

Managing Agents Contracts  
Guidelines for the Line Manager

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Version 3

## Acknowledgments

This guide was prepared by Post Office Network  
Personnel Policy Development Team.

We would like to thank everyone who made a  
contribution to the content of this booklet.

## Managing Agents Contracts

### Feedback

In using this booklet I found it:

- a) extremely useful ☐
- b) helpful ☐
- c) some use, but not a lot ☐
- d) of no help whatsoever ☐

### Comments

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### Return To:

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### Other Important Telephone Numbers

**GRO**

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**GRO**

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The image displays a 10x10 grid of 100 small squares. Each square contains a single character from the Thai alphabet. The characters are arranged in 10 rows and 10 columns, representing the Thai alphabet. The characters are as follows:

ก	ข	ฃ	ค	ฅ	ฉ	ช	ซ	ฌ	ญ
ฎ	ฏ	ฐ	ถ	ด	ด	น	บ	ป	ผ
ฝ	ผ	ย	ร	ล	ว	อ	ฮ	จ	ฉ
ช	ซ	ฌ	ญ	ฎ	ฏ	ฐ	ถ	ด	ด
น	บ	ป	ผ	ฝ	ผ	ย	ร	ล	ว
อ	ฮ	จ	ฉ	ช	ซ	ฌ	ญ	ฎ	ฏ
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ย	ร	ล	ว	อ	ฮ	จ	ฉ	ช	ซ
ฌ	ญ	ฎ	ฏ	ฐ	ถ	ด	ด	น	บ
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Telephone Numbers \_\_\_\_\_

## Introduction

Welcome to the Line Manager's handbook providing guidelines on Managing Agents Contracts.

This handbook has been designed to provide you with a guide to managing the contracts of our agents. It covers areas such as:

- Recruitment procedure
- Responsibilities (Agents + Post Office Network)
- Corrective action
- Horizon – responsibilities
- Remuneration including Tax and National Insurance
- Disability Discrimination Act (DDA) – responsibilities.

It is not intended to be an authority on any subject but a means of giving you a summary of the procedures and a quick reference to where you can find more information.

The handbook is yours to keep and has been produced in pocket-book size so that you can keep it with you for reference, when necessary, during working hours.

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We hope you find the handbook useful and beneficial to your work. If you have any questions about the day to day management of agents' contracts, you should contact either your Territorial Personnel Advisor Teams (Agents) or your Retail Line Contract Manager.

Should you have any comments about the guide or any suggested improvements for future editions, please complete the feedback form at the front of the booklet and return to the address shown.

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## Our Mission

**To be the UK's number one  
choice for the important  
business of everyday life.**

Our Mission is a clear statement of our business direction. It describes what we want to be and provides the focus for our commercial strategy, our business objectives and our personal objectives.

We believe that our new Mission is right for our view of the future. Achieving it will ensure that we remain successful as the pace of technological change quickens and as our customers and clients become more demanding.

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## Our Vision

To be the UK's most trusted and used:

- access point for official information and transactions
- provider of transactions and specialist advice on all aspects of Post Office mail and distribution activities
- wholesale cash distributor
- access point for cash deposits and withdrawals on behalf of many banks.

Our Vision is about the important things that are part of everyday life: dealing with government; sending letters and parcels; and collecting and depositing cash.

To compete successfully we need to be very clear about what we are and what we offer our customers and clients. The elements of our Vision come together to give us this clear direction.

This clarity will eliminate the confusion of trying to focus on many diverse products and services at once and will make it easier for customers to understand what we have to offer.

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The Vision builds on our strengths:

- our unique nationwide presence
- our unique position of trust with our customers, and
- our unique ability to provide complex services for clients.

Our Vision focuses on the areas where it makes sense for us to direct our energies and where the biggest opportunities exist for us in the future.

Our Vision will not be delivered overnight but will be developed over the coming years. In parallel we will develop our Business so it is fit for the Vision and our future success.



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## **Building on Our Vision**

Our new plan builds on the Vision and updates it to reflect our new circumstances following the publication of the Governments PIU report. It provides greater clarity about how we will achieve our Mission to become "The UK's number one choice for the important business of everyday life".

We will achieve this by developing new products and services, including:

- Universal Banking services
- Network Banking
- Stakeholder Pensions
- Travel and ticketing services
- Bill payments
- Government General Practitioner services
- Internet Learning Access Points
- Home Shopping and Internet Shopping collection and payment services.

## Post Office Management Model

The Post Office Management Model (POMM) is about a way of working, and represents the way we:

- set our business direction (Setting Direction)
- deploy that direction to everyone to ensure understanding (Deploying Direction)
- manage our performance of the actions we need to take in order to achieve it (Managing Direction).

### Setting Direction

Our Strategic Direction represents the 'routemap' for achieving our Vision and typically covers the next three to five years. It is defined in terms of three stakeholder goals:

- customer
- employee
- shareholder.

The early stages of POMM are concerned with input to, and then the definition of, our direction.

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### **Deploying Direction**

Our strategic direction must be deployed to all our people who input to setting direction, so that they can build the necessary targets into their plans, based on the understanding of capability.

POMM expects scorecard owners to agree their plans with their teams and line managers, and to take personal accountability for managing and delivering the plan.

### **Managing Direction**

Plans are implemented and then regularly reviewed by the team and scorecard owner, with corrective actions put in place if necessary.

Performance management is bottom up, enabling appropriate decisions to be made about performance by the right people at all levels.

POMM replaces the old Business Planning, Objective Setting and Performance Review Processes. Now each Business unit follows the same principles and process, although they may customise some elements of it. This enables us to plan and co-ordinate activities across the Post Office as one complete unit, rather than lots of separate businesses.

**Types of Post Office**

Company Franchised Post Office (CFPO)	A post office within a store of a major retail chain eg Woolworth's or Tesco.
Independent Franchised Post Office (IFPO)	Similar to the CFPO but for an 'independent' retailer with a vibrant business.
Modified Sub Post Office (MSPO)	Post office run by an independent retailer on our behalf. Whilst this type of post office will remain a part of our network, there will be no further additions.
Scale Payment Sub Post Office (SPSO)	A post office run by an agent often alongside a private retail business.
Community and Restricted Hours Office	Agency where limited post office services are offered in a remote rural area for limited hours.

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## Useful Facts About PON

PON turnover £1.2 billion

Approximately 18,100 post offices

Serving 28,000,000 customers a week

Offers over 170 products and services

## **Communication Channels**

Within Post Office Network there are various communication channels for the agency network, the purpose of which is to provide Subpostmasters with the necessary information to complete their roles effectively.

Detailed below are the communication vehicles currently offered:

### **Counter News**

Issued weekly to all post offices, this communication provides updates on all transactional and accounting procedural changes. Occasionally supplements, called Workaids, are issued which cover new transactions.

### **Courier**

This vehicle is sent to all staff and Subpostmasters and covers all business issues, new initiatives, people issues and good news stories.

### **Your Business**

This provides retail and business issues which relate to Subpostmasters and help to spread best practice.

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The future communication vehicles may consist of one or all of the following, in addition to the above:

**Focus**

An area publication directed at each Head of Retail Network area. This publication will include local performance – reporting and issues; sharing best practice; people news; competitor news and sales through service news.

**Your Network**

Similar to Focus, although on a wider scale, taking account of the Territory.

**Small Group Meetings**

This will be an opportunity to discuss issues, on a face to face basis, with the Head of Retail Network area staff and senior managers.

## **Subpostmasters Appointment Procedure**

The shaded boxes in the following flowchart are activities carried out by the Service Centre.

1. When an outgoing Subpostmaster submits their resignation the Line Manager should consider the options for the future of the business and forward instructions to the Service Centre, who will undertake to:
  - a) produce a letter to acknowledge acceptance of resignation of outgoing Subpostmaster.
  - b) advertise the vacancy at the same location at which it is currently sited, or if the office is to be relocated, advertise to suit.
  - c) attend to enquiries and process completed application forms.
  - d) check, if appropriate, any Business Plans for completeness.
2. As part of the Pre-resignation Interview, Line Managers should determine any special features/conditions of appointment, which need to be taken into consideration for the incoming Subpostmaster. The Service Centre, as well as the outgoing Subpostmaster, should



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be informed, as this may affect the asking price expected for the sale of the business. Post Office Network's Conditions of Appointment policy must be adhered to. The principles of these are:

- they need to be for the benefit of the customer
  - they need to be relevant
  - they need to be reasonable
  - they need to be affordable.
3. If Mailwork Supervision is undertaken at the post office a Service Delivery Manager can be present at the interview. Their role is to explain to the Subpostmaster what their operational responsibilities will be.
4. It is advisable to have two representatives from Post Office Network present at the interview, particularly in the case of larger post offices.

