

# Mandatory Losses & Gains Policy in the Crown Office Network



Final Version (Sep 2008)

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## CONTENTS

Section 1	Introduction and Purpose
Section 2	Background
Section 3	Annual Certificate of Compliance (ACC)
Section 4	Supervisory Checks (misbalance checks, surprise checks)
Section 5	Branch Trading
Section 6	Counter Losses & Gains Reporting
Section 7	Monitoring Records
Section 8	Security Compliance

## APPENDICES

Appendix A	Annual Certificate of Compliance (ACC) – <i>This workbook has been issued directly to Crown Offices</i>
Appendix B	Surprise / Misbalance Checks ( <i>Loss and Gains Policy Action Workbook</i> )
Appendix C	Local Record of Stock Users
Appendix D	Report from Crown Office Managers for losses over £250
Appendix E	Action Matrix Flowcharts (a – Multi User Stock / b – Individual User Stock)
Appendix F	Record of interview / actions agreed
Appendix G	Escalation Interview Action Plans ( <i>Loss and Gains Policy Action Workbook</i> )
Appendix H	Branch Enquiry Form

## Policy Monitoring Tool - Loss Management System (LMS)

1. Data Capture Workbook
2. Data Analysis Workbook
3. Loss and Gains Action Workbook



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**Section 1 – Introduction to Policy and its Purpose**

The impact of losses in the Crown Office Estate is having a serious effect on our ability to deliver the three2eleven plan to bring us back into profitability by 2011. This Policy has been redesigned to provide clear and consistent guidance to Crown Office Managers and their Assistants as to their responsibilities for the recording, maintenance & monitoring of losses and gains. The Policy will also provide Crown Office Managers with a tool to be able to effectively manage losses and gains and to take appropriate measures to reduce losses. It also reiterates the security controls required to protect both the businesses assets as well as the individuals themselves. Finally, for the first time the Policy details a commitment to provide training and support to all Crown Office Managers in how to deploy the Policy and deliver on their responsibilities.

**Section 2 – Background**

With the introduction of an approach to Branch Trading together with the business drive on Sales in recent years, the Crown Office Manager's role in managing losses has lost some of its focus. There are also a number of newly promoted or externally recruited managers who will have little knowledge of the existing policy for the management of losses and gains. Evidence shows that the approach to losses and gains in the Crown Office Network varies greatly and it is therefore a requirement for Crown Area Managers and Crown Office Managers to deploy this Policy consistently, which in turn will drive down losses and improve performance within the Crown Office Network.

This document supersedes all previous documents relating to 'Multi User Till Efficiency (MUTE)' best practice, Losses & Gains procedures, 'Liability for Losses' and Supervisory Controls.

The Policy outlines business requirements relative to the local management of losses and gains at Crown Office level and incorporates previously agreed criteria for the accurate recording, checking, notifying and acting upon losses and gains at a local level.

A number of stakeholders have input to the review of the Policy, including representatives from the Crown Network Operational Efficiency, POL Investigation, National Compliance and Branch Accounting and Control Teams together with a representative group of Crown Office Managers and Crown Area Managers. Post Office Ltd has nationally consulted both the CMA and CWU in respect of the Policy Document review and will continue to do so whilst monitoring deployment of the Policy and revised 'Escalation Process'.

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**Section 3 – Annual Certificate of Compliance**

You may be aware of the Business Policy, communicated via Frontline Focus in January 2005, which requires Crown Office Managers to undertake a self-assessment against the deployment of a selection of key and important internal controls.

This self-assessment process is called the Annual Certificate of Compliance (ACC) and is managed by the National Compliance Team. Every Crown Office is involved through a rolling programme and Crown Office Managers are required to complete an assessment a minimum of once a year.

The ACC declaration form is reviewed and updated each year in line with new business risks and includes a reference for each control. Once completed by the Crown Office Manager, it will be subject to review during Crown Office audits and subject to scrutiny during Crown Area Manager 'visits', to ensure the process is complied with. An updated process and ACC has been issued in April 2008 which includes checks for the revised Loss and Gains Policy controls. (Latest version is referred to at Annex A. This workbook is owned and communicated by the National Compliance Team).

**Section 4 – Supervisory Surprise Checks & Misbalance Checks**

Supervisory controls are designed to assist Crown Office Managers in effectively minimising the risk to the business assets at their offices and to protect individuals. As part of these supervisory controls, the office management team are responsible for performing random, surprise checks on all stock units (either individual or multi-user) on a regular basis.

