

POST
OFFICE

Branch talk



branchstandards
getting it right every time



“Getting branch standards right every time will help you run your branch efficiently, professionally and securely, as well as giving our customers the service they expect and deserve.”



This booklet is a summary of some of the operational requirements we've made you aware of in the past, and covers many of the things you need to do to run your branch properly. It's designed to be a useful reminder of the main branch standards you need to achieve, and to help you get these right. You should also refer to current operational instructions and guidance, including **Operational Focus**. Branch standards may vary in the future, and we will let you know about any changes.

Given the changing regulatory environment, there is a serious risk to Post Office if the branch standards are not met and, therefore, please be reminded that we are obliged to take steps to ensure compliance. These steps, which include cost recovery in some instances, are explained in the letter accompanying this booklet. We will, of course, inform you on a regular basis if any further measures are required.

getting it right every time



Dear colleague

As we work to protect our existing business, compete in new markets and explore the new services the Post Office® can offer, we need to maintain our unrivalled reputation for trust. And in the commercial environment we operate we also have to control our costs whilst giving our customers a level of service that will keep them coming back again and again.

This booklet is a summary of the existing branch standards. It is designed to be a useful reference guide to the operational requirements we have previously given you for running your branch efficiently and compliantly. As you'll recall from the recent Compliance and Pricing in Proportion (PiP) training, it is extremely important that branch standards are met in order to avoid the very real risk of action from our regulators – either against the Post Office or against individual agents. Working in line with branch standards is also important to ensure the Post Office keeps its costs to a minimum, and that you aren't disadvantaged financially.

Just as importantly, meeting branch standards means you will be treating our customers fairly. The standards themselves are not new and they cover the things the majority of branch teams do successfully every day. Because of the risks I have outlined, it's essential we get branch standards right every time, and in every branch. To give you an overall view of how your branch is performing against these standards we'll provide you with regular updates to help you identify areas for improvement. We'll work with you to help you make the necessary improvements.

Delivering these branch standards is key to helping you run your Post Office branch compliantly and successfully. Please read this booklet carefully and share it with your team.

GRO

Paula Vennells
Network Director

Providing a great service

Giving customers a professional, efficient, friendly service and protecting our brand

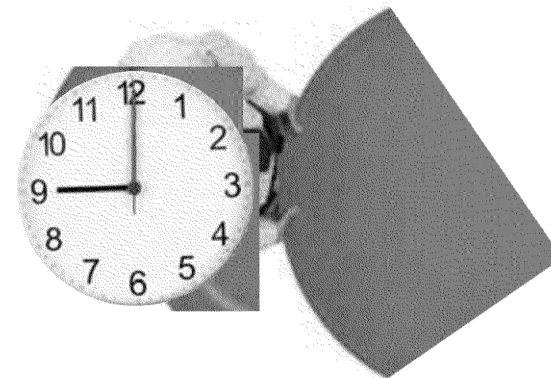
1. Opening times

Sticking to your contracted and published opening times is essential. It will give your customers confidence in your branch and assure our partners that people have access to their products and services at the agreed times.



Getting it right every time

- > Your Post Office opening hours should ideally match the opening hours of your store, but as a minimum should be in line with your contractual and published opening times.
- > If your store hours are longer than your Post Office hours, keep your **paystation** on your retail counter so customers have longer access to useful services such as E Top-ups, Quantum gas card recharging, electricity key recharging (or NIE Powercodes in Northern Ireland) and bill payments.
- > If an emergency means you can't open your branch or you can't open on time, contact the NBSC straight away.



2. Branch experience

Customers expect and deserve a safe, accessible, pleasant and welcoming environment when they visit a Post Office. Keeping your branch clean and tidy with all your promotional material correctly displayed will go a long way to creating this environment.