The interview documentation should be comprehensively completed after the interview.

It is important to remember that the partnership between Post Office Network and the new Subpostmaster begins at the recruitment stage, by selecting people who have the personal qualities to match the requirements of the job.

### **Unavoidable Closures**

The Post Office is committed to meeting the Government's aim of avoiding the closure of rural post offices wherever it is possible to do so.

The following process will be deployed by Post Office Network to seek to achieve these aims.

#### **Stage 1 – Normal Commercial Transfers of Rural Sub Post Offices**

When a Subpostmaster resigns (or has their contract terminated), the objective is to maintain that post office, either within the same premises or at a nearby location.

In most cases, the normal operation of the market will result in the vacancy being filled, particularly if the potential future income streams look attractive to an incoming Subpostmaster.

The first option is to encourage normal commercial transfers of post offices which maintain standards of service to customers. This involves advertising of the vacancy in the locality, as well as considering any potential candidates that the ongoing Subpostmaster, or any transfer agent working on his/her behalf, has identified.

To assist this process we will direct prospective applicants towards relevant sources of advice and assistance (e.g. local government, retail advice, etc.).

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If the normal commercial processes do not yield a suitable candidate, then Post Office Network will systematically undertake the following actions to avoid a closure.

**Stage 2 – No Suitable Prospective Appointees Identified**

Where there are no suitable candidates applying for the vacancy, the Post Office will:

- advise Parish Councils, relevant land authorities, Council for Postal Service, National Federation of Sub Postmasters, and any other known local interest groups that a vacancy exists, and the normal commercial mechanisms of transfer have not found a suitable candidate
- seek any suggested candidates those bodies might be aware of
- advertise the vacancy widely around the local community. This will include but not be restricted to local doctors, public houses, local press, churches etc.
- ensure that the office is on any lists of office vacancies circulated nationally to candidates looking for post offices
- consider whether a reduction of opening hours might attract applicants

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- contact nearby Subpostmasters to see if they are prepared to run a post office in that community.

**Stage 3 – No Candidate For Post Office  
In Current Form – Alternative Service  
Provision**

In the absence of a successful outcome to Stage 2, we will establish whether a nearby Subpostmaster is able and willing to provide a part time service in the community in which the vacancy exists, e.g. a 'satellite' or 'twinned' Post Office. We will facilitate this by working with the community to identify a suitable location and will undertake appropriate assessments to establish that such a service can be provided safely.

**Stage 4 – Unable To Fill Vacancy –  
Notification To Interested Parties And  
Final Check**

If no candidate emerges from the previous 3 Stages, then Post Office Network will inform the same groups as at Stage 2 of what has been done to seek to fill the vacancy and provide information as set out in the Code of Practice. These local bodies will be given a further, final opportunity to identify a candidate or, as a last resort, a group of volunteers willing to provide the service collectively, for which a simplified form of contract will be provided.

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If this final notification to local representative groups still does not yield a solution, we will have to accept that the closure is unavoidable at that time.

**Stage 5 – Review Of Closure After 12 Months**

If during the year after the closure a party comes forward with a practical solution the post office will re-open.

In all cases, twelve months after the closure date, PONU will re-assess the situation in the locality to establish if there has been any material change since the original attempts to find a candidate. The representative bodies will be asked whether they are aware of any material changes that could yield a candidate.

If a potential candidate is found then the filling of the vacancy can proceed. If not, the unavoidability of the closure will be accepted. However it may be the case that a party presents a solution subsequently. In such a case the Post Office will still review the situation on its merits.

