

**Citizens Advice Information request: Post Office Ltd arrangements for the monitoring, training and service compliance of Post Office Local branches**

**Mystery shopping and monitoring arrangements for PO Local branches**

From Kevin Brothwood via information from Shaun Turner

- Karl recalls that his team were actioning the NT MS reports which related to PO Locals up to approximately 12 months ago
  - Karl confirmed his team were dealing with all the reports for Locals and not just those branches that his Local Relationship Managers are actively managing
  - The MS report would have been followed up by either phonetical or visit by one of the LRMs
1. What arrangements does POL have in place to perform mystery shopping in PO Local branches? What is the frequency and sampling approach used?
    - Up until the end of March 15, all local branches received a mystery shopper visit c.1 -2 months after the 'go live' date. This visit was conducted by an external research company. From April 15 the methodology was changed to a sampling basis by quarter – still carried out externally - so not all new locals will receive a visit going forwards. The purpose behind this change was to keep programme costs as low as possible, in order to maximise the investment into new branches.  
This change was discussed with BIS.
  2. What does the mystery shopping programme consist of, specifically does it address (and if so how?) queue measures, privacy, accessibility and product-based scenarios to test accuracy of product and pricing knowledge?
    - Mystery shops focus on Mails (esp. Special Delivery) scenarios, reflecting that included in the existing network mystery shopping programme, to ensure that the correct questions are asked and the right service provided. Other aspects measured are queuing times, politeness & friendliness of service received and retail standards (name badge, branch environment and unofficial signage). A sample of branches (25%), are also shopped outside of traditional core hours.
    - The Mystery shopper programme does not address issues per se, but highlights weaknesses that are managed through existing business processes (see compliance section).
    - Privacy – This does not form part of our Mystery Shopper research. . However it is covered under the Customer Satisfaction research that is undertaken at a sample of branches, circa 2months after the transformation works have taken place.
    - Aggregate score for 14/15 show that 67% of customers believe that there is sufficient privacy in transformed locals vs. 86% who believe it is sufficient in branches who have not been through the transformation process. So we know that in general we have an issue, which we do our best to manage in the design/build process. But there is a trade-off to be had between providing longer opening hours and a more cost-effective operating model - and this is deemed to be a better solution for customers and operators.
    - Accessibility (Physical) - There are no survey measurements in place that cover this (that I am aware of). Branches as I understand it are built to the standards outlined in the Equality Act, but once built I'm not sure how we would actively measure adherence to the same.

3. In what format is mystery shopping data, covering PO Locals, reported and at what frequency does this reporting take place?
  - Performance data is received the month after the visits are undertaken. This is in excel file format (accessed via a web-link) and provides a detailed breakdown of each branches performance against the different criteria. **(Need to check if this is passed on directly to branches).**
  - In addition there is a supporting word document produced detailing results at a summary level.
4. Will POL agree to share the results of this mystery shopping programme, at the PO Local sampling level?
  - I don't see a problem sharing the summary level results (word document). We would need to work within the guidelines of Data Protection. As there may be an issue though re sharing individual branch results, esp when the counter clerk might be named.

### **Training and support available to PO Local operators**

In summer 2013, POL indicated it would respond to earlier waves of mystery shopping research through:

- reissuing and improving the branch standards booklet for Locals and Mains
  - Improving training packages for Locals
  - Adapting training materials and methods to suit Local branches
  - Improving mails training
1. What is the current training package provided to new Local operators, prior to and during the opening of these branches (the 'go live' period)? What changes have been made to this package (Citizens Advice understands there has been changes made in recent months) and how does it differ from the package offered to Mains operators?
    - Please see appendix 1, 2 and 3.
  2. What training function is available to operators to address ongoing issues of staff churn and/or to provide refresher training? Is this provided free or at charge to operators, and are there any eligibility requirements to qualify for further training?
    - Little at the moment, but the business plans to extend our on line product and compliance training to all Postmasters towards the end of the year I believe – speak to Sarah Malone for confirmation.
    - The Horizon online training tool is available for all Local products post go live to allow Postmasters to train new staff and if requested training interventions via NBSC can be given to branches on specific products and services that a branch may be having difficulty with eg: Special Delivery/Bureau de Change. Branches were also provided with a paperbased training guide.
    - Training is provided free of charge to all operators and there is no eligibility requirement to qualify for further training.
  3. Are there differences in the training package provided to multiple and independent/symbol branches, and if so what are these?
    - No they are the same since we introduced on line training in Feb 2015

4. How many branches have requested further training beyond the go-live phase, and for what reasons?

- Training activity requested for Local model branches for the last 12-13 months.
  - 310 Locals have requested training.

