

## Transaction Correction/Debt Recovery Process

### **Background**

The objective of Product and Branch Accounting (P&BA) is to balance the ledgers between clients and Post Office® branches, in order to produce accounts for clients and Post Office® Ltd that accurately reflect the transactions that are conducted over our branch counters. If any discrepancies are found during this process of matching the data, a Transaction Correction is issued to the relevant Post Office® branch to rectify the account. This usually has a financial impact on the branch, by either the subpostmaster having to make good any shortfall in cash, or receiving a credit for mistakes that have been identified.

If the Post Office® branch makes a mistake that cannot be identified and linked to a client, i.e., too much change has been given to a customer, this would result in a Branch Discrepancy which would be realised at Branch Trading. The subpostmaster would be responsible for making good any losses.

### **What is a transaction correction for?**

1. Correct Horizon & POLFS from Client perspective – identified by non matched POLFs data
2. Correct Horizon & POLFS for a Cash/Bureau REM discrep
3. Correct stock levels – either caused by remittance discrepancies or branch adjustments
4. Correct Non Accounting data (not used currently)
5. Writing off value from Branch (exceptional circumstances only)

### **Transaction Correction identification and issue**

This is covered within P&BA duty instructions. The document “Issuing process for transaction corrections” (17/7/06) is held on the “P&BA public drive: to be archived; open item management”.

### **Transaction Correction Disputes**

Document under this heading v2.1 is held under the above file. (“P&BA public drive: to be archived; open item management”).

A further step within the dispute process has been agreed whereby subpostmasters can further dispute a debt (branch discrepancy/transaction correction by providing a written submission of evidence to the Branch Analyst.

This process is summarised under T:Finance:Finance Product & Branch Accounting:Finance P&BA Branch:Branch Analyst:Flag Cases:AW Dispute Process.

### **Branch Process**

This is documented within the branch trading operations manual section 7 page 9.

### **Debt Collection Process**

This process has been varied from original documentation. It is not proposed to fully document at this stage as a trial with Contracts managers concurrence reports is underway at time of writing.

To summarise current practices there are two discrete approach's.

#### Singleton branches

Statement of centrally settled debt to branches – week 1 (after branch trading)

Reminder letter – week 3

2<sup>nd</sup> reminder letter – week 4

Concurrence spreadsheet to Contracts Advisors – week 6

Contracts Advisors recover debt or agree deduction from remuneration – week 6-8.

Agents debt team set up deductions from remuneration from next pay run.

#### National Multiple branches

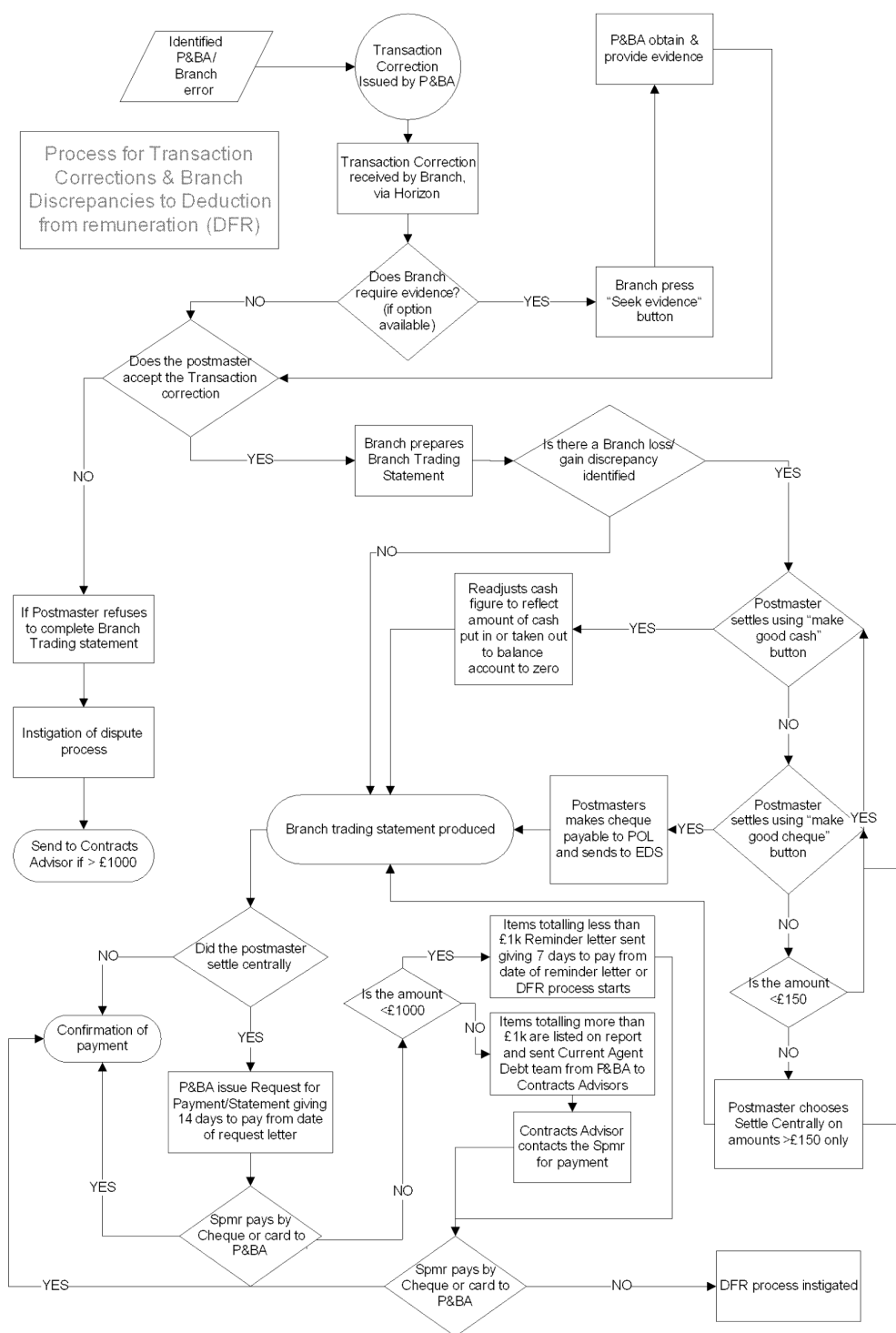
Weekly transaction correction summary spreadsheet to each multiple head office.