Getting it right every time

- Keep your branch and store exterior clean and in a good state of repair, with your opening times clearly displayed.
- Ensure the entrance is accessible to all your customers.
- Keep your branch interior clean, tidy and in a good state of repair, with clear, accessible aisles.
- Ensure your lighting is bright, welcoming and in working order.
- Keep counters and counter screens clear and free from clutter.
- Ensure your team are neat, tidy and professional in appearance.
- Ensure everyone is wearing a name badge.
- Display Post Office promotional materials correctly.
- Do not use locally produced marketing material to promote any Post Office products.
- Comply with your obligations under the Disability Discrimination Act and the Health and Safety at Work Act. Free information and guidance is available on www.hse.gov.uk. We have also sent you a guide entitled 'Accessibility and the Post Office' to help you with DDA compliance. You can order the disability booklet through Horizon.

3. Customer experience

The Post Office has a great reputation for customer service that is built on the assistance offered by branch teams, and our friendly, personal service is something our customers really value.



Getting it right every time

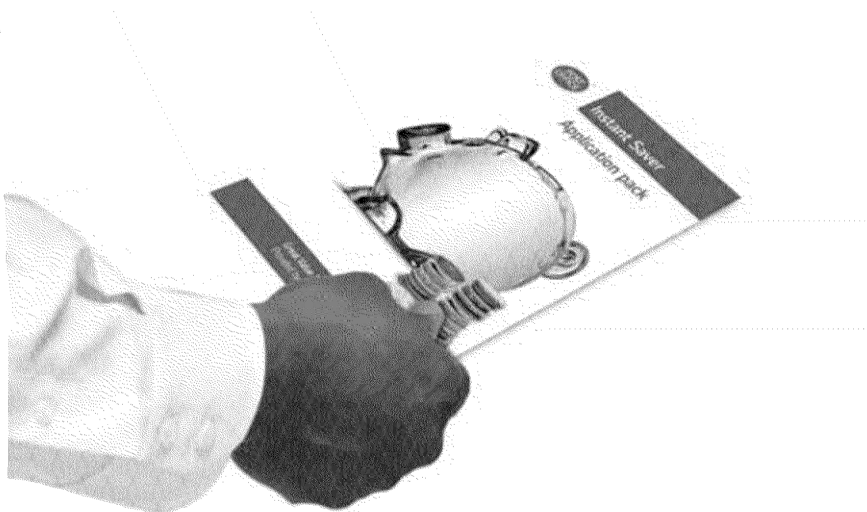
- Create a positive first impression.
 - Provide a warm, friendly welcome.
 - Make your customer feel valued.
- Find out and enquire more broadly into your customer's needs.
 - Actively question what your customer wants and how you can help them.
 - Make eye contact and give them your full attention.
- Offer a relevant product or service to your customer, matching it to their needs.
 - Look for cross sell opportunities and introduce an additional product or service if appropriate.
 - Highlight the features and benefits of the product you're introducing.
 - Make sure they have understood by asking if they have any questions.
- Leave a lasting positive impression when you complete the conversation.
 - Make sure your customer wants to continue with the transaction, and that they have all the information they need.
 - Ask if you can help in any other way.
- Keep an eye on the queue in your branch, and ensure waiting times are kept to a minimum.

4. Making the most of sales opportunities

Customer service is about more than just a friendly welcome and helping people when they need it. A great service includes offering customers the things they need, at competitive prices from their local Post Office.

As a minimum, we expect every customer to be asked (where appropriate) if they want to top up their mobile, withdraw cash, or benefit from the added peace of mind Special Delivery[™] can give them. Simply offering these three choices to customers will potentially increase your remuneration, reinforce your branch's reputation as the place to go for essential services, and grow sales.

We also expect you to look for appropriate opportunities to introduce our range of financial services, telephony and travel products to all your customers in a compliant way.



Getting it right every time

Special Delivery[™]

- > Every time a customer asks to post an inland item up to 2kg, ask them if they would like it guaranteed to arrive tomorrow. If they do, explain "For just (quote current price) we can guarantee delivery by 1pm tomorrow and if it should get lost or damaged you will receive compensation of up to £500 depending on market value."