	Number of Branches
Non Compliance	6
accounting	219
Audit	1
Password Required	2
Other Intervention *	23
Product Training	59
	310

\*

Other intervention not classified
Branch Discrepancies/Losses
Training for core and outreach including equipment
Branch format changes fortress and open plan

- **Sue Richardson** - NBSC and Anne Allaker are working on the reports to tell us this at the moment.
- **Anne Allaker** - The reports I've requested for Sue are all calls to NBSC from newly appointed postmasters. This includes everything from "can I have the phone number for HRSC" to "can you help me with my branch trading statement" it won't specifically identify requests for training following appointment and wouldn't always be the only route a local model would request training through. Additionally the reports from NBSC do not include model type.
- **Anne Allaker** - I've spoken to Pat Bursi in the Branch Support Team this morning and Pat is going to provide the raw data from all intervention requests (this may be for a few years) which have resulted in a FSA providing training. I don't know yet what this will look like (i.e. whether it will need some additional info added to identify local models only etc.) but I'll update you as soon as I can as this will be a far more reliable and meaningful source.
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5. Has there been further updates to the branch standards booklet; and if so, what principal improvements have been made and when?

- **SR** - Not that's I know of but you should speak to Shaun Turner about the Branch Standards Team.
- **Shaun Turner**- There was a planned redrafting of the Branch Standards booklet two years ago, but although it was looked at, it was put on hold in due to the implications of the Second Sight report. I think it was thought at the time, that a booklet that could be perceived as a finger-wagging, top down Post Office communication reminding branches of what they needed to get right, when the shift was more towards a more supportive environment for branches.

- **Shaun Turner-** All the Branch Standards booklet did was reaffirm existing obligations the branches had. Since the booklet was sent out in 2010 the Branch Standards Team have been expanded and the range of things we now call branches on includes many areas of compliance not included in the original booklet. The team makes between 2 and 3 thousand calls per period to branches to inform them of conformance/compliance failures and advise them how to avoid further errors.
  - The Branch Standard Booklet was reviewed in 2013 and a business decision was taken to instead expand the Branch Standard Team. The team calls branches which includes many areas of compliance not included in the original booklet. The team makes between 2 and 3 thousand calls per period to branches to inform them of conformance/compliance failures and advise them how to avoid further errors.
6. What is the availability of the helpline to assist operators when undertaking post office transactions and to support the post office operation
- HOL Help is part of the Horizon kit, but NBSC provide cover from 0700-2300 daily I believe – check with Amanda Stevens. Every learner that has received on line training , will maintain access to the links to the site and can re-visit any topics as required.
7. Are there other changes to POL's training and support package which POL would wish to advise us?
- During August 2015 we will begin to roll out the Phase 2 products extending our on line training facility to include the more complex products including DVLA, UKPA Financial Services, MVL. .
  - The locals products are covered in Phase 1 already out there, this is primarily for Mains and maybe some Local Plus branches for certain non-core products.

### **Quality Assurance process**

In summer 2013, POL advised that a new quality assurance process was being introduced that would consider, among other aspects, accessibility in terms of the Equality Act; conditions of appointment; product and service availability; and hearing loop check

1. What is the current quality assurance process: when and by whom are visits conducted, and is this on a spot-check or by appointment basis?
  - An NT Quality Assurance Team has been in place since 01/10/13. This team operates within its own function and provides an independent view of whether or not the branches meet the documented model specifications. There are 6 Field based Quality Assurance Advisors who undertake Quality Assurance surveys at branches that have been converted. The surveys are not undertaken until a minimum of 4 months has passed since branch opening to allow the branch to settle in routine operation and to allow snagging works and FSA activity to be completed. The Quality Assurance survey visits take place following an appointment being made with the Operator to ensure the Operator is present to discuss findings and any agree action required following the Quality Assurance survey.
2. How many visits have been undertaken as part of this process?
  - As of 19/06/2015 2766 Branches have received a Quality Assurance visit.
3. What percentage of visits have identified problems with accessibility; conditions of appointment; product and service availability; and the availability and functioning of hearing loops.