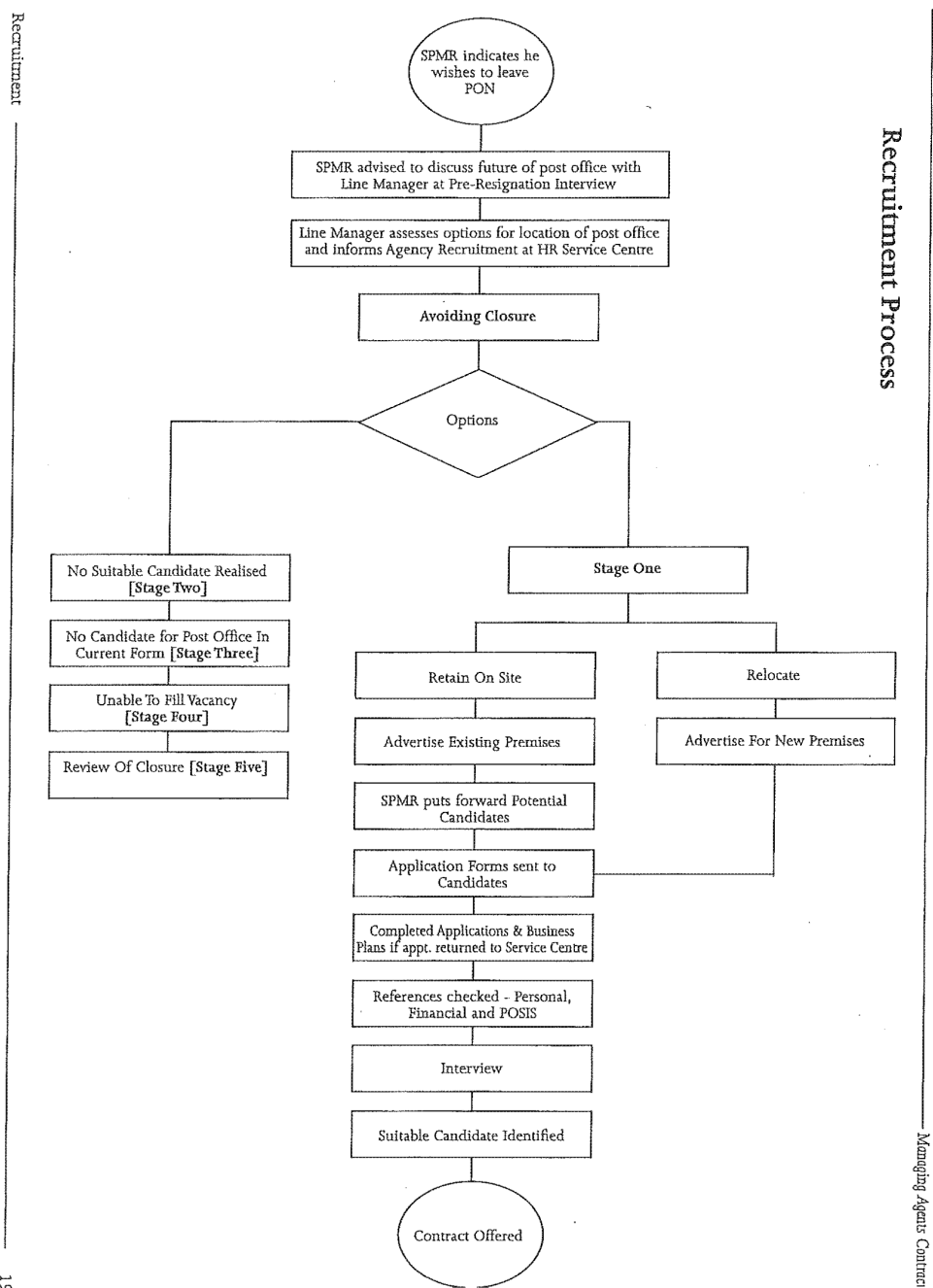
### Comment

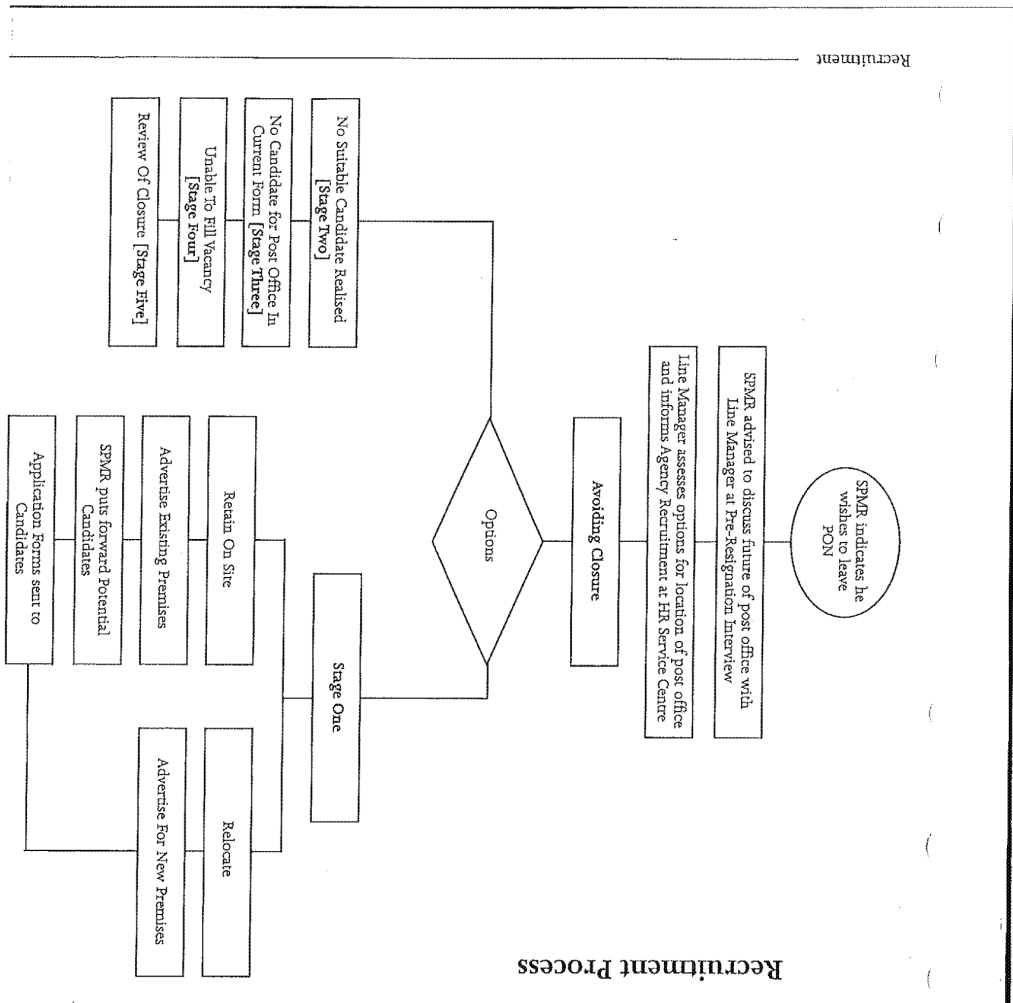
Post Office Network will maintain records of the activities undertaken to seek to avoid a closure in every case. The Stages 1 to 5 will be followed in general sequential order, but if a clear opportunity arises to maintain service and continuity by considering an option from a stage outside this sequential order – that opportunity will be considered.

We will also endeavour to progress through these stages during the notice period of the outgoing Subpostmaster, and will seek to persuade the outgoing Subpostmaster to extend their notice period if necessary. However, it may be the case that the office will have to close whilst PONU is progressing through the stages outlined above.

### Conclusion

The above arrangements represent a far-reaching process to maintain the rural network of post offices. They develop existing processes, help ensure consistency and specify greater activity in working with local representative bodies to find solutions. The Post Office is taking a proactive approach to practical solutions such as 'satellite/twinning' post offices operated by a nearby Subpostmaster and is also providing a mechanism which would allow local voluntary groups to operate a service.







## The Contract

This page considers important aspects of a Subpostmaster's contractual conditions and obligations. The main operational points are:

- the status as an agent not an employee
- to provide and maintain reasonable post office accommodation which supports Setting The Standard
- to pay any assistants at his/her own expense
- to accept full responsibility for the running of the post office, although he/she is not obliged to attend personally
- to be prepared to take on any new business when requested
- to be prepared to lose services when they are altered or withdrawn
- not to expect a pension or paid annual/sick leave
- not entitled to pass on any preferential consideration with Post Office Network to any buyer of his/her private business premises.

## **Income Tax, National Insurance and Value Added Tax**

### **Introduction and Disclaimer**

This guide is intended to inform Line Managers of the information given by PON to Subpostmasters in the complex area of taxation involving income tax, national insurance contributions (NICs) and value added tax (VAT). It is based on the experience of Post Office Counters Ltd over a number of years. However, it is not a substitute for proper professional tax advice. Subpostmasters are strongly recommended to seek independent advice from a lawyer, accountant, or similar professional advisor.

Post Office Network does not guarantee the accuracy of the information provided in this guide, nor that the views expressed are necessarily up to date. The interpretation of tax law in each case is ultimately a matter for the courts and the relevant government agency, and is not a matter for Post Office Network. No liability is accepted by Post Office Network for the content of this guide nor for its applicability in any individual case.

### **Income Tax**

Subpostmasters are not employees, as defined under employment law, but are instead independent contractors operating under a contract for services with Post Office Counters Ltd. However, the Inland

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Revenue regard Subpostmasters as "employed earners by virtue of being office holders with emoluments chargeable to tax under schedule E". As 'employed earners', Subpostmasters are treated in very much the same way as employees when it comes to tax and national insurance contributions.

With respect to tax, this means that every Subpostmaster is liable for the direct deduction of income tax from his or her remuneration via the PAYE system. However, many Subpostmasters also run a private business on their premises and most of these are able to secure the Inland Revenue's agreement to having their post office remuneration and their income from the private business amalgamated and assessed for tax annually under schedule D. It is for the Subpostmaster to seek this concession from his or her own Inland Revenue office. Post Office Network has a legal obligation to deduct tax at source unless notified in writing by the Inland Revenue that an NT coding (no tax deducted) may be applied.

### **National Insurance Contributions (NICs)**

With respect to national insurance contributions, the classification of Subpostmasters as 'employed earners' means that they are liable for primary Class 1 contributions on their assessable remuneration between the lower and upper earnings limit. Post Office Network is liable for secondary Class 1 contributions on remuneration. Primary Class 1

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contributions are deducted from remuneration at source for all Subpostmasters (regardless of whether they are assessed for tax under schedule E or D) unless their own particular circumstances argue otherwise – two examples of exceptions might be a) if they have reached state pensionable age and are no longer liable for national insurance contributions, or, b) if they pay the maximum national insurance contributions via another employment.

The Inland Revenue recognise that Subpostmasters incur expenses in running their sub post offices, and they accept that such expenses should be discounted from remuneration that is assessable for national insurance contributions. For example, a Subpostmaster with annual gross remuneration of £20,000 who incurs £5000 in running costs, would only have Class 1 national insurance contributions assessed on £15,000. For most scale payment Subpostmasters we have implemented two simple systems for achieving this discounting of expenses. One system is for the expenses incurred by the Subpostmaster in employing his or her own staff for the post office. The other is for non-staff costs related to the post office (things like rent, rates, maintenance etc). Both systems are designed to be easy to operate and to require the minimum information from the Subpostmaster. Further details are given upon appointment, but it should be noted that provision of the necessary information to Post Office Network is a contractual requirement upon the Subpostmaster.

**Value Added Tax (VAT)**

HM Customs & Excise view Subpostmasters in much the same way as the Inland Revenue, which is as akin to being employees for value added tax purposes. This means that Subpostmasters' remuneration is outside the scope of value added tax, and that any input value added tax incurred by the Subpostmaster on expenditure related solely to the post office (or apportioned to it, if part expenditure related to the private business as well) cannot be recovered.

Some Subpostmasters like to set up partnerships or small limited companies into which their remuneration might be paid, because there could be overall tax advantages to such an arrangement. This does not affect the principle of a single named individual as the holder of the sub post office contract, and so is of no concern to Post Office Network. A possible consequence of such an arrangement, however, might be that staff who work in the post office are employed by the company or partnership. Should that be the case, it is likely that HM Customs & Excise would regard the supply of staff by the company or partnership to the Subpostmaster as being subject to value added tax at the standard rate. In view of the comments in the above paragraph, any such value added tax would not be recoverable by the Subpostmaster. Professional advice on the optimum configuration of a Subpostmaster's business arrangements, to suit their own particular circumstances, is strongly recommended.

## Status of Subpostmasters

There are some legal definitions/requirements which determine the status of an independent contractor (e.g. Subpostmaster).