Banking withdrawals

- > On every cash or cheque transaction ask "Would you like to pay by debit card?"
- > After every debit card transaction with a partner bank, follow the prompt and ask "Would you like some cash today?"
- > If you have an ATM you need to make sure it is kept topped up with cash.

E Top-ups

- > Ask all customers at the end of their transaction, "Do you need to top up your mobile while you are here?"

Look for appropriate opportunities to introduce other Post Office products and services.

Selling products compliantly

Meeting regulatory requirements, acting responsibly and with our customers' interests at heart

Compliance training

5. Compliance training

We need to demonstrate to our regulators that all Post Office people have been trained properly to promote, introduce or arrange regulated products, and comply with regulations. It also shows we can give our customers the service they expect and deserve from a brand they can trust. Everyone who works in a Post Office branch needs to complete the required compliance training, which could include mails integrity, financial services compliance, anti-money laundering, telephony, data protection and other regulatory compliance training. As well as helping to ensure we are selling compliantly, it will also give you and your teams more confidence to talk about our products compliantly.



Getting it right every time

- Make sure everyone who works in your branch completes the relevant compliance training in the timescales we require.
- You also need to keep records of the training that takes place in your branch, including any confirmation receipts from Horizon.

Financial services

6. Selling financial products and services compliantly

The Financial Services Authority's (FSA) regulations are legal requirements and help ensure customers receive accurate and balanced information so they can make an informed decision about a product or service.

Following these regulations is also part of our agreement with our partner, Bank of Ireland.

Demonstrating that we provide these services compliantly shows we are a trusted provider of financial services and supports our aspirations for developing this important area of our business.



Getting it right every time

- Only display or give out the latest versions of leaflets and other promotional materials for Post Office and NS&I financial services products.
- Ensure customers have all the information they need to make an informed decision.
 - Travel insurance: Make sure that you tell the customer they must disclose existing medical conditions and tell them about the cancellation period.
 - Savings: If the customer asks about savings generally you should tell them about Post Office products and also let the customer know that they could also arrange some NS&I accounts through the branch.
 - Over 50s life cover: Ensure that the customer understands how long they will pay premiums, that their executors may not get back as much as is paid in premiums and that they will not get anything if the customer stops paying premiums at any stage before they die or the final payment date.
- Don't give advice.
 - Always give customers balanced information about product features and benefits.
 - Don't make comparisons for the customer.
 - Don't provide financial advice.
 - Don't try to calculate any repayment amount or potential interest that can be earned on a financial services product. You can however refer them to the relevant contact centre or to www.postoffice.co.uk for more information.
- Only talk to the customer about the customer's business: keep the customer's information confidential.

Bureau de change

7. Bureau de change and anti money laundering regulations

We have a legal and ethical obligation to follow anti money laundering regulations and play our part in protecting our communities. This means following current operational instructions, including recording two forms of identification when a bureau de change transaction is worth £5000 or more, or if you are suspicious about the transaction. Genuine customers are unlikely to question the need to present their ID.

If we don't follow the correct procedures there's a risk of us becoming an easy target for criminals. This will not only seriously damage our brand but it could also result in fines from our regulator, HM Revenue and Customs, criminal prosecution and even having our licence to supply bureau de change revoked.



Getting it right every time

- > Ask your customers for, and record on Horizon, two forms of identification whenever:
 - > The value of a single bureau de change transaction is £5000 or more.
 - > A customer wants to carry out two or more bureau de change transactions that appear to be linked, and the combined value is £5000 or more.
 - > A customer wants to enter into a business relationship in which regular bureau de change transactions are carried out.
- > If you are suspicious about a transaction of any value:
 - > Ask what they are using the currency for and consider if the answer given is a reasonable explanation.
 - > Ask for further identification.
 - If they can't provide it, refuse the transaction.
 - If they can, but you are still suspicious and the transaction is for a large amount, explain that ordering the currency may take up to seven days. Immediately call Grapevine on 0845 603 4004 to follow the consent procedure.
 - > In all cases report the activity to the Money Laundering Reporting Officer on a suspicious activity report P4677.
- > If the customer can't provide acceptable identification the transaction cannot take place.

