



In all cases, these sums/costs to be paid or recovered from the Franchisee may either be deducted from the Franchisee's remuneration or other sums due to the Franchisee or Post Office Limited may invoice the Franchisee for them. Invoices must be paid within 14 days of receipt.

These further measures are in addition to any other action Post Office Limited may be entitled to take as a result of the non-compliance. Nothing in the Franchise agreement will limit Post Office Limited's rights under these further measures.

Where a Franchisee operates a core branch with outreach services, the further measures described above will apply separately to the core branch and each outreach service.

If Post Office Limited decides to introduce any further measures for other branch standards, or to change the further measures for the branch standards detailed above, it will give the Franchisee at least one month's written notice. Any such change may be communicated through publications such as Operational focus, or by letter or electronically.



Conformance with branch standards

Compliance training, cash declarations and looking after motor vehicle licence (MVL) discs





As you know, Post Office Limited from time to time issues instructions to Franchisees under the Franchisee agreement about how to operate a Post Office branch properly. These instructions are set out in various documents, including operational instructions and in Operational Focus. For ease of reference, these instructions are referred to as branch standards. The letter from Lynn Hobbs included with this pack describes a new booklet summarising many elements of branch standards which Post Office has produced to help you meet branch standards in your branch.

With effect from June 2010, Post Office Limited will also introduce some further measures to reflect the cost of non-conformance with those branch standards that deal with:

- Compliance training
- Overnight cash declarations (including ATM cash declarations) and
- Motor vehicle licence discs.

These measures are an amendment to your Franchise manual.

The detailed requirements for complying with each of these branch standards are as follows:

1. **Compliance training**

Franchisees must properly complete, and ensure that their assistants properly complete, any compliance training required by Post Office Limited by the deadline (s) notified by Post Office Limited.

Compliance training includes mail integrity, financial compliance, anti-money laundering, telecoms, data protection and other regulatory compliance training specified by Post Office Limited from time to time.

2. **Overnight cash declarations**

On each day on which the Post Office® branch/outreach service is open for business and by no later than the deadline notified by Post Office Limited, Franchisees must ensure that Post Office Limited is sent all the required proper, accurate and valid declarations using Horizon, stating the total pound sterling cash belonging to Post Office Limited to be held overnight in (a) the branch/outreach service and (b) any self fill Post Office ATM at the branch/outreach service (a self fill ATM is one where the Franchisee is responsible for loading the cash into the ATM, as opposed to a fully serviced ATM which is loaded by Post Office Limited's secure carrier using pre-loaded cassettes) and any private ATM for which Post Office Limited supplies the cash.

3. **Motor vehicle licence (MVL) discs**

Franchisees are responsible (a) for the safe keeping and proper handling of all MVL discs at their branch/outreach service and (b) for accurately reporting to Post Office Limited any lost, stolen or spoilt MVL discs in accordance with current instructions from Post Office Limited.



The further measures that Post Office Limited will introduce for non compliance with these branch standards are as follows:

1. **Compliance training**

Where a Franchisee has not ensured that this training has been properly completed by the relevant deadlines, Post Office Limited may take such steps as it reasonably considers appropriate to ensure compliance with this branch standard by the Franchisee, including:

- (a) sending reminder letter(s) or other appropriate communications to the Franchisee, and/or the branch/outreach service; and/or
- (b) making a reminder phone call to the Franchisee, and/or the branch/outreach service; and/or
- (c) after prior notice to the Franchisee, sending a Post Office Limited representative to visit the branch/outreach service to ensure that the training is properly completed.

Post Office Limited may require the Franchisee to pay Post Office Limited's reasonable costs and expenses of carrying out these steps, including (but not limited to) the costs and expenses of travel, staff time and overnight accommodation where required.

2. **Overnight cash declarations**

Where Post Office Limited considers it appropriate based on a Franchisee's level of non-compliance with this branch standard, Post Office Limited may take such steps as it reasonably considers appropriate to ensure compliance by the Franchisee, including:

- (a) sending letter (s) or other appropriate communications to the Franchisee, and/or the branch/outreach service as a reminder of the correct operating procedures; and/or
- (b) making a training phone call to the Franchisee, and/or the branch/outreach service; and/or
- (c) after prior notice to the Franchisee, requiring the Franchisee and/or any of his staff working in the branch/ outreach service to undergo further training at the Franchisee's cost and expense. This may involve Post Office Limited representatives visiting the branch to deliver the further training.

Post Office Limited may require the Franchisee to pay Post Office Limited's reasonable costs and expenses of taking these steps, including (but not limited to) the costs and expenses of travel, staff time and overnight accommodation where required.

3. **Motor vehicle licence (MVL) discs**

If as a result of any failure by a Franchisee to comply with this branch standard, including where a MVL disc has been lost or stolen or not properly accounted for, Post Office Limited has been obliged to pay an amount to the DVLA*, Post Office Limited may require the Franchisee to reimburse this amount to Post Office Limited in full or in part.

As at June 2010 the amount which Post Office Limited is likely to seek to recover from a Franchisee in respect of a lost, stolen or spoilt MVL disc does not exceed £41.50. Any other caps or limits no longer apply.

(*DVLA means the Driver and Vehicle Licensing Agency/Driver and Vehicle Agency (in Northern Ireland) or other relevant authority.)