There is also a requirement for misbalance checks to be performed on all stocks, both 'multi user' and 'individual', which misbalance by £30 and over. However, these checks are over and above the need for supervisory surprise checks and can be performed by both managers and experienced colleagues.

**To meet the minimum standard, a programme of supervisory surprise checks must:**

- be performed by the Crown Management Team who will check that colleagues complete a cash declaration towards the end of each working day;
- include monitoring, by Managers, of the levels of cash being held by all colleagues;
- include every stock unit (e.g. Main Cash, ATM, SVM, Postshop cash and value stock, Giro, Bureau De Change and Lottery etc.); Main Cash Stocks held by a Crown Office Manager should be checked by a Crown Area Manager or representative.
- be treated **separately to misbalance checks**;

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- check all cash, stock and vouchers to hand and reconcile to the last declared balance; Print and check for 'outstanding dockets'.
- ensure each stock unit is checked at least once in a three month period, where the stock is rotated, or once in an eight week period where the stock is held by a single colleague. ie. **Individual stocks** and when a **multi user stock** has been balanced by the same colleague every week due to the way duties have been written (these multi user stocks should be treated the same as individual stocks **for supervisory check purposes only**).
- be supported by a record of stock checks with records of surprise checks being clearly distinguished from misbalance checks and retained for two years; The checker should clearly identify themselves on the local records. **(Appendix B – Loss and Gains Policy Action Workbook)**
- include a variation on the days of the week used for surprise checks, so as to avoid any pattern that will become known to individuals
- ensure a Manager's signature is recorded onto the final balance record of a checked stock and ensure the stockholder or an independent witness is present at the time of the check. A record of the check, the witness and balance result 'pre' and 'post' check should be entered into the Loss & Gain Policy Action Workbook.

The following steps are carried out when undertaking a financial audit at a Crown Office and are recommended for the Crown Managers to adopt when performing a stock check:-

- confirm the location of all cash and stock and ascertain if the stock is an individual or multi-user stock;
- obtain cash declaration print for the night prior to the check and previous week's full Balance Snapshot or Branch Trading Statement, daily prints and all vouchers on hand;
- obtain the following print outs from the Horizon system
  - ⇒ office snapshot, if multi-user stock is in operation
  - ⇒ stock unit snapshot for each stock, if individual stock balancing is used
  - ⇒ suspense account summary;
- reconcile stock to the snapshot printout;
- reconcile daily prints and vouchers on hand to the snapshot print;
- reconcile non value items (MVLs, bus passes, etc.);
- inform colleague (s) of the result of the check.

The basis of control is that there is an awareness of levels of discrepancies in conjunction with any actions necessary to implement improvements, protect our people, where it highlighted poor performance, including bringing disciplinary procedures to bear where applicable.

The Crown Office Manager has responsibility for ensuring the approved systems for controlling losses and gains are adopted and implemented.

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There is a requirement for Crown Office Managers to maintain the following records:-

**For all supervisory surprise & misbalance checks**

- Financial Year
- Week Number
- Stock unit
- Name of Stock User
- Original Loss / Gain result
- Type of check (surprise or misbalance)
- Result of Loss / Gain, post check
- Discrepancy comment, if required
- Name of Crown manager or substitute performing the check
- Position or grade of checker
- Ensure Horizon Weekly Balance Report is signed & dated and retain documentation relating to check for 2 years

**For all stock losses and gains of £5 or more**

- Office Name
- Office Code
- Week number
- Stock Unit ID
- Value of Loss/Gain
- Full name of individual or all individuals who have served from that stock unit during the balancing period
- Details of associated **Transaction Corrections** – values, trading period and relevant stock units

**Section 5 – Branch Trading**

Branch Trading should be undertaken in accordance with the latest Branch Trading booklets, which include details of balancing stock units, production of the Branch Trading Statement, production of reports and despatch of documents

Following the process below prior to Branch Trading will help to ensure that only true losses and gains are posted to Profit and Loss at Branch Trading.

**Office** accepts or queries all Transaction Corrections ***on receipt*** by following the instructions as detailed on each 'TC' throughout the period. Reference can be made to the Ops Manual and 'Transaction Corrections' section.