If you are suspicious about any financial transaction, not just for bureau de change, you must complete a suspicious activity report P4677, and send it to the Money Laundering Reporting Officer.

This is a summary of some of the key anti money laundering procedures. You and your team have previously been provided with more detailed instructions and training on anti money laundering procedures. Make sure you always follow these.

Mails

8. Pricing in proportion

Royal Mail's pricing in proportion system means that customers are charged to post their inland and BFPO mail dependant on how much it costs to handle their item. This cost is related to the weight and size. Overcharging for a mail item is unacceptable, and may also be an offence under consumer protection legislation. Undercharging could mean that the people who receive the mail are surcharged. If this happens our reputation will be damaged, and we risk losing business to competitors.



Getting it right every time

- Use the pricing in proportion template at all times to correctly size and price inland and BFPO mail items.
- Refer to your pricing in proportion 'Size matters' training guide for more information and guidance.

9. Pricing parcels

Only parcels below a certain size can be sent using Royal Mail services as larger parcels need to be carried by Parcelforce Worldwide. Royal Mail will remove all oversized international items from their operation and upgrade them to a Parcelforce Worldwide service, which is expensive for them to do. It can also lead to your customer's item of mail being delayed – which means they're not getting the service we promised them.



Getting it right every time

- Check the size of each parcel and compare the dimensions against the size limits for both Royal Mail and Parcelforce Worldwide services, and ensure the correct service is selected.



10. Mails integrity

Our customers trust us to look after their mail while it's in our possession and we have a legal requirement to keep it safe and secure. Anyone who has access to mail in your branch needs to comply with the mails integrity minimum standards code of practice.



Getting it right every time

- Ensure only registered assistants have access to mail in your branch, and that they comply with the mails integrity minimum standards code of practice.
- Protect mail items from the risk of delay, loss, theft, or interference by ensuring they are secured at all times and not accessible to the public.
- Make sure you check redirection forms carefully and note the proof of identity. This will help to reduce the risk of fraudulent redirections and delays.
- Register all your assistants with Post Office Human Resources using a P250 form.



11. Mails segregation

To help give customers the best service possible you need to segregate mail in your branch before it is collected. This allows our colleagues in Royal Mail to sort the mail quickly and deliver it on time. Simply segregating the mail in your branch will give customers the service they expect and help us to protect our business.



Getting it right every time

- Segregate your customers' mail into these categories:
 - Place all 1st class packets, including BFPO packets and 1st class packet post returns into a grey mail bag and tie it with a bag seal and the appropriate 1st class bag label.
 - Place all 2nd class packets and 2nd class packet post returns into a grey mail bag and tie it with a bag seal and the appropriate 2nd class bag label.
 - Place all other items (i.e. 1st and 2nd class letters, large letters, franking meter impressions, PPI, smart stamps, fast stamps, online postage labels mail and Royal Mail international) - into a third grey mail bag.
- Keep priority services such as Special Delivery™, International Signed for and Airsure items separate in a secure area.
- Keep Parcelforce Worldwide items separate.
- Any postage stamps on 1st and 2nd class packets must be date stamped.

Telephony

12. Selling telephony products compliantly

We need to make sure customers fully understand our telephony and broadband products, and that these products are sold compliantly. This is necessary under OFCOM regulations which are legal requirements. It will also help us develop this area of our business.



