

Branch Standards - Questions and Answers

Q1. What type of consequences will there be for not complying with branch standards, including selected standards?

There will be specific financial consequences for subpostmasters who do not meet the expected level of performance for some branch standards. The amendment to the subpostmaster contract which introduces the financial consequences is also included with the information that will be sent with the booklet. The specifics are:

- Remuneration will not be paid for non-compliant bureau de change transactions, including those over £5k
- Costs will be recovered for missing Motor Vehicle Licences
- If branches fail to complete the required Regulatory Compliance Training on time and a visit is required to check completion of the training, a member of the Network Support Field Team will visit the branch, which will be at the cost of the subpostmaster.
- If branches fail to complete cash declarations, including those relating to ATMs, and performance doesn't improve following remote intervention, a member of the Network Support Field Team will visit the branch to conduct further training, which will be at the cost of the subpostmaster.

The existing contractual consequences for poor application of branch standards remain. This includes the possibility of action being taken under the subpostmaster contract. This could be corrective action, with the possibility of contract termination, and/or the removal of a product from the branch. If a subpostmaster has a query relating to specific areas of their contract then this query should be raised with the Human Resources Service Centre. Certain breaches of branch standards which involve regulatory bodies may instigate criminal prosecutions.

Q2. Who will be affected by the introduction of branch standards?

All branches in the network will be required to meet the branch standards regardless of whether the branch is operated by a subpostmaster, a temporary subpostmaster, a company operator, one of our multiple partners, or it is a Crown Office. Most branches currently comply with the majority of branch and selected standards.

However, communication across the range of branches will be staggered. Agency branches will be the first to receive the Branch Standards booklet.

Q2. How will a branch know how they are performing against the branch standards?

Branches will receive a monthly statement of performance, showing how they are doing against the standards. This will also include information about any financial charges incurred as a result of not meeting the standards.

Q3. What should a branch do if they want to question the information that is provided to them?

If the query is about how to meet a particular branch standard, such as how to complete a Branch Trading Statement, then the branch will be directed to current operational instructions or will contact NBSC and the call will be dealt with in the usual way. If the branch would like to question their performance information or would like to understand the reasons for the deduction from remuneration, the call will be made into the NBSC and the response will be provided by the Network Conformance Team. A special box on Remedy has been established for referrals to the Network Conformance Team. If the branch would like to question what has been deducted from remuneration, then they should be referred to the Human Resources Service Centre.

Q4. How will financial charges be recovered?

Financial charges will be deducted from remuneration.

Q5. What happens if a mistake is made by someone who works for the subpostmaster, including a relief who covers for holidays or illness?

Subpostmasters are responsible for ensuring that all employees, including holiday and sickness reliefs meet the required branch standards. Subpostmasters are responsible for any financial charges that are incurred as a result of any non-compliance of the staff or reliefs. Action may also be taken against the subpostmaster contract for services if your branch does not meet the standards, even if this is because of non-compliance by one or more of their employees.

Q6. What is the reward for good performance?

All of the branch standards, including the selected standards are considered to be essential to running a branch professionally, and are part of the contractual obligations. We know that there are a large number of subpostmasters and their teams who already consistently achieve the required standards and will continue to do so. We plan to introduce a scheme to recognise high performance in due course.

Q7. What support will branches get to help achieve the branch standards?

The communications branches receive from us over the next few months will identify how to achieve the branch standards and where to get help. As the standards themselves are not new, this

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information already exists via Operations Manuals, Smarthelp on Horizon or via the Network Business Support Centre.

Q8. What support will branches get to train employees to achieve the branch standards?

Subpostmaster will continue to be responsible for training all employees, including reliefs, to achieve all of the standards.

Q9. Will there be any changes to the branch standards?

The standards and any associated consequences may vary in due course. You will be told of any changes in advance.

Q10. Will new subpostmaster be subject to the same standards and consequences?

Regardless of how long someone has been a subpostmaster, we expect them to achieve the branch standards. New subpostmasters will receive training before they take over the branch and dedicated support will be provided at the one, three and sixth month stage following the transfer. In usual circumstances, we do not expect any financial charges to be applied during the first three months following appointment. The exception to this relates to non-compliant bureau transactions. Remuneration will not be paid for non-compliant transactions from the date of appointment. Also, any branch losses will be the responsibility of the subpostmaster from the day of taking over the branch.