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Office completes a snapshot balance 3-5 days prior to Branch Trading date. (Note this can be done more frequently e.g daily/weekly basis)

Office identifies the product and investigates the discrepancies to see if a Transaction Corrections is required or if the discrepancy is an actual loss.

**CHECKS TO ESTABLISH CAUSE OF DISCREPANCY****STOCK**

Have you checked that all your stock has been booked in correctly e.g. postage stamps?

Have you received a stock transaction correction and did you adjust your stock in accordance with the instructions on that transaction correction?

Did you report the stock discrepancies to Hemel?

Did you need to redeem any values from Rem Suspense?

**CASH REMITTANCES**

Have you had any REM discrepancies?

Did you report these to the Cash Centre?

Has the Cash Centre advised you of any discrepancies on any returned cash?

Have you entered the value to REM Suspense?

Did you need to redeem any values from REM Suspense?

**BUREAU REMITTANCES**

Have you received any Bureau currency?

Have you accounted for this correctly? – Make sure you book in the value on the advice note and account for any discrepancies in REM Suspense AFTER you have contacted the Cash Centre

Have you used the Sterling value when returning currency to the Cash Centre?

**METHOD OF PAYMENT**

Have all cheques been 'remitted' out and sent to the processing centre?

Has the correct method of payment been used for all transactions?

Have you got more / fewer cheques than is recorded on Horizon?

Is there a value in cheques at site, where you do not have the physical cheques?

**TRANSACTION CORRECTIONS**

- IF a Transaction Correction is required, Crown Office Manager should contact branchcontrol **GRO** by email using the discrepancy form (See Appendix H). NOTE if the error is a Stock error, please identify the product.
- Branch Control contacts relevant product team within Product & Branch Accounting
- Product & Branch Accounting investigates and issues the associated TC immediately if appropriate
- Office accepts the Transaction Correction ***on receipt*** by following the instructions as detailed on the Transaction Corrections

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- Office completes Branch Trading , posting only true losses and gains

Note - The value in Local Suspense at Branch Trading should be resolved by selecting the Write-Off to P & L option to prevent losses/gains rolling into the next period

**USEFUL CONTACTS**

- Any query in respect of Transaction Corrections, please email [branchcontrol@GRO](#)
- Contact Cathy Macdonald on [cathy.x.macdonald@GRO](#)

## Section 6 – Counter Loss & Gains Management Reporting

### 6.1 – Losses/Gains between £5.00 and £249.99

Crown Office Managers must undertake to perform the following in respect of Losses/Gains:

- To report immediately, via telephone, **any** loss, irrespective of value, where dishonesty is suspected, whether declared or discovered on a supervisory/balancing check, to the NBSC Helpline on [GRO](#)
- All Losses and Gains of £5.00 or more, must be recorded for each and every stock unit for each balancing period within any Branch Trading Period, using the Loss & Gains Capture Spreadsheet
- For individual stock units, the name of the colleague must be included. For 'multi user' stocks, the names of those who have had access to the stock unit during the balancing period must be recorded on the forms provided (Appendix C).
- Where a name is associated to a loss, the value of losses associated to any individual will be automatically calculated through the Loss & Gains Management System in line with the Escalation Process principles.
- Any colleague whose balancing record falls below the standard will need to be dealt with under the 'escalation process', supporting the Loss and Gains Policy. Informal and formal interviews will be required and the Manager will need to ensure that records are maintained to show these have been conducted appropriately with a signed record, kept locally.
- Records of losses and gains do not need to be sent from the office, unless requested by your Crown Area Manager, Investigation or Compliance / Audit Managers. These records must be made available to any of those mentioned at the time of a visit.
- To support the recording/monitoring of losses, it is vitally important that accurate records of colleagues movements within stock units are recorded on the forms provided.

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- Where a stock unit incurs a loss or gain over £30.00, the Crown Office Manager must perform a balance check of the cash/stock and vouchers on hand. If the relevant colleague cannot be present at the balance check, an alternative witness must be present.
- Ensure that the stockholder record is endorsed that 'a balance check has been conducted' and also ensure that the balance report is signed and dated to confirm the check has been undertaken (**retain for 2 years**).
- If the resultant balance check reveals a further loss which raises it above the £250 threshold, the Manager must call the NBSC as per the process in Section 6.2.
- If any loss over £250, reported through the NBSC leads to a Transaction Correction (TC) being brought to account, a call must be made to the NBSC informing them of the TC. In addition, inform the Investigation Team by e-mail of the TC. ([Fraud Team Post Office Ltd](#))