- Percentage of visits with issues of total visits relating to :

Accessibility :	19% (Refer to section 1 -Actions taken to respond to contractual or compliance breach)
Conditions of Appointment :	6%
Product and Service Availability :	16%
Hearing Loops ( inc. signage) :	8%

Note some COA issues may well relate to Accessibility also so we have provided the figures as best we can.

4. What process is in place to address identified required improvements to these aspects of service operation, once these are identified by the quality assurance process?
  - The Quality Assurance team have an agreed process for dealing with each issue that causes a branch not to meet model specification. The quality assurance team are responsible for initially identifying the QA issues and then for taking action to resolve the issue. Each issue is captured on the QA Issue log and progressed via the agreed steps to completion.
  - If a portable hearing Hearing Loop is not working or missing, The QAA will replace (They carry a stock in their cars !) or order a new one to be delivered.
  - We do not physically check products / services on the Horizon system but we do check the branch service panel to ensure the correct products and services are included. If anything is incorrect we undertake action to resolve.
  - Point of Sale is checked and action to rectify if anything missing.
  - Products and Services – The agent contacts NBSC, advising them that an Icon or applications/documentation were missing. Product and Branch Team would be advised and arrange for the Icon to added to the Horizon system for the branch. They will then contact NBSC and they will notify stakeholders to enable the training process to commence.

**TO NOTE : The QA Team are currently awaiting guidance from the NT Senior management team to address specific issues relating to accessibility measured against the current POL accessibility guidelines. As such accessibility issues are 'on hold' until guidance is provided.**

### **Transactional Analysis Team**

In summer 2013, POL advised that it was recruiting a new team to analyse transaction data to identify any branches not transacting during extended opening hours, and any other evidence of service shortcomings

1. How many cases has this team identified in which either specific services or the full product range have not been transacted during extended opening hours?
2. How is transactional availability monitored and reported to appropriate management structures?
3. How are specific instances of branches not transacting during extended opening hours identified and what follow-up action is taken?

4. How are specific instances of branches not transacting during extended opening hours monitored and reported to appropriate management structures?
5. What percentage of transactions are expected to be performed during extended opening hours, and what action is taken if there is variance from these figures?

**Actions taken to respond to contractual or compliance breach**

1. In how many cases has formal action been taken against operators that have been found to be in contractual or compliance breach, for example because of issues raised by the quality assurance process, mystery shopping / monitoring, or transaction analysis activities?
  - Attached are details from 2014/15 where we took action on 218 occasions at branches for a number of operational reasons resulting in 27 remedy letters being issued. In addition in 14 separate instances the Operator was precautionary suspended and this resulted in 11 cases where the agreement was terminated, 3 where it was reinstated and there were another 5 instances where the contract was terminated immediately for breach of the agreement. The severity of the breach of the agreement will determine if the Operator is to be precautionary suspended/immediately terminated or not eg if a risk to POL cash and stock or reputation, or Operator is declared bankrupt or has lost the use of the premises whereas the approach to underperformance is based on the principle of correcting performance through coaching and action planning and ultimately the Operator will be issued with a remedy notice to rectify the issue. If performance does not improve the Operator can be given notice to terminate the contractual agreement.

## 2014-15

Issue	No of Branches	Remedy letter
Audit related	17	0
Cash Management	2	1
Client Escalation	6	0
Customer Complaints	56	4
Debt	17	6
Management Controls	8	0
Opening Hours	48	7
Other	27	1
Password Sharing	2	1
QA Findings	5	0
Regulatory Compliance	6	2
Restrictions	8	0
Culpability	2	0
Security	4	2
Unauthorised Closure	6	1
Equipment Issue	1	0
Unregistered staff	3	2
	218	27

<b>Total Precautionary Suspensions</b>	14
Suspended	
Termination/Reinstate	3
Termination	11
<b>Total Immediate Termination Cases</b>	5

## 2. What action was taken in these cases?

- The list details the cases where remedy letters were issued. Other actions that will have been taken will vary from coaching/training being provided over the phone, an intervention visit being provided or the Contract Advisor discussing performance.

## 3. What are the sanctions open to Post Office Ltd to address compliance or contractual shortcomings, and does these vary between Local operators and other agency types?