### 1. Control

'Supervision' must be at arms length, to avoid any suggestion of control over the agents' independent managerial function.

### 2. Premises

A Subpostmaster is responsible for providing his/her own premises. Post Office Network only provide a number of basic items which are essential for the efficient running of the post office and cannot reasonably be obtained elsewhere.

### 3. Personal Services

Subpostmasters are not obliged to attend the office personally. However they are required to ensure a satisfactory standard of service is given to customers.

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**4. Responsibility**

Subpostmasters are personally obliged to make good any losses or deficiencies, although in some circumstances sympathetic consideration may be given. For further advice on this matter, please contact the Territorial Personnel Support Manager (Agents) or your Retail Line Contract Manager.

**5. Assistants**

Subpostmasters must employ their own staff (assistants), where appropriate and are responsible for every aspect of their (the assistants') contract. The Line Manager is there to advise on the anticipated number of assistants, which would ensure customer waiting time is kept to the minimum.

Subpostmasters are not 'employees' of Post Office Network, nor the Post Office. They enter into a commercial contract with us to do business, and both Parties to that contract, i.e. Post Office Network and the Subpostmaster, must abide by that contract while it is in force.

More details are contained in the section on Responsibilities and Remuneration.

## **The Partnership Management Team**

The Partnership Management Team manages the head office relationship between Post Office Network and over 70 retail partners, (these are in the main operators of CFPOs).

Currently there are 218 CFPOs, in addition there are a further 41 IFPOs. We also centrally manage the 8 major Multiples, who operate over 1,000 post offices across all contract types.

### **Our main purpose is:**

To establish and deploy a consistent approach in the management of our partners.  
To build productive commercial relationships.  
To ensure Post Office Network's interests are protected.

### **Our responsibilities are:**

Branch Office conversions  
Performance and Standards  
Provide a conduit for unresolved escalated operational issues  
Contractual interpretation  
Fitout requirements  
Training obligations  
Joint Venture signing  
Fee determination and screening relating to all office appointments  
Issuing of Franchise Agreements and Contract renewals.

Recruitment ————— 27



## Training

### New Subpostmaster Training Provision

For new Subpostmasters there is a standard on-site training package which is flexibly delivered based on the needs of the individual. Generally this lasts for approximately two weeks and covers the transactions and products offered within the Post Office, as well as customer service techniques and daily and weekly accounting procedures. This is supported by:

- pre-transfer training (face to face or distance learning). This can be either a 1 or 2 day session, focusing on giving the Subpostmaster an overview of the live training support and key business initiatives
- follow-up balances.

Training is key to maximising the contribution that Subpostmasters make to the Business. You can help support this by:

- encouraging Subpostmasters to evaluate training by participating in the assessment process
- incorporating the outcome of post office reviews into action plans to include training and development activities.

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### **Ongoing Training**

To provide support for ongoing training there are various workbooks available to Subpostmasters and assistants. These workbooks are a visual aid which teaches them how to complete most transactions.

Subpostmasters and assistants should also be encouraged to attend local training events on product knowledge or new product launches.

As there are always new products and procedures that everyone needs to know about, these can be supported by ensuring that all Subpostmasters and assistants have access to relevant material, such as the Counters Operations Manual and Counter News.

### **General**

A 'Resourcing Guide' has been sent to all Subpostmasters which provides information on the recruitment and training of their assistants.

## Scale Payment Sub Post Offices

There are two types of remuneration paid to Scale Payment Sub Post Offices. The difference is based on the remuneration that they receive.

### 1. Scale (Monthly)

For offices with an annual remuneration of £14,000 or above per annum, the remuneration that is received is assessed on a monthly basis and therefore fluctuates monthly, both with the length of the transaction month, as well as the level of business transacted at the office. These types of offices are known as Scale (Monthly).

For a Subpostmaster appointed at a Scale Monthly office, the remuneration is made up of two parts:

- an Assigned Office Payment
- Product Payments.

#### The Assigned Office Payment (AOP)

The Assigned Office Payment, which varies from post office to post office, is a stable payment, which is not affected by future changes in the amount of post office business handled at the office. It is set for a post office and is paid in twelve equal monthly instalments. Any change to the overall level of Assigned Office Payments is reviewed and negotiated between Post Office Network and the National Federation Of Subpostmasters (NFSP) on a national network basis.

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### The Product Payment (PP)

Product Payments are made on the amount of post office business transacted in the post office, generally on a 'pence per transaction' basis. The amount paid reflects the time required to process the transaction and the income that Post Office Network receives from the client. e.g. a Rod Licence is currently worth 39.6p and a Postal Order is worth 7.0p.

Each time the Subpostmaster carries out a transaction, the number of transactions is multiplied by the rate of the transaction (pence), which is added to their remuneration. The Product Payment is generally made two months in arrears (e.g. the Product Payments for March will reflect the business transacted in January).

## 2. Scale (Annual)

Generally for offices with an annual remuneration below £14,000 per annum, their remuneration is calculated annually with one twelfth being paid each month. These types of offices are known as Scale (Annual).

As per the Scale Monthly Office, the remuneration is made up in two parts:

- an Assigned Office Payment
- Product Payments.

### **The Assigned Office Payment (AOP)**

The same rules apply for the Assigned Office Payment for the Scale Annual Office as they do for the Scale Monthly.

### **The Product Payment (PP)**

As is the case with the Scale Monthly office, Product Payments are made on the amount of post office business transacted in the post office, generally on a 'pence per transaction' basis. The amount paid reflects the time required to process the transaction and the income that Post Office Network receives from the client. e.g. a Rod Licence is currently worth 39.6p and a Postal Order is worth 7.0p.

For Scale Annual Subpostmasters, the total number of transactions that are carried out in a twelve month period are assessed. For each individual product the annual number of transactions are multiplied by the rate of the transaction (pence), which are added to the Assigned Office Payment.

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The table below shows the 12 month period used to calculate the agents' remuneration.

Date on which revision due	12 Month Period used:	
1 January	Year Ended the preceding	30 September
1 February	Year Ended the preceding	30 September
1 March	Year Ended the preceding	31 December
1 April	Year Ended the preceding	31 December
1 May	Year Ended the preceding	31 December
1 June	Year Ended the preceding	31 March
1 July	Year Ended the preceding	31 March
1 August	Year Ended the preceding	31 March
1 September	Year Ended the preceding	30 June
1 October	Year Ended the preceding	30 June
1 November	Year Ended the preceding	30 June
1 December	Year Ended the preceding	30 September

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Individual Transaction Payments will be subject to review and any changes will be negotiated between Post Office Network and the National Federation of Subpostmasters. The same rate of payment is made to the Scale Annual and the Scale Monthly Office.

**Additional Payments**

Holiday substitution, Sick substitution, Maternity and Telephone Allowances are also paid to Subpostmasters. These are only given to Scale Annual, Scale Monthly, Community Restricted Opening and Minimum Payment offices.

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### **Community/Restricted Offices**

These are small post offices, usually in rural areas and are open for just a few hours each week. Their remuneration is made up of two elements:

(1) Assigned Office Payment (AOP); (2) Annual Hourly Payment. The AOP varies depending upon the level of post office business transacted at the time the post office moved to Community/Restricted status.

Information regarding agents remuneration is available from your Territorial Personnel Support Manager (Agents).

### **Modified Contract Offices (MSPOs)**

The remuneration arrangements for MSPOs are similar to SPSOs. The remuneration is made up of a Core Payment and Product Payments.

#### **Core Payment**

The core payment is the same for every MSPO.

#### **Product Payments**

The product payments for MSPOs are assessed monthly and are paid three months in arrears, i.e. December transactions will be paid in the March remuneration.



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*Managing Agents Contracts*

MSPOs do not qualify for Holiday substitution, Sick substitution, Maternity and Telephone allowances.

### **Company Franchise Post Offices (CFPOs)**

Company Franchise Post Offices are paid for the total amount of Product Payments plus VAT per month.

Product Payments are made on the amount of post office business transacted in the post office, generally on a 'pence per transaction' basis. Product Payments are made two months in arrears.

### **Independent Franchise Offices (IFPOs)**

IFPO Subpostmasters' remuneration is made up of two elements:

- Product Payments
- Variable Premiums.

Product Payments are made two months in arrears. Variable premiums are based on a percentage of the monthly Product Payments.

## Contractual Terms Guidelines

The different types of agent as identified in the section 'Our Organisation' have variations in their contracts.