**6.2 – Losses over £250.00 (Appendix D)**

Crown Office Managers must undertake to perform the following in respect of losses over £250.00. (NOTE – Crown Office Manager, if on duty, should take responsibility for ensuring the following action is taken)

- To report immediately, via telephone, **any** losses where dishonesty is suspected, whether declared or discovered on a supervisory/balancing check, to the NBSC Helpline on **GRO**
- Crown Office Manager to complete the report for losses over £250.00 (Appendix D) and e-mail this form to "**Fraud Team Post Office Ltd**" e-mail address as soon as possible after the discovery of the loss. This form should be completed even if the loss is "known".
- Ensure all colleagues who had access to the stock, complete the Investigation Team's "Counter Loss over £250 – Individual Report" and these should be retained along with the required event and transaction logs until requested, pending any future investigation.
- In the event that a transaction correction (TC) is received for a loss previously reported over £250, the "**Fraud Team Post Office Ltd**" must be e-mailed giving details of the amount, stock unit, date and Branch Trading Period it relates to. It is important this is done as soon as the TC is received to avoid any unnecessary extra work being undertaken by the Investigation Team on a reported loss.
- Crown Area Manager to receive a copy of the loss report form and to ensure that appropriate local action taken by Crown Office Manager, including support requested from Compliance and OE Teams if required.
- Finance Team to receive a copy of the report form as pre-warning of loss performance.

**6.3 – Losses over £2000 (Appendix D)**



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- As above for losses over £250.00, but additionally a call must be made to the NBSC Helpline on **GRO** by the close of play on the day of discovery of the loss.
- Crown Area Manager to receive a copy of the loss report form and to ensure that appropriate local action taken by the Crown Office Manager, including support requested from Compliance and OE Teams if required.
- Copy of loss form should be circulated to both your Regional Manager and your Finance Analyst

**Crown Office Managers must undertake the following actions:**

- To clear all Branch Trading losses and gains from account – To P&L Entry.
- To instigate performance improvement procedures with individual colleagues where this is deemed appropriate
- To discuss individuals' performance and improvement opportunities at One to One meetings.

**Section 7 – Monitoring Records****7.1 – Stockholder records (Appendix C and Appendix B)****Crown Office Managers must ensure the following actions are undertaken:**

- An accurate record must be kept of all stock unit holders, whether individual or 'multi user' on the form provided. This document needs to be completed on a weekly basis and must be kept up to date.
- The stockholder record allows Crown Office Managers to record details of Surprise Checks (SC), which are to be conducted on **all** stock units at least twice a year.
- The stockholder record also allows Crown Office Managers to record details of Balance Checks (BC), which need to be conducted on all losses and gains over £30.00. This will be an action measured through the Annual Compliance Certification process.
- Both these types of checks require the Crown Office Managers to endorse the final balance by signing and dating it. The record should indicate whether the check was for a Surprise Check or Balance Check.
- Stock units must be rotated on a regular basis. This simple task will prevent build up of losses in a till and provide a deterrent to anyone who considers falsifying their balance. The maximum period for an individual holding and balancing the same stock is 8 weeks. This would also apply to multi user stocks where the same individual balances every week due to the way the duties are scheduled. All other rotating stocks should be checked once in three months as a minimum.

**Action Plan**

These must be made available for inspection by Crown Area Managers, any member of the Security & Compliance / Audit team or any Senior Manager during one of their visits. The Crown Office Manager has responsibility for the level of losses and gains at their Office and controls must be maintained to manage that responsibility.



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**7.2 Loss Escalation Process and Trigger Points (See Action Matrix Appendix E)**

For each 'Balance Period', a local record of misbalances incurred by each stock unit (multi user or individual) should be held. It is important that all losses and gains of £5.00 and over are captured to enable an accurate association at a later date should an error notice be received. The Loss Management System (LMS) will enable Crown Office Managers to record losses and gains against stock units, to associate those colleagues who have had access to the stocks and accurately monitor performance, whilst taking appropriate action as defined by the 'Loss Escalation Process' (see table below).