Monthly statement of account sent to each multiple head office – week 1.

Individual repayment terms agreed with each multiple partner.

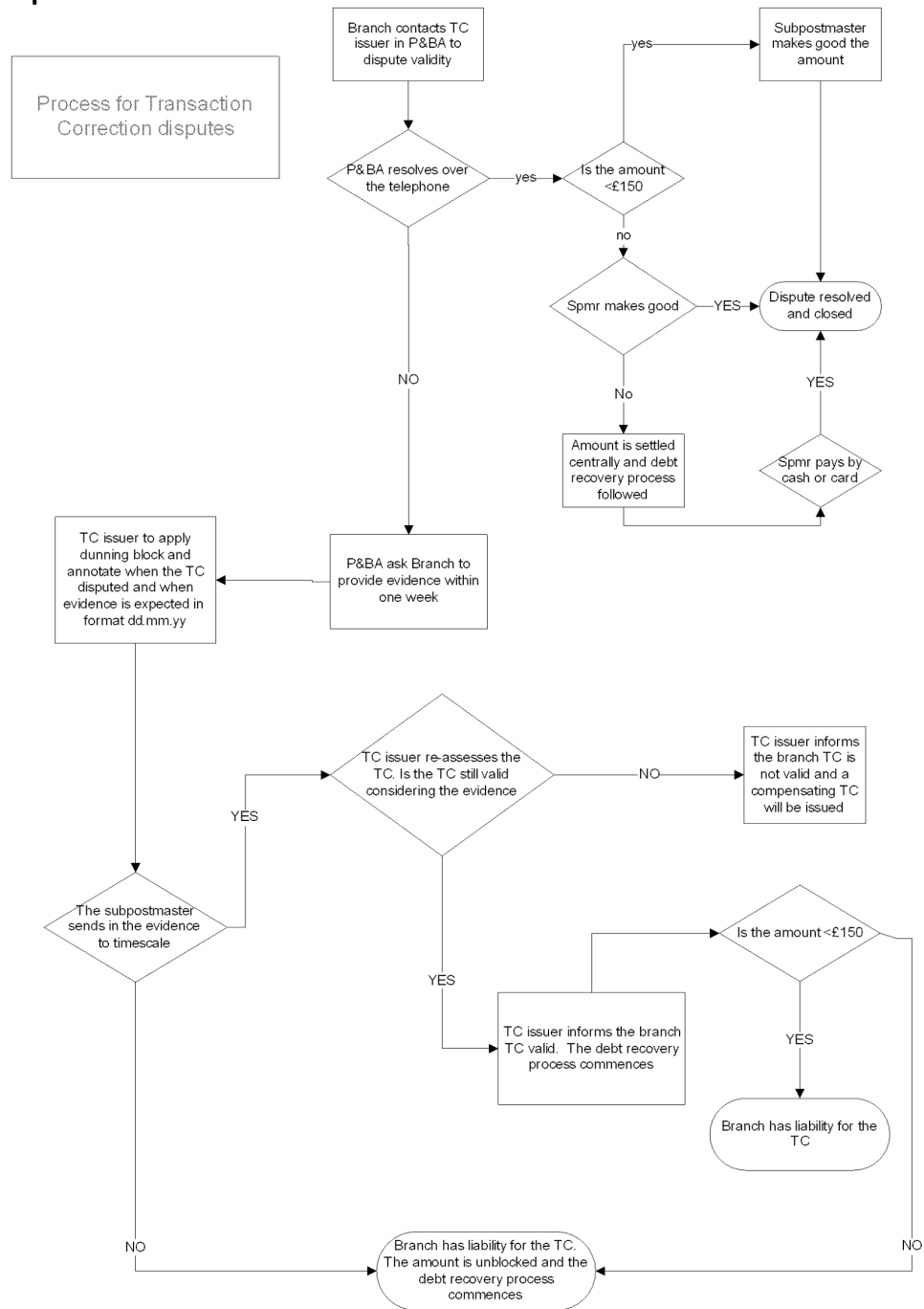
### **Appendix 1**

#### **TC process**



Please note: The acceptance of a TC may still result in a dispute. Branch Trading forces the acceptance of the TC on the Horizon system to enable the kit to roll over.

## Appendix 2 Dispute



The above process is effectively repeated if written submission is made via the Branch Analyst. In those cases the debt is often at Contract Manager stage and no system generated blocks occur – deduction from remuneration is suspended.