This section aims to highlight some of the key areas of the contracts that may be useful to you.

Full details of the contracts can be obtained from the Territorial Personnel Support Manager (Agents) or the Retail Line Contract Manager.

It is advisable to check with them before passing on any contractual information.

**Franchise Post Offices (IFPOs and CFPOs)**

business – 5 year term with renewal rights. Renewal to be signed 12 months before expiry of current agreement. encompassing agreement.

contract. Franchise may be sold but PON agree purchasers (where applicable, new site).  
 termination for breach of contract, PON have rent-free use of premises for 6 months. No sale  
 e place if agreement not renewed. Franchisees cannot give notice to terminate (resignation does not apply).

ercial rate based on value of opportunity to retailer.

receives traffic related pay figures. A variable premium is then added as well as Intermittent  
 nces. Premium payment (see section on Remuneration). The final figure is advised to Payroll who deal with  
 the Franchisee. Franchisee sets pay/conditions for staff.

e own cover or PON waiver.

y payments – 2 months in arrears.

on of safes and alarms for IFPOs. CFPOs provide own safes etc. Other equipment often rented or purchased.

usiness hours 9.00 – 17.30 Mon-Sat. Whenever possible will match hours of store.

l Target reviewed annually – all customers to be served within 5 minutes, best endeavours to achieve 100%.

day.

lsory.

lsory.

e test compulsory/4 week classroom training for all staff, including replacements.

nform to FPO design standards. PON will provide advice on layout, siting and must give final approval.  
 unity at 5 year break to insist on refit to new standard. All maintenance, service and equipment running costs by  
 ee.

s disabled writing desk and must adhere to the Disability Discrimination Act Legislation.

: POPOS min 7 panels.

) material may be displayed. All promotions must be cleared through Sales Support.

**Modified Contract Sub Post Offices (MSPOs)**

individual – open ended 3 months notice termination at any time by either party.
months notice. Agent liable for temporary expenses incurred by PON if insufficient notice is given.
1st April 2000, if the transfers is by way of a commercial arrangement with an outgoing agent, the new master will no longer be subject to an introductory payment equal to three month's remuneration. fices also have Deferred Fees due for payment on transfer. These Subpostmasters are normally ex-employees of Office.
ceives remuneration based on standard Core Payment + Traffic Related Payment ion on Remuneration). Agents set pay and conditions for staff.
th and Stock covered by business policy. Agent responsible for all other risk cover.
payments with the Traffic Related Payment 3 months in arrears (see section on Remuneration).
1 of safes and alarms and Anti Bandit Screens.
30 Monday to Friday, 9.00-12.30 Saturday. May operate longer hours at LM's discretion.
Full Range.
mers to be served within 5 minutes.
lay.
r practical.
ged but voluntary. Discussed at appointment.
wides initial Agent training and distance learning materials. Training designed to match needs of individual.
design standard. Agent liable to clean, decorate and maintain inside and out. Agent responsible for lighting and voluntary improvement encouraged if in line with agreement from PON.
ere to Disability Discrimination Act Legislation.
unels.
and publicity may not be exhibited in any part of the contained area without the consent of PON.

## Scale Payment Sub Post Offices (SPSOs)

Contractual Terms	With individual – open ended 3 months notice termination at any time by either party.
Resignation/Termination/ Sale of Business	Three months notice. Agent liable for temporary expenses incurred by PON if insufficient notice is given.
Licence fee	As from 1st April 2000, the Appointment Scale will no longer apply to new Subpostmasters taking over scale payment sub offices.
Pay	Agent receives remuneration based on Assigned Office Payment + Product Payment (see section on Remuneration). Agents set pay and conditions for staff.
Insurance	PON Cash and Stock covered by business policy. Agent responsible for all other risk cover.
Speed of Payment	Monthly payments with the Product Payment 2 months in arrears for offices with remuneration of over or equal to £14,000 pa. (See section on Remuneration.)
Additional Allowances	Provision of safes and alarms and Anti-Bandit Screens.
Hours	Standard hours: 9.00-17.30 Monday to Friday, 9.00-12.30 Saturday. May operate longer (and occasionally shorter) hours at LM's discretion.
Services	Normal Full Range.
Quality of Service	All customers to start to be served within 5 minutes.
Balances	Wednesday.
Single Queue	Wherever practical.
Workwear	Encouraged but voluntary. Discussed at appointment.
Training	PON provides initial Agent training and distance learning material. Training designed to match needs of individual.
Design and Fit-out	No national design standard. Agent liable to clean, decorate and maintain inside and out. Agent responsible for lighting and heating. Voluntary improvement encouraged if in line with agreement from PON.
Disabled Access	Must adhere to Disability Act legislation.
POPOS	None at present.
Advertising	Some restrictions apply – see Section 13, Paragraphs 12 and 13 of the Subpostmasters Contract.

**Community and Restricted Hours Offices**

Contractual Terms	With individual – open ended 3 months notice termination at any time by either party.
Resignation/Termination/ Sale of Business	Three months notice. Agent liable for temporary expenses incurred by PON if insufficient notice is given.
Licence fee	N/A
Pay	Agent is paid on a scale of payments based on the expected units per annum plus a rate per annum according to hours worked. (Usually less than 50,000 units and not more than 30 hours per week.)
Insurance	Covered by PON Cash and Stock policy.
Speed of Payment	Fixed payments.
Additional Allowances (e.g. Telephones)	Provision of safes and alarms and Anti-Bandit Screens.
Hours	Less than 37.5 hours per week.
Services	Do not usually provide a full range of services.
Quality of Service	Waiting time to be kept to the minimum.
Balances	Wednesday.
Single Queue	Wherever practical.
Workwear	Not a requirement.
Training	PON provides initial Agent training and distance learning material. Training designed to match needs of individual.
Design and Fit-out	No national design standards. Agent liable to clean, decorate and maintain inside and out; Agent responsible for lighting and heating. Voluntary improvement encouraged if with agreement from PON.
Disabled Access	Must adhere to Disability Discrimination Act legislation.
POPOS	None at present.
Advertising	Some restrictions apply – See Section 9, Paragraph 6 of the Community Subpostmasters Contract.

Managing Agents Contracts

### Prohibited Activities

There are specific prohibitions or clauses in all of the various contracts in some of the following areas.

This is not a definitive list so please check with the Territorial Personnel Support Manager (Agents) or the Retail Line Contract Manager for further details.

- Use of the name "Post Office" for private business activities
- Canvassing work from other Post Offices
- Borrowing or lending money to a Post Office employee or on the security of pension and allowance order books
- Using Post Office Network employees for private business when they should be on Post Office duties
- Betting and Gambling
- Political Activities
- Banking & Bill Payment services
- Utilities Payments and Pre-Payment tokens

## Network Outlet Review

Line Managers are required to support all agents to manage our post offices effectively, enabling them to meet the standards required by our Business. To do all this regular visits to post offices are a key part of the Line Manager's schedule.

The scheduled visits are known as Post Office Reviews. These visits are an opportunity for the Line Manager and the post office manager to agree improvement activities, to develop action plans together and ensure conformance.

Progress on the agreed actions is followed up at the next scheduled visit or on a specially arranged extra visit as appropriate.

The number of scheduled visits to each post office is determined by size, location, opening hours and risk. An indication of how this may work is shown in the flowchart overleaf. More information will be available within your cluster group or via your Head of Retail Network.

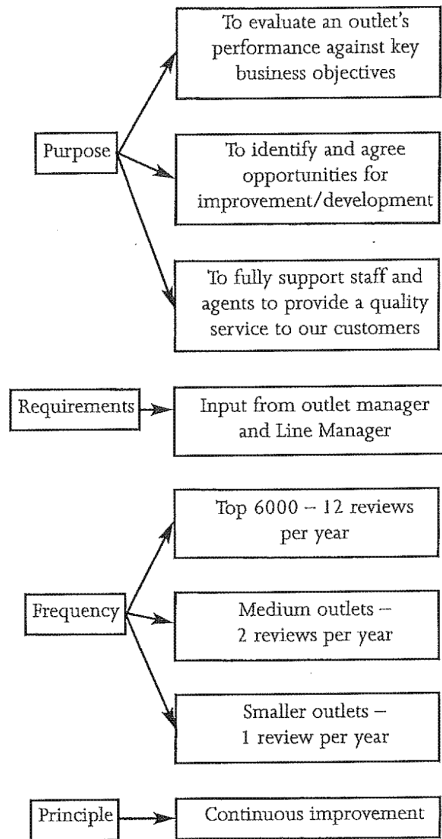
In addition to these scheduled visits you could make a number of ad hoc visits to post offices for numerous reasons, i.e:

- prompted by a request from an agent
- as the result of a security incident
- for training purposes
- to review an agreed improvement.