- The sanctions available to POL range from:-
  - coaching/action planning to improve performance
  - issuing a remedy letter to resolve performance issue
  - precautionary suspension followed by appropriate decision on the contract,
  - termination either immediately or by giving notice (with a Local this is usually 6 months notice).

- Our approach is to try to resolve the issue wherever possible to avoid situations where service may be lost in a location if an Operators contract is terminated (this is particularly as issue with Local branches where is it very difficult to maintain service in these location using a temporary PMR) and there is the associated cost involved in dealing with both the termination and of appointing a new Operator.
- The sanctions in the Main contract are very similar to those in the Local contract (notice period is 12 months though) – these do vary slightly from the traditional contract as the principle for Mains and Locals was to move to a more commercially based relationship with our PMRs. The sanctions above eg improving performance, precautionary suspension, termination and giving notice (3 months) all apply.

As you can probably guess this is a fairly wide ranging area and no two cases are every identical – hopefully this will provide an insight to the approach adopted.

Date of issue: 15<sup>th</sup> June 2015

Information requested by: June 26<sup>th</sup> 2015

To discuss any aspect of this information request, please contact Andy Burrows on:

**GRO**



**Appendix 1 - Training - Locals Existing**

<b>On-line Compliance Training Quizzes will confirm understanding</b>	There will be a number of compliance workbooks for each new colleague to study. These currently cover Anti- Money Laundering; Financial Services; Data Protection; Mails Integrity; Dangerous Goods; Homephone and Broadband.	<b>1 day Self Study</b>
<b>Distance Learning Packs Quizzes will confirm understanding</b>	There will be a number of Distance Learning Packs for each new colleague to study, covering aspects of Dangerous Goods	<b>1 day Self Study - Optional</b>
<b>On Line Learning Portal Quizzes will confirm understanding</b>	There will be a number of on line learning modules for each new colleague to study. These currently cover Mails, MoneyGram, Banking Services, Basic Travel Money Knowledge, POca , Bill Payment, Postal Orders, Cash Management and an introduction to Horizon.	<b>2 day Self Study - Optional</b>
<b>Office Set-up / Go-live support</b>	Set up on day split over 2 half days subject to REM deliveries, and the Go-live day with the branch opening at 13.00	<b>1 day</b>
<b>On site Induction</b>	2 x 3 hour sessions (am/pm) – for all members of staff, unless all staff members are new *	<b>1 day</b>
<b>On site Training &amp; Support</b>	Additional on-site training / support following Go-live.	<b>3 days</b>
<b>Total training /support 9 days</b>		
*On-site training increased by one day if a branch has more than 5 retail assistants. Total training / support increases to 10 days		
*If all experienced staff leave an office when it converts to Local, the branch will receive the training offer for 'New Postmasters'		

**Appendix 2 - Training - Locals New**

<b>On-line Compliance Training Quizzes will confirm understanding</b>	There will be a number of compliance workbooks for each colleague to study. These currently cover Anti- Money Laundering; Financial Services; Data Protection; Mails Integrity; Dangerous Goods; Homephone and Broadband.	<b>1 day Self Study</b>
<b>On Line Learning Portal Quizzes will confirm understanding</b>	There will be a number of on line learning modules for each colleague to study. These currently cover Mails, MoneyGram, Banking Services, Basic Travel Money Knowledge, POca , Bill Payment, Postal Orders, Cash Management and an introduction to Horizon.	<b>2 days Self Study</b>
<b>Pre conversion phone call</b>	Field Support Advisor (FSA) to contact the branch 3 weeks prior to allow the FSA to introduce themselves and to gather information in preparation for the onsite support.	<b>3 weeks before Go Live</b>
<b>CTO Classroom Training</b>	1 space offered for the Postmaster (if they have up to 5 members of staff). If the Postmaster has 6 or more members of staff, we will offer enough spaces on the classroom course to train 50% of his / her staff .This is now a 2 day programme and will focus on scenario based learning, building on the on-line learning completed in advance of attendance. There is a temporary 3rd day for Local Plus branches -( If this is a PO Local plus or if they do additional products they will complete the 3 day course)	<b>2 (3) days</b>
<b>Training Review</b>	All delegates will receive a summary of the training they have completed with notes summarising competency and any recommended development, including any additional training needed during the on-site support.	<b>Do not schedule</b>
<b>Office set-up</b>	Scheduled over 2 half days subject to REM deliveries	<b>1 day</b>
<b>On site Induction</b>	2 x 3 hour sessions (am/pm) – for all members of staff In the event of 50% of members of staff attending off-site training in the classroom, the remaining members of staff must still attend an induction session	<b>1 day</b>
<b>On site Training &amp; Support</b>	6 days: if the Local has an Operator and 1-2 members of staff 7 days: if the Local has an Operator and 3-4 members of staff 8 days: if the Local has an Operator and 5+ members of staff	<b>6 - 8 days</b>
<b>Follow up balance</b>	Scheduled 1 week after the on-site training has completed, on a Weds	<b>1 day</b>