Getting it right every time

- > Before you sign up a customer check that:
 - > They are over 18.
 - > They are the current telephone or broadband subscriber, or have the current subscriber's permission to cancel and transfer their current service to Post Office.
 - > They are not a BT Light, BT Basic or Kingston Communications customer.
- > Applications from spouses or others to transfer to HomePhone from another provider cannot be accepted if the current named subscriber has died, unless the applicant is the executor of the deceased's estate or has the executor's written permission – in which case they can apply to transfer in their own name. If not, the named subscriber needs to be updated with the current provider prior to any transfer to Post Office HomePhone.
- > Copies of our terms and conditions, price list, acceptable use policy, and a copy of the Post Office HomePhone code of practice, detailing the complaints and dispute resolution process should be available to customers who request to see it in branch. Let customers know they can get their own copy by calling the Customer Contact Centre on 1 800 0 123 456 or visiting www.postoffice.co.uk.
- > Inform customers who are signing up for broadband what their anticipated line speed is – Horizon shows this when you input their telephone number.
- > Inform customers that by completing the transaction they are entering into a contract, and not just applying for information. Horizon will prompt you to read out the statement and sales confirmation.
- > Ensure the customer reads and signs the branch copy of the order confirmation receipt that is produced on Horizon. You'll need to retain this securely for two years.
- > Give the 'What happens next' receipt to the customer and explain the next steps in the transfer process.
- > Customers must be informed that if they are signed up to a minimum term contract with their current provider, they may have to pay an early termination charge to them if they move to the Post Office before the end of that minimum term.

Information security

13. Protecting customers' information

Protecting personal data is important for maintaining the trust of our customers and is also a legal requirement. The Data Protection Act 1998 places legal obligations on those who handle personal data, and not complying with its requirements is a criminal offence and can lead to prosecution.

Personal data doesn't have to be held on a computer to be protected by the Act. It can include office copy receipts, documents or forms that contain customer information, customer signatures or card details, data printed from Horizon or cash holding information.

If in doubt, you should treat all information and documents about customers or other individuals as personal data.

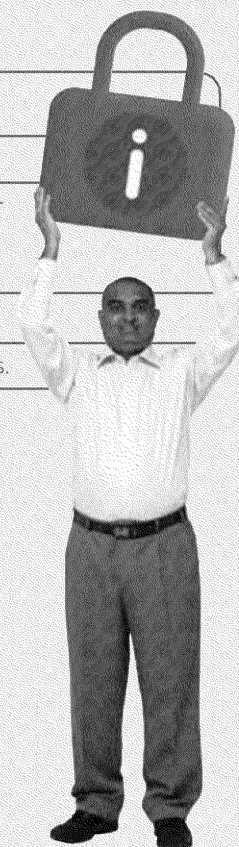
Personal data means data which relates to a living individual who can be identified:

- (a) from the data, or
- (b) from the data and other information which is in or is likely to come into your possession.



Getting it right every time

- > Keep personal data securely and confidentially at all times.
- > Only keep personal data for as long as is necessary (e.g. for auditing purposes), and dispose of it as confidential waste, and not with your normal rubbish.
- > Only use personal data for the purpose it was obtained for.
- > Never remove any personal data from the branch premises.



Managing cash in your branch

Being in control of the cash in your branch and meeting your customers' needs

14. Overnight cash holdings

Keeping and moving cash in the network is very expensive. If you have too much cash in your branch, it may mean we do not have enough for other branches, and it also increases your security risk. This is, however, balanced by the need to have enough cash to serve our customers, and to assure our partners such as the DWP and our partner banks that we can give their customers access to their cash. Getting your cash levels just right is therefore a crucial part of running your branch, and keeping Post Office profitable.



Getting it right every time

- > Check the planned order on Horizon each day to identify how much cash you will receive or need to return on your next remittance.
- > Review the level of cash you need on a regular basis. You can do this by looking at the balance snapshot and identifying the level of payments against receipts.
- > Let the Inventory Team know if there's been a significant change in your business over the past six weeks, such as a new business customer.
- > Contact the Inventory Team to alter or cancel a planned order if you don't think you need the predicted level of cash. This includes cash orders for Post Office ATMs.
- > If you think you can return more cash than the amount shown on your planned order, please do so.
- > Only place a special order for cash if it's absolutely necessary.
- > Don't use notes taken from a Post Office ATM on the counter unless the Inventory Team has approved this, as this will impact on the overall planning for your branch.

15. Foreign overnight cash holdings

Managing your foreign currency is important for the same reasons as managing your sterling. Whilst you need enough foreign currency to meet your customers' requirements, holding too much is not only a cost to the business, but can also increase the security risk to you.