- 'Individual Stock' misbalances will be directly associated with the stockholder onto the Loss Management System (LMS), with appropriate action being taken by the Crown Office Manager, as directed by the 'Loss Escalation Process'.
- 'Multi-user Stock' losses will be notified to all colleagues who have had access to the relevant stock and all misbalances will be recorded onto the LMS.
- There has been some concern raised in respect of the high value of loss commonly associated with dedicated Bureau and Business Giro stock unit misbalances. These tend to be large every time and may incur a higher level of Crown Office Manager involvement. The expectation is that all colleagues serving from stocks, including Managers, should be monitored and clear records of losses and gains kept together with a note of action taken through escalation.

LOSS ESCALATION PROCESS		
<b>MULTI USER STOCKS</b>		
Escalation	Performance	Action
Stage 1	3 losses of £30 or more over a period of 3 months (13 weeks)	<b>Informal Interview – Crown Office Manager</b> - with colleagues, identified as having access to the stocks that have incurred losses, to raise awareness of their performance and to reiterate the Loss Escalation Process. Action Plan should be agreed and notes taken and signed. Consideration given to a switch to individual balancing if appropriate at this stage.
Stage 2	Further 3 losses of £30 or more over the period of 3 months following the Stage 1 interview.	<b>2<sup>nd</sup> Informal Interview – Crown Office Manager</b> - to review performance and agree the level of support required. Action Plan agreed and notes taken and signed. Notice given to colleagues that they will switch to individual balancing by stage 3 if improvement is not

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		forthcoming and switch is not appropriate at this stage 2.
Stage 3	Further 3 losses of £30 or more over the period of 3 months following the Stage 2 interview.	<b>3<sup>rd</sup> Informal Interview – Crown Office Manager</b> - Colleagues moved onto individual stocks. Action Plan agreed and notes taken and signed.
<b>INDIVIDUAL STOCKS</b>		
<b>Escalation</b>	<b>Performance</b>	<b>Action</b>
Stage 1	3 losses of £30 or more over a period of 3 months (13 weeks).	<b>Informal interview – Crown Office Manager</b> - to raise awareness of loss performance, agree the level of support required and to reiterate the Loss Escalation Process. Action plan with notes signed
Stage 2	Further 3 losses of £30 or more, over the period of 3 months following the Stage 1 interview.	<b>Informal interview – Crown Office Manager</b> to review performance and agree the level of support required and to reiterate the Loss Escalation Process. Action plan with notes signed
Stage 3	Further 3 losses of £30 or more, over the period of 3 months following the Stage 2 interview.	<b>Formal interview – Crown Office Manager</b> to review performance and agree the level of support required and to reiterate the Loss Escalation Process. Notification that <b>all future losses of £5 or more</b> will be taken into account. Action plan with notes signed
Stage 4	Further 4 losses of £5 or more, over the period of 6 months following the Stage 3 interview.	<b>Formal Interview – Crown Office Manager</b> to review performance, and agree the level of support required and to reiterate the Loss Escalation Process. Reiterate the possible consequences of reaching L&G Escalation Stage 5.
Stage 5	Further 3 losses of £5 or more, over the period of 6 months following the Stage 4 interview	<b>Formal Interview - with appropriate management level from outside of immediate crown office</b> , to review performance and consider disciplinary action under the Conduct Code.

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At any stage of the escalation process for 'multi user' stocks, Managers may decide that under the circumstances it is appropriate to transfer colleagues onto a designated 'individual stock'.

Managers may apply some discretion should a 'one off large loss' be incurred with likely mitigating circumstances e.g. known Giro error, accounting error identified etc.

It is essential that Managers interview colleagues as soon as possible following escalation and prior to the following weeks balance, otherwise allowances will need to be made in the escalation process e.g. cannot issue Stage 2 interview until Stage 1 interview undertaken.

### MULTI USER STOCKS

There may be occasions when a loss will need to be recorded against an individual within a multi user stock rather than the whole team. eg Payment not taken by colleague for MVL transaction resulting in shortage for that colleague alone and clearly identified.

However, a trend can be identified through the Loss Management System (LMS) for individuals who are serving from stocks that incur losses and the Loss Escalation Process should be followed closely with as few exceptions being made as possible, see matrix table above. Should an individual continue to be associated with stocks incurring losses then action should be taken to:

a) Transfer them onto 'individual' stocks, so that performance can be more effectively monitored,

or b) convert the whole office onto individual stocks, if this is appropriate and practical e.g. depend on format of counter, safe storage facilities etc. (see Criteria set out on Page 14)

It may be that this action is identified as appropriate under Stage 1, 2 or 3 of multi-user balancing arrangements.