<b>Post Transfer call</b>	1-2 weeks after the FSA completes the on-site training support, the Field Team Leader (FTL) will contact the branch and as appropriate, the Area Manager ( Multiples only) to gauge feedback and understand any issues	<b>Phone call</b>
<b>Post Transfer call 1</b>	The purpose of this call is a conversation to establish the current state of the branch and whether further guidance or support is needed.	<b>1.5 hours</b>
<b>Post Transfer call 2</b>	The purpose of this call is a conversation to establish the current state of the branch and whether further guidance or support is needed.	<b>1.5 hours</b>
<b>Post Transfer Visit 3</b>	6-9 month visit. Includes a Cash check and Compliance audit in addition to a review of the branch performance and addressing any gaps. In the event of a loss of over £500, this must escalate to a 300 audit at the earliest opportunity.	<b>1 day</b>
Total training /support 15.5/17.5 days		

**Appendix 3 - Training – Main**

<b>On-line Compliance Training Quizzes will confirm understanding</b>	There will be a number of compliance workbooks for each colleague to study. These currently cover Anti-Money Laundering; Financial Services; Data Protection; Mails Integrity; Dangerous Goods; Homephone and Broadband.	<b>1 day Self Study</b>
<b>Distance Learning Packs Quizzes will confirm understanding</b>	There will be a number of Distance Learning Packs for each colleague to study . These currently cover Car & Home Insurance, Credit Card, Protection, Travel Money, Travel Insurance, Passport C & S, and Telephony	<b>1 day Self Study</b>
<b>On Line Learning Portal Quizzes will confirm understanding</b>	There will be a number of on line learning modules for each colleague to study. These currently cover Mails, MoneyGram, Banking Services, Basic Travel Money Knowledge, POca , Bill Payment, Postal Orders, Cash Management and an introduction to Horizon.	<b>2 days Self Study</b>
<b>Pre conversion phone call</b>	Field Support Advisor (FSA) to contact the branch 3 weeks prior to allow the FSA to introduce themselves and to gather information in preparation for the onsite support.	<b>4 weeks before Go Live</b>
<b>CTO Classroom Training</b>	The Operator and up to 50% of his / her staff are invited. This is now a 3 day programme and will focus on scenario based learning, building on the on-line learning completed in advance of attendance.	<b>3 days</b>
<b>Training Review</b>	All delegates will receive a summary of the training they have completed with notes summarising competency and any recommended development, including any additional training needed during the on-site support.	<b>Do not schedule</b>
<b>Office Set-up / Go-live support</b>	Set up on day split over 2 half days with the branch opening at 1300 on Go-live day. If there are more than 6 positions within the office, a second FSA will attend	<b>1 day</b>
<b>On-site Training &amp; Support</b>	Additional on-site training / support following Go-live.	<b>6 days</b>
<b>Follow up balance</b>	Scheduled 1 week after the on site training has completed, on a Weds	<b>1 day</b>
<b>Post Transfer call</b>	1-2 weeks after the FSA completes the on-site training support, the Field Team Leader (FTL) will contact the branch and as appropriate, the Area Manager ( Multiples only) to gauge feedback and understand any issues	<b>Phone call</b>

<b>Post Transfer call 1</b>	The purpose of this call is have a conversation to establish the current state of the branch and whether further guidance or support is needed.	<b>1.5 hours</b>
<b>Post Transfer call 2</b>	The purpose of this call is have a conversation to establish the current state of the branch and whether further guidance or support is needed.	<b>1.5 hours</b>
<b>Post Transfer Visit 3</b>	6-9 month visit . Includes a Cash check and Compliance audit in addition to a review of the branch performance and addressing any gaps. In the event of a loss of over £500, this must escalate to a 300 audit at the earliest opportunity.	<b>1 day</b>
Total training /support 16.5 days		

