operator believe that there are any IT issues that could have impacted the branch? If so, please detail.	
Does the Operator believe that there are any training issues that could have impacted the branch? If so, please detail.	
Is there any other relevant information provided by the Operator or staff? If so, please detail during a Branch Assurance visit?	
Please enter date(s) and details of previous Branch Assurance visits over the previous 12 months (If required, the review can go back further than 12 months)	
Please advise if there have been any performance issues over the previous 12 months. If so, please provide details and outline what steps were taken to address the issue. If required,	

<p>the review can go back further than 12 months</p>	
<p><b>What calls have previously been made to Branch Support that are relevant to the matter over the previous 12 months?</b> If required, the review can go back further than 12 months)</p>	

### Suspension Decision - Record Of Decision Making

All of the following criteria must be considered along with any other factors relevant to the case when making a decision.

<p><b>a) What is the impact on the Operator, were we to suspend, and how has this impacted the decision you have made?</b></p>	
<p><b>b) What is the source of any risk, and can this be mitigated?</b> For instance, is the Operator posing the risk or have they been unaware of events caused by assistants?</p>	
<p><b>c) Risk to the Operator</b></p>	
<p><b>d) Risk to POL funds</b></p>	
<p><b>e) Risk to POL brand or reputation of the Operator continuing to operate the Branch</b></p>	
<p><b>f) What is the impact of suspension on customers and suppliers?</b></p>	
<p><b>g) Has someone suffered loss or damage as a result of</b></p>	

<p><b>the suspected or confirmed breach?</b> This could be the Operator, customer or supplier. Please detail.</p>	
<p><b>h) Has the Operator cooperated following the findings at Branch Assurance visit?</b></p>	
<p><b>i) Please note any relevant information provided by the Operator. This can include any material issues or concerns raised by the Postmaster that need to be considered.</b> (It is for the Contract Advisor to exert their judgement in each individual case to ascertain whether the circumstances and reasons given are pertinent to the reasons for suspension.)</p>	
<p><b>j) Has Post Office Ltd.'s actions (or inaction) contributed to the issue?</b> (For suspension considerations only where the material breach by Post Office is connected to the basis on which it is relying to suspend)</p>	
<p><b>k) Are there any other relevant criteria of facts that have been considered or disregarded as part of the decision-making process?</b></p>	

### Factors for or against in determining whether precautionary suspension is appropriate

(This is not a numerical analysis, and the importance of each item must be considered)

Factors supporting continuation of service	Factors supporting suspension

### Suspension Decision - Rationale

<b>Recommended Decision</b>  (If suspension, please document relevant clause that gives the right to suspend)	
<b>Rationale to support recommended decision</b>	
<b>Where no suspension, detail further action planned</b>	

### Contract Advisor Details (Suspension Decision)

<b>Name of Contract Advisor making recommendation</b>	
<b>Date completed</b>	

### Suspension Decision Governance

Head of Contract Management & Deployment - Authority

<b>Decision Making Manager</b>	
<b>Rationale for decision</b>	
<b>Date completed</b>	

Suspensions Decision Governance Committee	
Meeting Date	
Committee Recommendation	
Committee Members	

Appendix – Improvements Opportunities Identified
Note: This section is to note any potential business improvements which have been raised through the review.

Appendix – Relevant Documents	
Number	
1	
2	
3	
4	
5	

## SECTION 2 - BACKGROUND

Background Details	
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<b>Date of Branch Assurance visit</b>	
<b>Amount of discrepancy (if applicable)</b>	
Detailed breakdown of the discrepancy	
<b>Were there any known Horizon issues that could have affected this branch? (if applicable) (Give explanation of steps taken to ascertain this)</b>	YES/NO*  *delete as applicable
<b>Reason for discrepancy, if offered (if applicable)</b>	
Is Horizon or Training an area that has been cited as a reason for the discrepancy?	YES/NO*  *delete as applicable
<b>Any admissions volunteered?</b>	YES/NO*  *delete as applicable
a) Who volunteered the admission?	
b) What was said?	
c) When was it said?	
d) Who was it said to?	
e) How was it documented?	
<b>Is there any other relevant information provided by the Operator or staff during an Branch Assurance visit?</b>	YES/NO*  *delete as applicable

a) Who gave the information?	
b) What was said?	
c) When was it said?	
d) Who was it said to?	
e) How was it documented?	
<b>Please enter date and details of previous Branch Assurance visits</b>	
<b>Please advise if there have been any performance issues previously</b>	
If so, what steps were taken to address the issues?	
<b>What calls have previously been made to Branch Support?</b>	

## SECTION 3 - RECORD OF DECISION MAKING

All of the following criteria must be considered along with any other factors relevant to the case when making a decision.

l) What is the impact on the Operator, were we to suspend, and how has this impacted the decision you have made?	
m) What is the source of any risk and can this be mitigated? For instance, is the Operator posing the	

<p><b>risk or have they been unaware of events caused by assistants?</b></p>	
<p><b>n) Risk to the Operator</b></p>	
<p><b>o) Risk to POL funds</b></p>	
<p><b>p) Risk to POL brand or reputation of the Operator continuing to operate the Branch</b></p>	
<p><b>q) What is the impact of suspension on customers and suppliers?</b></p>	
<p><b>r) Has someone suffered loss or damage as a result of the suspected or confirmed breach? This could be the Operator, customer or supplier. Please detail.</b></p>	
<p><b>s) Has the Operator cooperated following the findings at Branch Assurance visit?</b></p>	
<p><b>t) Please note any relevant information provided by the Operator as part of an informal discussion/ telephone conversation/ written explanation. (It is for the Contract Advisor to exert their judgement in each individual case to ascertain whether the circumstances and reasons given are pertinent to the reasons for suspension.)</b></p>	
<p><b>u) Has Post Office Ltd's actions (or inaction)</b></p>	

<p><b>contributed to the issue?</b> (For suspension considerations only where the material breach by Post Office is connected to the basis on which it is relying to terminate)</p>	
<p>v) <b>Are there any other relevant criteria of facts that have been considered or disregarded as part of the decision making process?</b></p>	

<p><b>Factors for or against in determining whether precautionary suspension is appropriate (this is not a numerical analysis and the importance of each item must be considered).</b></p>	
<p>Factors supporting continuation of service</p>	<p>Factors supporting suspension</p>

**Section 4 - Decision and Rationale**

<p><b>Recommended Decision (If suspension, please document relevant clause that gives the right to suspend)</b></p>	
<p><b>Rationale to support recommended decision</b></p>	
<p><b>Where no suspension, detail further action planned</b></p>	

Contract Advisor Details	
Name of Contract Advisor making recommendation	
Date completed	

Head of Contract Management & Development - Authority	
Decision Making Manager	
Rationale for decision	
Date completed	

Business Improvements
<i>Note: This section is to note any potential business improvements which have been raised through the investigation.</i>

## Section 5 – Governance

Operator Suspensions Decision Governance Committee	
Meeting Date	
Committee Recommendation	
Committee Members	

Decision Review Panel	
Meeting Date	
Panel Recommendation	
Decision Review Panel Members	

