

## TC/Debt Recovery review

### Key Feedback Issues

#### NFSP

They are forced to accept debts they do not agree with at Branch Trading.  
7 days is a reasonable period of time to investigate a transaction correction before being forced to accept.  
Evidence provided is not meaningful in some cases e.g. Lottery  
Transaction Correction instructions are not clear.

#### Network

Worst branch identification and remedial action is required.  
Processes are not understood.  
Communications to branches and network needs to be improved.  
What does settle centrally mean?  
Costs of non conformance – can this be passed on? E.g. A&L error charge, P&BA costs, interest.  
Temporary, absentee and pluralist subpostmasters – should they have different treatment?  
New subpostmaster support/monitoring.

#### Legal

“Settle Centrally” signifies acceptance of debt liability.  
Forcing TC acceptance on the same day as receipt through branch trading requirements would probably be regarded as unreasonable by a court of law and cause a related claim to fail.

#### NBSC

The vast majority of calls to NBSC are either appropriate generic queries around processing TCs or complaining about being able to contact the Lottery team.  
There is nothing on the Knowledgebase to deal with a branch who needs more time to assess a TC.

### 1) Reinforcement of existing processes

- Defined product ID on TCs.
- Test relevance of evidence.
- No dfr whilst dispute process underway
- Define Settle Centrally
- Test effectiveness of TC resolution instructions.
- Evidence should be despatched on day of TC issue as a minimum requirement.

### 2) Process Changes

Remove 2<sup>nd</sup> reminder letter.

SLA – age of TCs, debt recovery timescale, safeguards from dfr, contact times (inc out of hours process)

No aged (outside SLA) TCs issued without prior notice – not Monday/Tuesdays without branch agreement.

Out of hours contacts – arrange ad hoc phone calls via NBSC or P&BA e mail (Janet to manage?)

Introduce worst branch analysis and remedial action plan.

New subpostmaster high level analysis and communication/remedial action plans defined.

Consider statements for other multiple types – temporary agency/core & outreach.

Communications to branches should be addressed either by subpostmaster name or “Subpostmaster” (Flag Case Team direction).

### 3) Refinement of processes

Relaunch dispute process

– TC – Issuer (verbal or written), Branch Analyst (written)

- Branch Discrepancy – P&BA Product area (verbal or written), Branch Analyst (written).
- No dfr whilst dispute process underway (written).
- Define Contract manager responsibility >£1K.
- Timescales.

Relaunch processes to interested parties – Network, NBSC, NFSP.

High value credit TC issuing. (Can we define high value?) Default issue should be to settle centrally unless corresponding loss has been made good.

### 4) Rejected proposals

Dispute button on transaction corrections – TCs are issued with evidence. The use of a dispute button simply provides a delaying mechanism and requires P&BA to resupply the evidence.

Communications to discrete addresses to inform absentee/pluralists subpostmasters. This would increase administrative costs and cause logistical problems to maintain.

Reduction of Settle Centrally threshold – whilst sympathetic to very small branches there is the potential for significantly higher administrative costs along with cash flow implications to POL and no clear evidence of benefits.

Charging for error resolution.

### 5) Further Investigation

Maintained error analysis – are any branches repeatedly getting amounts written off. Link to worst branch analysis.

Can we consolidate and issue – debits and credits? Do we keep it a secret?

Cost of recovering debt – branch charging. This is a significant contractual change and is considered out of scope of this review.