

# OPERATING LEVEL AGREEMENT

"DRAFT"

**Product & Branch Accounting,  
Network and Service Delivery.**

Some actions to be agreed at the Conformance  
workshop are highlighted in red.

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**0. Document Control*****0.1 Document History***

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0.1	12/11/08	Initial draft
0.2	19/11/2008	Review by Lead Team & Andy Winn
0.3	27/11/2008	Review by P&BA managers
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***0.2 Approval Authorities***

<b>Name</b>	<b>Area</b>	<b>Signature</b>	<b>Date</b>
Rod Ismay	Product & Branch Accounting		
	Network		
	Service Delivery		

***0.3 Abbreviations***

<b>Abbreviation</b>	<b>Definition</b>
A&L	Alliance & Leicester
AP	Automated Payments
EDS	Electronic Data System
EFC	Electronic Filing Cabinet
NS&I	National Savings & Investments
OLA	Operating Level Agreement
P&BA	Product & Branch Accounting
Rems	Remittances



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## **1. Introduction & Purpose**

### **1.1 Overview**

This Operating Level Agreement is between Product & Branch Accounting, Network and Service Delivery.

The agreement is for the interaction with Post Office Branches, with regards to Transaction Corrections, Debt recovery and response to queries.

Product & Branch Accounting, Network and Service Delivery will use all its reasonable endeavours to ensure that the timescales are met.

### **1.2 Timescales**

The commencement date for the OLA is the 1<sup>st</sup> April 2009

It will be reviewed at the quarterly Network Relationship meeting

## **2. Operating Level Agreement**

### **2.1 Transaction Corrections issued by P&BA**

The following section sets out the normal timescales for the issuing of Transaction Corrections to Branches, by Product & Branch Accounting.

Action: need to discuss terminology of TC products at the conformance workshop, do they make sense and also if anything should be included around the wording & explanations on the transaction corrections.

#### 2.1.1 Cheques to EDS (processing centre), Cash Rems & Unpaid Cheques

Transaction corrections will be issued within 1 month of the transaction date, with the exception of missing cheques.

In the case of missing cheques, sometimes these need to be queried with the Client or

Customer. In these cases the Branch will be contacted within 3 months, to be aware of the potential issue and its value, and for the branch to provide the relevant information. These Transaction Corrections will be issued within 6 months.

#### 2.1.2 AP underpayments & Personal Banking underpayments

Transaction corrections will be issued within 1 month of the enquiry being received by P&BA.

#### 2.1.3 Client related errors - A&L, ATMs (all types), First rate pre-order & travellers cheques, Moneygram, NS&I, automated payments & Travel insurance

If a difference needs to be queried with a Client then the Branch will be contacted within 3 months, to be aware of the potential issue and its value, and for the branch to provide the relevant information. The issue will then be queried with the Client. Transaction Corrections will be issued within 6 months.

#### 2.1.4 Automated Payment Overpayments and Personal Banking Overpayments

These have to be queried with the Client and Customer. A Transaction Correction will only be issued **if** the Client and Customer agrees and these can take up to 2 years.

#### 2.1.5 Fraudulent Cash Cheques

These are alerted to Product & Branch Accounting by the Alliance & Leicester. Transaction Corrections will be issued within 4 months of the transaction date.

#### 2.1.6 Bureau Rems, Camelot, DVLA, Paystation, Personal Banking, Postal Orders, Suspense, Quantum, Vouchers & Government Services

These areas are matched using the Branch Trading periods and Transaction corrections will be issued within 2 month of the transaction date.

#### 2.1.7 Debit Cards

This is dependant on when we receive the chargeback from the bank. A transaction correction will be issued within 6 months of the transaction date.

#### 2.1.8 Saving Stamps

Saving Stamps transaction corrections will be issued within 3 month of the transaction date.

#### 2.1.9 Stock transaction corrections

Branches must report a stock surplus or shortage to the helpline and follow the standard process. The transaction corrections will be issued within 3 months of the date the surplus or shortage is reported. If a Branch does not follow this process then the transaction correction will not be issued. The same applies to any expected transaction corrections for incorrect stock adjustments.

#### 2.1.10 Fraud Investigations

If there is a fraud investigation into any Branches, this could delay the Transaction Corrections being issued. This means the timescales detailed above are unlikely to be met.

Action: need to agree at the conformance workshop, what if additional losses occur as a result - who is liable?

#### 2.1.11 Aged / Large volume / value Transaction Corrections

Product & Branch Accounting will ensure that significant or widespread issues with regard to aged, high volume, high value will be communicated to the Network and Service Delivery in advance of the Transaction Corrections being issued. Product & Branch Accounting will communicate to the Network and Service Delivery through the relationship manager in P&BA.

Action: need to agree at the conformance workshop, the age, volume and value levels.