### ADDITIONAL NOTES

A record of those actions agreed at interview should be made in the Loss and Gains Policy Action Workbook – Action Plans. This record will be checked by Senior Management under the Compliance Processes.

**For all interviews, including Multi User Stock Escalation Interviews, it would make good practice to encourage an individual to be accompanied by a friend or CWU rep if they so wished, although not mandatory. However, remember that all interviews should take place prior to the following week's balance and should not be delayed.**

NOTE – It is essential that colleagues who transfer from one type of stock to another i.e. multi-user tills to individual stocks and vice versa, are given the required

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support and training. This will also include those colleagues who transfer from another office that has a different approach to stock balancing.

At any time action taken by line managers may be to either uphold the decision to progress through the escalation process or to reduce standing to a lower 'stage' once the mitigating circumstances are fully understood. All decisions must be clearly documented within the action plans agreed.

Loss and Gains data can be shared and discussed with individuals at any time through the normal One to One meetings held with Managers.

### **Trainees / new recruits and individual stocks**

New Entrant Trainees should be given their own stock during their probationary period in order to assess their suitability for counter work from the results of their balancing record. A decision to confirm the 'trainees' appointment should only be made by the Crown Office Manager if their level of losses meets the Business standard at the six or twelve month stage. A decision would then be made whether to extend the trial period further. Although individual losses should be recorded in the Loss Management System, 'Trainees' **will not progress** through the Loss & Gains Escalation Process, however, performance will be monitored and discussed as part of the Trial Report procedure.

For existing RMG staff, returning or relocating to a new Counter environment, consideration should be given by the Crown Office Manager for the level of balancing support an individual may require and agreed with the individual. Corrective action and additional support should be agreed at six and twelve months if appropriate.

The appreciation of the importance of balancing a stock and the experience gained prepares them for working in a team and makes them more acceptable to the other members of the team.

It is likely that more mistakes will be made by trainees and the trial report process should be used to ensure that the appropriate level of support is provided to an individual who would have triggered loss 'escalation'. Discussion should take place in respect of action required and the individual made aware of what action would have been taken under normal circumstances. Poor loss performance may result in a trial extension or not passing trial but all mitigating circumstances should be carefully explored, supported and documented. Discussion should also take place with the Crown Area Manager in respect of additional training opportunities being explored.

### **Criteria for converting Multi User Tills to Individual Stocks**

At any time that the office loss level rises to an unacceptable level, action may be taken to convert the whole office approach to stock control from 'multi user' to 'individual' till ownership. Discussion should take place between Crown Area



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Managers, Crown Office Managers and possibly Investigation, Audit/ Compliance and Operational Efficiency Team Managers as appropriate.

On the job support and training should be offered to individuals to help them prepare for this conversion and on site facilities should be sufficient to ensure an effective level of security is provided to enable individual stock control.

It is clear that, in some cases, the introduction of 'individual stocks' will require an investment of additional time and may reduce flexibility at the Counter. It is therefore essential that the cost of converting multi user to individual stocks is calculated through a review of current duties, performed by the Operational Efficiency Team, and a decision taken of whether it is appropriate to convert the whole office approach or just part of it, i.e. a mix of multi user and individual stocks. This will depend on the individual circumstances and risk to each Crown Office

A recovery plan should be developed that supports the monitoring of performance over an agreed timescale with the intention of returning to 'multi user' stocks as quickly as possible.

### Trigger point for action

When the value of losses over a period of time (reviewed quarterly) reaches an unacceptable level, action should be taken. e.g. The monthly trend of loss and gain performance is above the budget set for the office or the office may be one of the worst 10%. At this level, losses are likely to be having a detrimental effect on contribution and profit and loss, outweighing the benefits of flexibility encouraged through a multi user till approach.

If an acceptable level is exceeded then a request should be made to the Operational Efficiency Team to review duties and a decision then made to either introduce individual stock balancing for the whole office or just for individuals. The agreed plan should also include a timescale.

Support from the Investigation Team must be requested by the Manager, should there be a degree of suspicion or possible theft.