Managing Agents Contracts

Network Outlet Review Diagram



## Network Audit

The Network Audit Team is Post Office Network's internal audit function, responsible for auditing the network of post offices throughout the UK.

An audit can take place at any time of a working day throughout the week. The audit process is such that, once cash figures are reconciled to the post office manager's declaration, the audit is usually carried out whilst the office is open. This is to ensure that any disruption to customers is minimised.

Findings at an audit are discussed with the post office manager on the day of the audit. Following the audit, a narrative report is sent to the post office manager and copied to the Line Manager or the Area Manager for information and to ensure that corrective action is taken as appropriate.

Network Audit activities include:

- Asset verifications and compliance audits at post offices

*A programme of audits is managed centrally using a risk based approach utilising models that identify risk in terms of office performance or that identify potential fraudulent activity. The level of compliance audit coverage is dependent on the level of risk identified at each individual post office.*

*Post offices managed by new agents are audited within the first 6 months of appointment.*

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*Managing Agents Contracts*

- Asset verifications following a robbery or burglary incident

*An asset verification is undertaken at post offices following a robbery or burglary incident where a loss occurs. Network Audit provide a copy of the accounts and a narrative report to the Security and Investigation Team.*

*There may be occasions when the level of loss does not necessitate an audit attendance. The waiving of this audit is only allowed if the full agreement of the agent, and the Line Manager, the Area Manager and the Network Audit Manager is achieved.*

- Asset verifications at the transfer or closure of a post office

*Network Audit attends transfers or closures to verify PON assets on behalf of the business and act as an independent witness to the transfer of PON assets.*

Any irregularities or large unexpected losses, discovered on the day of the audit, are reported immediately to both the Line Manager Representative and the Security and Investigation Team. The Network Audit Team has the responsibility to report these incidences but where grounds exist to suspect dishonesty, that may result in a suspension, this decision is to be taken by the Line Manager.

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Managing Agents Contracts

Section 12 of the Subpostmasters Contract expressly forbids a Subpostmaster 'to make use of the balance due to Post Office Network for any purpose other than the requirements of the Post Office service; and he must, on no account apply to his own private use, for however short a period, any portion of Post Office Network funds entrusted to him.' In the circumstances of an audit, assets would be considered not to be on hand where a large loss exists, a personal cheque is on hand, misuse of funds is admitted or any attempt to falsify the accounts is made to cover missing funds.

The Network Audit Team meets its customer commitments through the following activities:

- There is a dedicated Auditline to answer agent and Line Manager queries. Their number is **GRO** and **GRO** and they can be contacted between 8.15 and 17.45 Monday to Friday. Outside those hours there is a answerphone facility.
- Meeting quarterly with HoRNs or their representatives to discuss generic and operational issues arising from audit activity.
- Performing special requests audits based on Line Manager concerns which are assessed and dealt with by the Planning Team. The form to submit these audit requests can be obtained from the Auditline on the above number.

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### Counters Club

The Counters Club was developed to boost the merchandise sales of agency post offices. The club provides:

- the chance to order from over 9,000 top selling brands delivered by Palmer & Harvey McLane
- a retail appraisal in two stages – a site survey and merchandise appraisal. After the appraisal, a Retail Business Adviser will help in the development of a business plan and carry out a retail proposal
- a consumer driven promotional programme.

It is available to all SPSO/MSPO contract type Subpostmasters.

## Mailwork Responsibilities

Some post offices are known as Mailwork Post Offices or SPDOs. This type of office provides premises and supervision for staff employed by Service Delivery. Mailwork is an integral part of the Subpostmaster's contract and should be treated in the same ways as any other product. The payment the Subpostmaster receives for provision of Mailwork is based on the amount of postmen they accommodate.

The Subpostmaster's and Service Delivery's responsibility is set out in the Accommodation and Supervision Specification. The Line Manager should familiarise themselves with these responsibilities. If the Subpostmaster fails to meet his obligations under the terms of these responsibilities then the Line Manager will be expected to treat these failures in the same way as they would with other service failures.

The contractual arrangement is between Post Office Network and the Subpostmaster. Service Delivery should only be communicating with the Subpostmaster on day to day minor operational matters. Any issues between Service Delivery and the Subpostmaster should be referred to the Line Manager for resolution.

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During the years 2000/2002 a great deal of work is being undertaken to bring the often space deficient accommodation up to the standard. The project for these upgrades is being led by Service Delivery, but you may be called upon to facilitate the communication between the Subpostmaster and the project group.

If you need any further information on Mailwork you should in the first instance contact your Territorial Personnel Support Manager (Agents).

## Horizon

The roll out of our automated trading environment across our network should be complete by early summer 2001. By then all outlets will have the capability to capture transactions electronically at point of sale including automated payments via smartcards, produce electronic cash accounts and link directly with the cash and stock management system.

Investing £1bn in the automation of our network requires a big investment in terms of involvement and commitment from our people including:

- the creation of a fully automated network requires new ways of working including a systematic approach to product and service management with operational discipline and conformance throughout the business
- line managers are key players in leading and motivating outlet staff to manage the transition to Horizon and exploit its commercial potential
- due diligence needs to be exercised in managing amounts in suspense especially cash shortages



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*Managing Agents Contracts*

- outlets need to report all equipment or business process problems without delay to the appropriate helpdesk and obtain an incident number. Any problems in resolving incidents should be reported via the Network Business Support Centre (NBSC) to their complaints team
- service improvement ideas should be channelled through NBSC for evaluation
- advice on the procedure for and costs of providing or moving Horizon equipment, which is the property of ICL Pathway until 2005, can be obtained from the Network Transformation team.

Our aspiration to be a global distribution company requires us to provide a first class, automated retail channel which is capable of supporting wider business requirements and is at least the equal of our competitors. Outlets which do not respond in an appropriate manner that befits our contractual requirements of them will need to be managed in a firm but sensitive manner. To achieve this there can be no compromise on either service standards or business and leadership values.

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To supplement further, the following retail and business courses can also be offered to all Subpostmasters:

- Layout Course
- Refit Course
- Operating Controls Course
- Finance Course
- Merchandising Course.

For further details speak to your Line Manager for details or contact the Retail Advisor Team Administration Support on GRO

## **Corrective Action (Contract Application Guidelines)**

This section gives some guidelines for dealing with those Subpostmasters who are thought to be in breach of their contract.

It is not possible to cover every eventuality, however, more information is available from the Territorial Personnel Support Manager (Agents) or the Retail Line Contract Manager.

In considering what corrective action may be appropriate, you should take the following into account:

- experience
- record
- age
- ill health
- severity of the problem and other extenuating circumstances such as:
  - exceptional pressure
  - training
  - introduction of new services.

This list is not intended to be exhaustive and other circumstances may need to be considered.

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*Managing Agents Contracts*

Subpostmasters are agents, not employees, of Post Office Network and hold a contract for services. It is important to remember that your role as Line Manager is to support and enable all Subpostmasters to deliver the service as defined in their contracts. If you feel that there are signs of difficulty in the agent fulfilling their contractual term, then you should explore the situation with the Subpostmaster to establish if further help and encouragement can be given. If these encouragements fail and a Subpostmaster is found to be in breach of contract, there are certain steps that can be taken. In the most serious cases this could lead to termination of the Subpostmaster's contract.

**What action can be taken**

- Performance Discussions (Oral)
- Written Warnings
- Termination of Contract by Three Months Notice
- Three Months Remuneration in Lieu of Notice
- Precautionary Suspension
- Summary Termination of Contract.

### Performance Discussions (Oral)

These are of value as aids to improvement and are intended to end malpractices before such actions get out of hand. The aim is to assist and help, and in so doing, avoid the need for further action. Oral warnings cannot be relied upon as a basis of termination at a later date, however it is suggested that a diary entry be kept of any issued.

### Written Warnings

This is the preferred approach where oral warnings have had no effect and in which contractual action may become the final result, however unlikely that is initially. For example, the types of cases involved are for Non-Compliance or Non Observance of rules or the failure by a Subpostmaster to improve operational performance or to properly maintain their premises to support our Standards.