Getting it right every time

- If you are an on-demand branch, make sure you only hold one and a half times the value of your weekly sales of foreign currency.
 - A sales report can be printed through Horizon to show how much foreign currency you have sold in the current trading period. This can be used to work out how much foreign currency you should be holding.
 - It needs to be printed within 42 days of the start of a remuneration period.
 - Instructions on how to print a sales report can be found in Operational Focus.
- If you are a pre-order branch, please make sure you return any foreign currency you have bought back from customers to us at the earliest opportunity, following your normal remittance procedures.



16. Cash declarations

The cash in your branch, including cash for your ATM, is monitored by the flexible planning system. The effectiveness of this system depends on you accurately declaring the cash sterling belonging to us that you hold overnight, every day your branch is open for business. Accurately declaring cash means you can monitor it effectively, and identify and resolve any discrepancies.



Getting it right every time

- Complete an accurate daily cash declaration on the Horizon system for all stock units used during the day. This must be done before 19:00.
- If the stock unit isn't going to be used, or the branch is closed the following day, a cash declaration must be the last Horizon transaction of the day.
- Declare your notes and coin against the correct denominations. Any banknotes that are damaged or mutilated should be declared as 'unusable'.
- Complete a cash declaration for every stock unit that has been attached that day, whatever the reason. This includes cash or stock transfers to or from the lottery stock unit to AA, even though the cash figure may not have changed or the stock unit does not contain any cash.
- If you have a self fill Post Office ATM, this needs to be included in your cash declaration each day. All cash that is specifically for Post Office ATMs, whether it is in the machine or held in the safe ready to go into the machine, must be declared against the £10 ATM note line, regardless of denomination. If you have a non Post Office ATM for which Post Office supplies the cash you need to include this in your cash declaration against the correct note denomination.
- Cash prepared for remittance to the cash centre doesn't need to be included in your cash declaration.

Working efficiently

Keeping control of costs,
reducing losses
and staying secure

17. Processing transactions correctly

Rectifying mistakes is a significant cost to Post Office. Whilst we understand that mistakes will happen on occasion, we want to minimise them – to reduce our costs and give good customer service. Getting transactions right means we don't have to waste time resolving mistakes. It also gives our partners confidence that we can transact their products in the correct way.



Getting it right every time

- > Make sure that you and your teams follow the correct procedures for each transaction. This will increase confidence and help prevent transaction errors and corrections.
- > If you receive a transaction correction to rectify a mistake, deal with it as soon as possible, and always within the balance trading period.
- > If a transaction correction has a monetary value, any discrepancies must be dealt with promptly by contacting Product & Branch Accounting.

“Getting transactions right means we don't have to waste time resolving mistakes.”

18. Motor vehicle licence discs

Motor vehicle licence discs are valuable stock items, and need to be kept securely. Whilst Horizon will record the discs you have sold, you need to account for all the discs you have in your branch including any that are spoilt, lost or stolen.

It's also important that we meet the standards agreed with the DVLA about product knowledge, availability of forms and leaflets, and their customers' perception of our branches.



Getting it right every time

- Keep all MVL discs safely and securely.
- If you spoil a tax disc you'll need to account for it, destroy it and dispose of it as confidential waste.
- If you lose a disc or suspect one has been stolen, you must account for it on Horizon.
- Make sure the correct MVL forms are available to your customers.
- Make sure everyone who works in your branch is up to date on MVL procedures and product knowledge.



19. Cheques on hand

We settle with our partners based on the information that is transacted through Horizon. This means that if cheque payments are not cleared daily we have to settle amounts owed to our partners before we have the money in our bank account. This has a negative impact on our cash flow. Despatching your cheques every day means they can be processed and cleared in the correct timescales which reduces our risk of liability for bounced cheques. Our customers also expect us to process their cheques quickly.