### 7.3 – Loss Performance Monitoring

Crown Office Managers must ensure the following actions are undertaken:

- The Loss Management System provides Managers with the tools to effectively monitor losses within their offices. The Loss Management System spreadsheets and workbooks will be located on Crown Office Computers and access to the computer should be 'password protected' to only allow access to those authorised to monitor performance. As well as recording all losses and gains for the office, it will record the number of losses incurred by any individual and so it is possible to identify problems at an earlier stage and take steps to address the problem. It is also the responsibility of the Crown Office Managers to ensure that where losses fall below the standards expected or are increasing and/or above the targets set, action must be taken. Managers will enter data onto the 'Loss and Gains Data Capture' Spreadsheet. This spreadsheet will feed data to the Loss and

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Gains Policy Analysis Workbook on a weekly basis ie. BM will select the 'Import Button' and this updates performance and will flag the trigger points. However, if a transaction correction is received then this will adjust the loss and escalation process when input to the 'Data Capture Spreadsheet' and update the 'Loss Policy Analysis Workbook' appropriately.

- The new loss triggers have been built in to the pack so it is easier for a BM to know when to take specific action. The actions matrix also provides a summary of the action requirements. Action agreed should be recorded in onto the Action Plan within the Loss and Gains Policy Action Workbook. (Appendix G)
- To raise awareness through WTLL sessions and prominently display office performance, highlighting current loss and gains performance against budget and trend.
- Where an individual's loss record falls below the standards set, the Crown Office Manager will need to address the problem by following the actions matrix. In the case of the multi-user stock unit losses, that same matrix directs Managers as to the actions required.
- To ensure there is a consistent approach across the whole Crown Office Estate, all offices will comply with the actions matrix, without exception. In that way Managers ensure all offices are delivering a consistent approach to loss management within their respective offices.
- If a Crown Office Manager has any suspicions about losses at his/her office or an individual or group of individuals, they must refer the matter to the NBSC Helpline on GRO and inform their Crown Area Manager immediately.
- This information will be passed onto the Investigation Team, who will assess the information and decide whether any further action is deemed appropriate.

## Section 8 – Security Compliance

### 8.1 – Datestamp records

Crown Office Managers must ensure the following actions are undertaken:

- On every trading day, every datestamp used should be recorded. It is the responsibility of the Managers to ensure that everyone has placed his or her datestamp impression in the book and initialled against the entry. This forms part of the Annual Certificate of Compliance and will be audited periodically.

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**8.2 – Horizon**

Crown Office Managers must ensure the following actions are undertaken:

- Need to ensure that only colleagues who are working at their offices are logged onto the Horizon system. Anyone who leaves the office must be removed from the system
- All colleagues must have their own user ID and must only be attached to the stock units they are operating at the time – it is not acceptable to have all users attached to a stock unit.
- Where possible, users not operating a stock unit, should be placed into default
- Passwords are sacrosanct, and for each individuals protection. Under no circumstances should passwords be known or shared, this is vitally important not only from a security aspect, but is a requirement under our licensing requirements for the FSA (Financial Services Authority)
- Crown Office Managers must make regular checks as to the users listed on Horizon and ensure people have the correct level of access (**minimum access requirement as per Information Security Policy**)

**8.3 – Date stamps**

- Crown Office Managers must ensure that every date stamp is secured properly when not in use (this includes break and meal relief)
- Each date stamp used on each day must place an impression in the book provided for the purpose. This is to be initialled and the Crown Office Manager needs to check this has been completed
- Each date stamp must be secured in safe accommodation overnight

**8.4 – Till inserts**

- All till inserts must be secured overnight in safe accommodation
- During the day, till inserts must be secured in counter pedestals (or locked mobile units) and locked away when not in use, and the key removed and kept secure and safe.

**8.5 – Personal Belongings**

- Everyone in the office must not take personal belongings onto the counter. This includes coats, bags and containers; provision must be made elsewhere for these items to be stored. Managers to request sufficient facilities through normal channels.