The number of times that a written warning will be issued will depend to a very large measure on the type and nature of the occurrence. It is therefore essential that ALL written warnings are recorded and that, on each occasion, the Subpostmaster is given the opportunity to give an explanation in response to the concerns. If the Subpostmaster's explanation is accepted, they should be informed of the outcome.

### Termination of Contract by Three Months

The option to give three months notice of termination **MUST NOT** be used as a means of simply avoiding the Summary Termination route and its associated appeals provisions.

In some cases there will come a time when, despite warnings, no improvement has resulted and it will need to be determined whether the contract should be terminated. Given that there is no appeal against such action, any decision must be taken after serious consideration of all circumstances in the case.

If there is a decision to end the contract because there is little or no likelihood of the Subpostmaster reaching and sustaining the standard, a letter should be sent giving three months notice of termination in accordance with paragraph 10 of section 1 of the contract. The wording of this letter is very important. **NO REASON** for the termination should be given. The letter should include the words 'in accordance with the terms of your contract'.

If the corrective actions described earlier in this section have been carried out, the Subpostmaster should be clearly aware of the reason. In cases where you are challenged and pressed hard for a reason, you may use the expression 'Post Office Network has lost confidence in you'.

Finally, it is worth emphasising, that a Subpostmaster has no formal right to an appeal in cases of three months notice, although they do have the right to request an interview with the Sales & Services General Manager, or his representative, at any time. If this facility is taken up, care should be taken to avoid giving a reason for termination at the interview.

### **Three Month Remuneration in Lieu of Notice**

There may be instances where, because of the nature of the loss of confidence in a Subpostmaster (e.g. a succession of large discrepancies), it would not be prudent to ask them to work out their period of notice. In these circumstances, the facility exists to pay three months remuneration in lieu of notice.

However, you should only use this approach where you are convinced there is a real threat to the safety of Post Office Network cash and stock.

### **Precautionary Suspension**

This course of action is considered appropriate in the interests of Post Office Network when:

- a) The Subpostmaster is arrested.
- b) The Subpostmaster has civil or criminal proceedings brought against them.

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- c) There are irregularities or misconduct at the post office or where grounds exist to suspect dishonesty.
- d) Facts come to light calculated to cause public scandal or grave embarrassment to Post Office Network.
- e) In cases of bankruptcy and receivership.

Once you have come to a decision then the Subpostmaster should be advised of the reason why this has happened. Their remuneration in respect of any period of suspension will be withheld as long as the suspension continues.

The period of suspension should continue as long as investigations are being undertaken. It is desirable for all parties that the period should be as brief as is consistent with the appropriate investigations as necessary, and enquiries must be completed as quickly as possible.

If, during the period of suspension, evidence comes to light which satisfies Post Office Network that there is no need for continued suspension, the Subpostmaster will be reinstated forthwith. If enquiries are continuing and cannot be resolved within three months, Post Office Network will review the case to determine whether continued suspension is warranted. The Subpostmaster will be informed in writing that the review has taken place.



### Summary Termination of Contract

If, following suspension and investigation, it is considered that there is a clear case to be made against the Subpostmaster and that summary termination might be appropriate, the Subpostmaster should be told that this course of action is being considered and they should be given the opportunity to give reasons why their contract should not be terminated.

The Subpostmaster must be told clearly in writing the 'charge' (for example, misappropriation of Post Office cash) made against them, and the letter must make clear that this charge could result in summary termination of their contract. This letter should also offer the Subpostmaster the opportunity to attend a face to face interview with their Line Manager to answer the charge. The Subpostmaster can also choose to respond to the charge in writing.

The Subpostmaster must be given adequate notice (e.g. 7 working days) of any 'Reasons To Urge' Interview being arranged. The Subpostmaster must be informed that they can bring along a friend, who must be a fellow Subpostmaster or sub office assistant, Post Office employee or an official of the National Federation of Subpostmasters. The chosen friend or representative must not be involved or implicated in the case. Once the 'Reasons To Urge' Interview has taken place, it is courteous to provide the suspended Subpostmaster with a resume of notes taken at the interview.

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If, following full consideration of the circumstances of the case, a decision is taken by Post Office Network to reinstate, this should happen as soon as practically possible after the interview.

If the decision is taken to terminate the Subpostmaster's contract, a letter should be sent to the Subpostmaster as soon as possible after the interview, which should:

1. State the specific reasons why the contract is being terminated.
2. Allow the opportunity for the Subpostmaster to appeal against this decision, either in writing or by personal interview with a Post Office Network Appeals Manager.
3. Give ten working days from the date of the termination letter to lodge such an appeal.

The flowcharts on the following pages have been included to help clarify the process. However the Territorial Personnel Support Manager (Agents) or the Retail Line Contract Manager will provide additional and more detailed advice or guidance. We strongly recommend that you seek this before instigating any procedure.

When communicating to or about any Post Office Network Subpostmasters, it is vitally important to use the correct terminology. We have listed some terms to be avoided at the end of this section though this is not a definitive list.

### Lawyers' Letters

More often than not, when the suspension/ termination process is progressed, Subpostmasters' inadvertently seek legal advice, which they have every right to do so.

If this occurs, then Line Managers should consult the Territorial Personnel Advisor Teams (Agents) before responding to any such request. This will allow Post Office Network to consult our lawyers to ensure we provide the proper response to any Subpostmasters' solicitors.

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### Appeal Procedure

If a Subpostmaster decides to appeal against termination of contract, the Territory, via the Appeals Manager Coordinator at the Service Centre, will refer the case to an Appeals Manager. The Appeals Manager will be from a different part of Post Office Network.

The nature of an appeal takes the form of a complete 're-hearing' and specifically looks at the charge being made against the Subpostmaster. The Appeals Manager will either hold an interview with the Subpostmaster, or handle the case in writing, if the appellant wishes to do this.

At the interview the Subpostmaster can be accompanied by a fellow Subpostmaster or sub office assistant, Post Office employee or NFSP official.

The Appeals Manager will endeavour to hear the appeal as soon as possible. In no event must the post office be advertised or transferred during the time the appeal is pending.

Decisions of the Appeals Manager will be communicated in writing to the appellant within two weeks of any appeal hearing and considered final. However, if additional enquiries mean that this timescale cannot be met, an interim reply will be sent explaining the delay.

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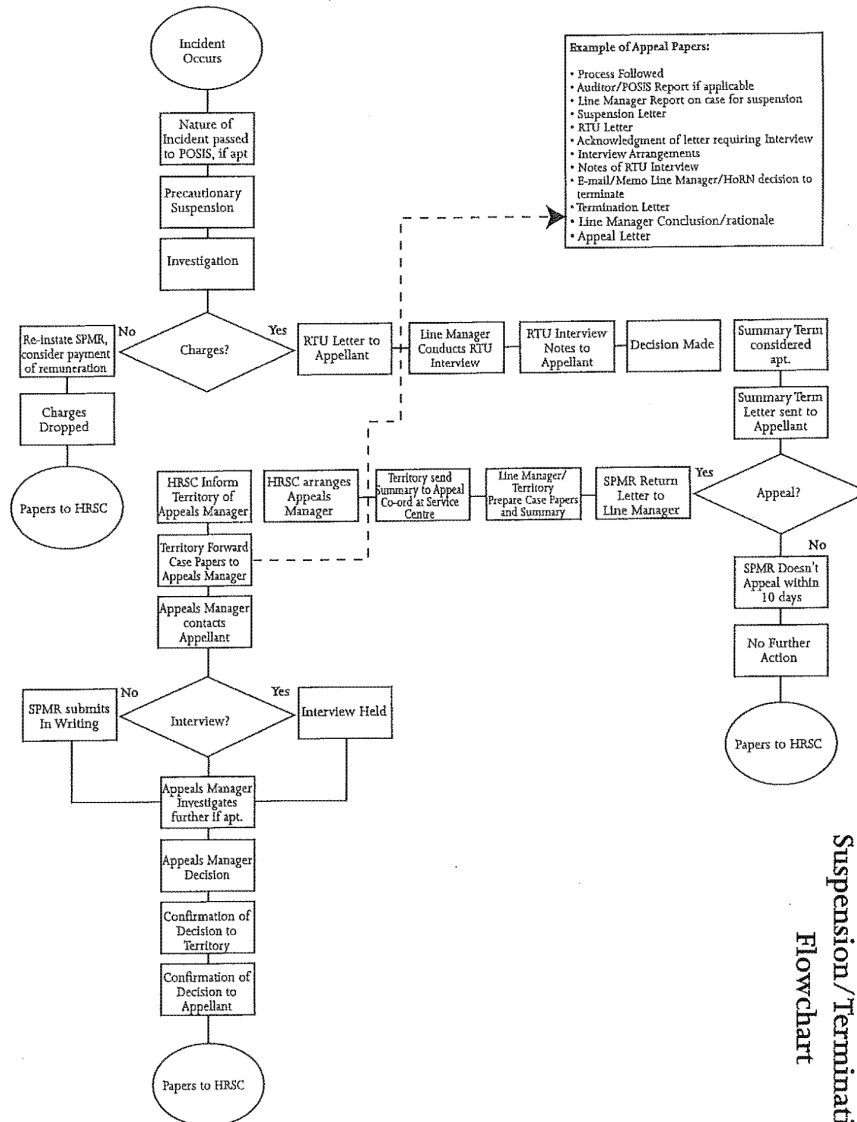
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An example of the **minimum** case papers expected at the Appeal Stage is shown within the process map. Obviously each case is different, however the Appeals Manager will be looking for documentary evidence which supports the Line Manager's decision to terminate. This includes:

- letters to and from the Subpostmaster, and any responses
- your rationale to support your decision
- any other mitigating factors to support your decision to terminate.

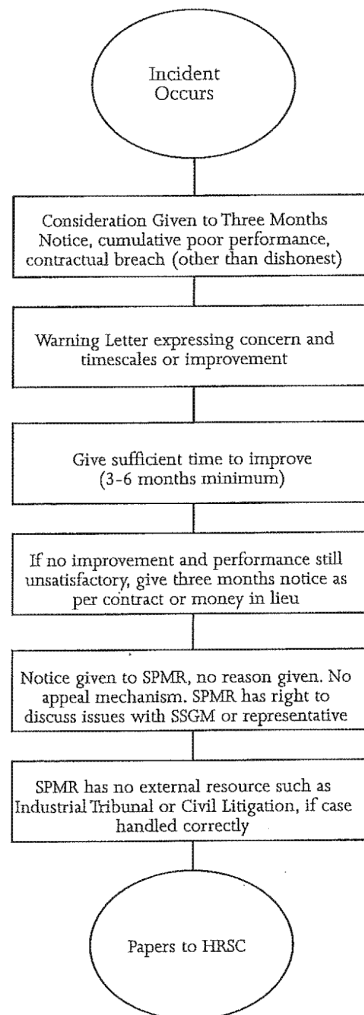
Corrective Action

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### Three Months Notice Flowchart

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Corrective Action

## Terms to be Avoided

Terms to be avoided	Reasons	Alternative
Compensation**	A Subpostmaster has no contractual entitlement to any payment following closure or loss of business. Any payments are discretionary or ex-gratia. Reference should only be made of 'eligibility for consideration'. Any indication that payments are as of right could have serious taxation as well as contractual implications	Discretionary or ex-gratia payments
Contract of Service/ Employment	Not legally correct according to the Employment Appeals Tribunal	Contract for services
Dismiss	Only employees can be dismissed. See section on Corrective Action	Terminate contract
Employee	Not the correct status	Agent, Subpostmaster
Employment	Incorrect although the Agent/Subpostmaster may employ assistants	Appointment
Leave	Since there is no obligation to attend personally there is no contractual entitlement to annual or sick leave	Absence on holiday Absence through sickness
Salary	Normally only associated with payments for employment	Remuneration

**\*\*Compensation**

In the majority is used mainly for employees. However there are two classes of compensation offered to Subpostmasters:

**Mailwork Compensation** – if Service Delivery, through their rationalisation of Delivery Offices, decide to concentrate deliveries into one sorting office, then a compensation payment may be made to the incumbent mailwork Subpostmaster.

**MSPO Compensation** – should the business decide to close, or relocate an MSPO office, other than for suspension cases, then the terms and conditions of the MSPO Contract state the the Subpostmaster may be entitled to a compensation payment.

Corrective Action \_\_\_\_\_



## Health & Safety Responsibilities

Agents may need to be advised of their legal responsibilities for Health & Safety as employers. Some of the legislation in this area includes:

- Occupiers Liability Act 1957 – to ensure the safety of visitors to a workplace
- Fire Precautions Act 1971 – the requirement for a Fire certificate
- Fire Precautions (Workplace) Regulations 1997
- Health and Safety at Work Act 1974 (HSWA) – the general and fundamental duties in all workplaces
- Health and Safety (First Aid) Regulations 1981 – to provide and inform employees of adequate first aid facilities.
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 – to report any serious or dangerous accidents at work
- Management of Health and Safety at Work Regulations 1999 – Risk Assessment and arrangements to plan, organise, control, monitor, review, inform and train in H&S measures. For managers, employees, contractors and temporary or agency workers.

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## Health & Safety Inspections

Inspectors of the Local Council Environmental Health Department or the Health & Safety Executive may inspect premises to enforce the law.

They may:

- carry out inspections of all work areas at any time
- remove samples or any substance or material they may wish to test or use as evidence.
- seek assistance from employees and their managers and ask questions
- prohibit the use of unsafe machinery or equipment or unsafe work areas
- prosecute anyone who deliberately obstructs their investigations.

Health & Safety Managers and their teams will provide supportive guidance for Line Managers in any of these areas.

## Disability Discrimination Act 1995

Subpostmasters have obligations as a provider of services towards disabled customers under the Disability Discrimination Act 1995.

The Post Office has issued guidance in the form of a booklet called "Disability – The Disability Discrimination Act 1995 (Part 111) and your business. An introduction for Subpostmasters and staff." This guidance was issued prior to 1 October 1999. If you have not received a copy of this booklet, it can be obtained from Sue Patrick, DDA Compliance Awareness Manager, 2nd Floor North, Gavrelle House, 2-14 Bunhill Row, London, EC1Y 8HQ. The information contained in this booklet is for guidance only and is not exhaustive. Each problem should be treated individually, because no standard response can be given that would cover everyone or every situation. Any issues where particular advice is needed may be sought from one of the following points:

Paul Barran, DDA Project Manager, Post Office Network, 30 School Lane, Lawford, Manningtree, Essex, CO11 2JA

Telephone:  Mobile:

Sue Patrick, DDA Compliance Awareness Manager, 2nd Floor North, Gavrelle House, 2-14 Bunhill Row, London, EC1Y 8HQ

Telephone:  Postline:

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Kay Hounsham, Disability Advice Centre, iT Concept  
2000, 250 Farnborough Road, Farnborough, Hants,  
GU14 7LU

Telephone:  Postline:

**Glossary**

Term	Meaning
ACC	Agency Changes Communiqués
AM	Area Manager
BSM	Business Service Management
CFPO	Company Franchise Post Office
CHAD	Cash Handling And Distribution
COA	Conditions of Appointment
DSS	Department of Social Services
FPO	Franchise Post Office
H&S	Health and Safety
HFSO	Horizon Field Support Officer
HoA	Head of Area
HoRN	Head of Retail Network
HRSAP	Human Resources Systems, Applications and Products in Data Processing
HSWA	Health and Safety at Work Act 1974

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IFPO	Independent Franchise Post Office
IR	Industrial Relations
LM	Line Manager
MNGR	Manager
MSPO	Modified Contract Sub Post Office
NFSP	National Federation of Subpostmasters
NI	National Insurance
NOR	Network Outlet Review
NBSC	Network Business Support Centre
OBC	Operational Business Change
PON	Post Office Network
PONU	Post Office Network Unit
POPOS	Post Office Point Of Sale
POSI	Post Office Security Investigation Service
QoS	Quality of Service
QPA	Quality of Performance for Agency Clients

*Managing Agents Contracts*

RGM	Regional General Manager
RM	Royal Mail
RML	Royal Mail Letters
RoMEC	Royal Mail Engineering
RPI	Retail Price Index
RTU	Reasons To Urge
SCS	Shaping for Competitive Success
SD	Service Delivery
SPDO	Sub Postmaster Delivery Office
SPMR	Subpostmaster
SPSO	Scale Payment Sub Post Office
SSGM	Sales and Service General Manager
TP	Transaction Processing
WTMS	Waiting Time Measurement System

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