

Sub postmaster Magazine Article:

Improvements to the Post Office® Horizon Network

Chief Executive, Post Office Limited, David Mills highlights a new package of improvements including network backup.

In August last year, I promised to respond to issues you raised about the reliability of the Post Office® Horizon banking services.

The success of banking services through

Post Office® branches has meant that the number of online transactions has increased dramatically. This also means that branches are now much more reliant on having Horizon available.

In reality Horizon provides a reliable service for the majority of our branches, most of the time. About 99.7% of the time in fact. Having said that, I know that if your branch is affected by a loss of service it is still significant and, since August we've been working with our suppliers to find ways of improving the overall level of service, while keeping our technology costs under control.

So I'm really pleased to announce a package of service improvements, which will be undertaken over the coming months to reduce the time taken to fix Horizon network problems, and provide a backup network service for branches to use on those occasions when line faults can't be resolved speedily.

I believe the following measures will reduce lost sales time, and put an end to long service losses where we are currently dependent on BT to respond and resolve problems.



David Mills, Chief Executive of Post Office Ltd

Faster Resolution of BT Faults

- All Post Office® owned telephone lines will be upgraded to the BT Prompt Care level of service, which means that these branches will receive priority service. BT will respond to reported faults within four hours, including Saturday, rather than the existing service level where BT responds by the close of the next business day, Monday to Friday.

- Working with our suppliers, we have identified a number of improvements in the way we manage network faults, which combined with the improved BT service level, will result in faster problem resolution for the majority of problems. (We'll know how much faster when we've finished reviewing and modifying our existing fault handling processes with our suppliers.)

Backup Network

However, there will always be some problems which cannot be quickly resolved, for example telephone lines lost to storm damage or underground cables severed by roadworks. To cater for these situations, we're developing a backup network solution, which means, in the vast majority of cases, we will limit loss of service to a maximum of two working days.

How will we do this? Well, for smaller branches, a Fujitsu engineer will visit, when the situation demands, to install temporary equipment allowing Horizon to communicate

again. For larger branches, we will leave the existing ISDN line in place as backup for the new ADSL network.

We are working on these changes because we value our network of subpostmasters and we recognise that we have to strive to give you better service from the Horizon system to meet the level of service you want to give our customers. I believe these initiatives will bring tangible improvements in achieving this.

To make these improvements Post Office Ltd will need to own and manage the telephone lines into branches. This will enable us to pay the cost of the improved service level and manage BT directly to ensure they meet their commitments to us. We believe that the best way to achieve this is to offer the Post Office® Split Billing service to all branches that have not yet taken it up. It provides lower call charges to subpostmasters and will include the Prompt Care standard of service, paid for by the Post Office®. A Split Billing information and offer pack has recently been sent out to these branches.

These initiatives will ensure that as our business continues to change, the

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Fixed APR	Loan Value	7 Years		5 Years		3 Years		
		With Protection	Without Protection	With Protection	Without Protection	With Protection	Without Protection	
6.9% APR	£15,000	Monthly	£288.88	£284.41	£367.86	£361.71	£498.89	£493.26
		Total	£35,328.54	£34,800.08	£22,077.49	£17,788.59	£19,461.74	£16,268.57
7.2% APR (typical)	£15,000	Monthly	£292.79	£287.16	£368.39	£362.25	£499.67	£494.06
		Total	£35,018.86	£34,584.36	£21,892.39	£17,883.58	£19,888.49	£17,122.98
7.2% APR (typical)	£5,000	Monthly	£94.26	£91.00	£124.89	£121.72	£161.51	£158.48
		Total	£6,054.67	£5,468.81	£7,491.16	£5,548.72	£6,634.29	£5,841.28
7.2% APR (typical)	£3,000	Monthly	£32.81	£31.25	£41.62	£40.47	£52.91	£51.88
		Total	£1,168.09	£1,084.39	£6,475.81	£4,988.63	£3,280.51	£2,336.78

Amounts shown may vary by a few pence.

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