Getting it right every time

- Only accept cheques for certain products and services, as prompted by Horizon.
- Ensure you record all the relevant information on the reverse of the cheques you accept.
- Despatch all cheques to the relevant place, with the right paperwork with your daily collection.
- Make sure the cheque values on Horizon and your branch trading statement match the values of the cheques held in the till.

“Despatching your cheques every day means they can be processed and cleared in the correct timescales.”

20. Stock holdings

Similar to your cash holdings, you need to be confident you have enough stock to meet your customers' demands, but holding more than you need is an unnecessary cost to our business.

Keeping good control of your stock also reduces the risk of missing return dates and therefore losses for obsolete stock.



Getting it right every time

- Make sure you are only holding three weeks' worth of stock in your branch.
- Follow the current operational instructions for accounting for, managing and securing your stock.
- Return obsolete stock within the timescales required by current operational instructions.

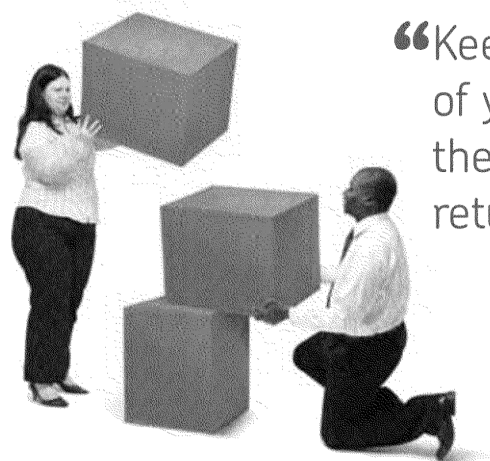
21. Branch trading

Completing a branch trading statement at the end of each branch trading period helps us keep our accounts in order and lets you keep a close eye on your own.



Getting it right every time

- Complete a branch trading statement on Horizon for each branch trading period, within the required timescales.
- Ensure your branch has rolled over into the correct branch trading period following completion of the branch trading statement.



“Keeping good control of your stock reduces the risk of missing return dates.”



22. Security standards

Keeping you, your team and your Post Office branch safe and secure is of paramount importance. Following the security guidelines will reduce the risk to your people and the risk of losses. The majority of customers will come to your branch to either deposit or collect cash and they need to feel safe and that their assets are secure.



Getting it right every time


- > You must follow the security guidelines outlined in the current operational instructions, in addition to further security instructions which may have been issued to your branch based on your branch type.
 - > Follow the advised opening and closing procedures.
 - > Close all doors and parcel hatches when they're not in use.
 - > Formally identify visitors, including contractors, and record their details.
 - > Lock all access and safe doors at all times – keep the keys on separate key rings, ensure they are not accessible or visible to members of the public, and remove them from the premises at night.
 - > Keep working cash to a minimum.
 - > Store bulk cash in the safe, with any time-overlocks on at all times.
 - > Use appropriate security equipment.

Branch scorecard

You'll be sent a regular scorecard report showing how you are performing against some of the branch standards in this booklet. It will show:

- > If you have processed any non compliant bureau de change transactions
- > The percentage of valid cash and ATM declarations for your branch
- > Your FONCH ratio
- > If you have lost any MVL discs

The scorecard will also show other measures such as the result of any audit or mystery shopping visits if you have been visited in the previous month.

 branchstandards getting it right every time		
Branch name: Newtown Post Office®		
Branch code: 123456		
Your Performance	Period	Year to date
Selling products compliantly		
Bureau de change		
Number of non compliant bureau de change transactions	0	0
Managing cash in your branch		
Overnight cash holdings		
% of valid cash declarations	100	100
% of valid ATM cash declarations	100	100
Foreign overnight cash holdings		
FONCH ratio	1.5	1.5
Working efficiently		
Motor vehicle licence discs		
Number of missing discs	0	0

Useful contacts

If you have any questions about branch standards, please contact the

Network Business Support Centre on **GRO**

Grapevine: **GRO**

Inventory Team: **GRO**

HR Service Centre: **GRO**

Product & Branch Accounting: **GRO**

Other useful contacts can be found in **the source telephone directory**.

March 2010

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