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- The Crown Office Manager is responsible for ensuring colleagues adhere to this and should this cause any issues around H&S, Compliance or Security, call the Properties & Facilities Helpdesk on: **GRO**

## 8.6 – Visitors record

- The Crown Office Manager must ensure there is a visitors book on site at all times (near to the entrance to the **secure area** is appropriate).
- The book must be completed for every visitor that attends the office irrespective of the reason
- The book should contain the date, name, reason for visit and include the time they arrive and leave. It also useful to get them to sign their name also.
- If colleagues visit at a time or day of non attendance, then they must be treated as visitors and must sign in
- Any non Post Office employee visiting the site must produce suitable Id which must be verified before they are granted access. If you are not able to verify the caller, then do not let them in. Even a Post Office employee needs to be verified, as their pass may not be valid eg. Auditors requesting access to secure area.
- Any contractor who is to work in secure areas should be chaperoned or access to any secure areas closed off.
- If you have any doubt about a visitor, then caution must prevail, do not let them in

## 8.7 – Keys

- Keys to safes, inserts, counter pedestals are all important to the security of the office. All keys need to be accessible to those who need them but need to be secured when not in use to prevent misuse
- Every office should have a duplicate set of keys, these should be at a neighbouring office and not held on site.
- Safe key holders and door key holders must sign for the keys on a daily basis. The Crown Office Manager must ensure this is completed.
- Till keys should be retained by the stock holder in the case of individual tills or where the holder will use a stock the following day. If the keys need to remain on site overnight, they must be placed in a small envelope and signed and dated by the individual sealing them and given to the Crown Office Manager to secure. These keys must not be kept where general access is available.
- When a colleague goes on leave or the stock is to change hands the above applies. Some offices have a cabinet for this purpose, this is satisfactory providing the cabinet is secured with a key and that is held by the BM or his/her deputy. NB – it's important that this cabinet is locked during the day and only opened when required.



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## 8.8 – Safes

- Crown Office Manager's safes are for their purposes and must be controlled in the same way a counter stock is. When the safe is not in use it must be locked (that means locked and not simply pushing the door to). Use of the time delay must be used at all times.
- There should no reason for anyone to access the main safe, other than the designated holder. These controls will reduce the risk of losses in the main safe. Main safes are subject to check by Crown Area Management Team if held by the Management Team.
- Keys to the main safes must not be left in the lock. The Crown Office Managers must keep them on their person at all times.
- Crown Office Managers must ensure that sufficient storage facilities are made available to enable the full security of stocks. Escalate additional requirements following usual procedures.

## 8.9 – Suspicions

- If the Crown Office Manager, deputy or any colleague has any suspicion about someone, they have a duty to report it. This can be difficult, especially if you're not sure. Please contact the NBSC, in complete confidence on **GRO**. Your information will be passed onto the Investigation Team, who will assess the information. Your details will remain confidential.
- If you see someone acting suspiciously outside the office, whether in the public area or on the street, perhaps a vehicle or if you suspect a package that's been posted, these types of incidents should be reported through Grapevine on **GRO**.
- If you prefer, you can also contact Crimestoppers on **GRO** if you want to leave information outside the Post Office, it is free and you can leave information anonymously.
- Any loss can be reported if there are suspicious circumstances, irrespective of the amount. Again, the Investigation Team will assess the information and a decision will be made on whether any further action is taken.

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**Post Office Ltd – Loss & Gains Policy in The Crown Network****Document Information**

<b>Title</b>	Losses & Gains Policy (for Crown Office Network)
<b>Category</b>	Standard Mandatory
<b>Subject</b>	Management Controls of Losses & Gains
<b>Version Control</b>	Final Version (Sept 2008)
<b>Author</b>	L&G Action Group
<b>Owner</b>	General Manager Crown Office Network (Richard Barker)
<b>Purpose</b>	Explanation of the processes and procedures for dealing with and preventing losses at Crown Offices
<b>Audience</b>	Crown Office Network, Investigation Team, POL Compliance Team, Product and Branch Accounting, Operational Control, Finance, Training
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**Approval**

<b>Role</b>	<b>Name(s)</b>	<b>Date</b>
Business input – L&G Action Group	Tom Pegler, Head of Crown Service & Efficiency Martin Hopcroft & Ian Woollon Operational Efficiency Performance Analyst Michael Dadra, Business Risk Manager Lester Chine, Commercial Security Manager Marie Cockett, Branch Accounting & Control Manager	Jan 07 ongoing
Consultation - CMA - CWU	Phil Pinnell, Andy Furey, Geoff Poole	
Assurance	Head of Crown Network (Ronnie Flynn) Head of Industrial Relations (Jackie Ilesley) Head of Security, POL, (John Scott) Head of Compliance (Keith Woollard) Director of Finance (Peter Corbett) Head of Outlet Support (Lynn Hobbs)	Apr 2007
Authorised – V1	Head of Crown Network, POL	Aug 07
Authorised – V2	General Manager, Crown Off Network	July 08

**Version control**

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