#### 2.1.12 Acceptance of Transaction Corrections

Branches will ensure that all Transaction Corrections are accepted within 1 week of receipt. Refer to section 2.3 for any disputes and section 2.4 if this affects Branch Trading. If a Transaction Correction arrives on Branch Trading day, the branch has to action it before they can roll their branch trading period.

If a branch receives compensating transaction corrections, they must settle these both in the same way, either both make good or both settle centrally.

### ***2.2 Enquiries between Branches and P&BA***

The following section sets out the normal timescales for the response to enquiries from Branches, by Product & Branch Accounting.

#### 2.2.1 Underpayment of a Transaction

P&BA will respond to the branch and issue a Transaction correction within 1 month of the enquiry being received in P&BA.

#### 2.2.2 Overpayment of a Transaction

P&BA will follow up with the Client / Customer on behalf of the Branch, but these could take up to 2 years to resolve (it could be a customer only has an annual statement and does not check them) and are dependant on the Client / Customers agreement. If the Client / Customer does not agree then the branch will be held liable and payment will be requested.

#### 2.2.3 Telephone Enquiries from Branches

P&BA will respond to all telephone enquiries, within 2 working days, this may be an update on the query or a resolution.

#### 2.2.4 Enquiries to Branches

P&BA will at times ask Branches to provide information to assist in the investigation

process, e.g. a cheque listing. The branch will provide these within 1 week.

#### 2.2.5 Transaction Correction enquiries

The branch must ring the contact on the Transaction Correction, this may be Product and Branch Accounting or it maybe the helpline.

### **2.3 Disputes**

The following section outlines the responsibilities with regards to disputes.

#### 2.3.1 Network responsibilities

All disputes will be supported with the relevant documentation and will be provided to P&BA within 1 week of receiving a Transaction Correction.

Action: need to agree at the conformance workshop, what happens if they do not meet the timescales.

#### 2.3.2 P&BA responsibilities

An initial response will be provided within 1 week. This will either be a resolution or an update with an expected timeframe for resolution. If a customer or client is involved this could take up to 6 months. If the Client / Customer does not agree then the branch will be held liable and payment will be requested.

Provide copies of any NFSP cases dealt with by P&BA to the Contract manager and store on the EFC.

### **2.4 Branch Trading**

Branches will complete their Branch Trading on the stated date for their Branch Trading Group. In exceptional circumstances this can be completed on the following day.

Action: need to confirm this is in the knowledge base

If there is any problems in completing Branch Trading, Branches will seek advice from the helpline GRO

### **2.5 Branch Discrepancies**

On Completion of Branch Trading, Branches may have a Branch Discrepancy; this will be investigated to understand the cause of this discrepancy. The Branch will then contact the helpline GRO and advise that a Transaction Correction is expected. This needs to be specific to include the product / transaction type, date and value.

Service Delivery will then report these to Product & Branch Accounting for action.

### **2.6 Settle Centrally & Debt Recovery**

If a transaction correction or branch discrepancy has been settled centrally, then an invoice or credit advice will be sent to the branch following the branch trading for settlement by the branch.

Branch should pay any invoices promptly within 10 working days of receipt. Failure to do so will result in the monthly deduction from remuneration

Network Contract managers will give concurrence to any deductions from remuneration over £1,000

Branches must have no more than one month's invoice being deducted from remuneration at any one time

Network Contract managers will contact the branch if they continue to have invoices which go for deduction from remuneration.

BDMs make the final decision on high value write offs, which are posted to their cost centres.

Action: need to agree the value and agree how this is done

## **2.7 Network Conduct Cases and investigations**

P&BA will provide an accurate summary of the transaction corrections, issued, accepted and outstanding within 2 working days of the request being made by the Contract Manager

P&BA will provide an accurate summary of outstanding debt held in the settled centrally account for a branch within 2 working days of the request being made by the Contract Manager

P&BA will provide an accurate summary of any other debt for a branch within 2 working days of the request being made

Action: need to agree should this be P&BA

P&BA to provide accurate details for Branch Trading balancing results, showing discrepancies committed on horizon, for a branch for the previous 12 months prior to a given date (this may be the date of a suspension for example) within 2 working days of the request being made.

P&BA to provide the date of last branch trading with response

P&BA and Network to agree a quicker timescales on a case by case basis for urgent requests.

## **2.8 Measurement**

To measure this Operating Level Agreement in its entirety would require a lot of resource. Therefore, in the short term, this agreement will be measured on an exceptions basis. Any instances

where the agreement has not been met will be reported, with the relevant information, to the following people.

Name	Area	Email Address
Andy Winn	P & BA	Andrew.winn@GRO
	Network	
	Service Delivery	

In the longer term measures and reports will be developed to monitor the delivery of this agreement.

## ***2.9 Conformance & Helpline queries***

### 2.9.1 Monthly Reporting

Product & Branch Accounting will provide a monthly report of Transaction Corrections to the Network General managers. P&BA will also provide a monthly worst branch report to the Network

Action: need to develop the worst branch report

### 2.9.2 Knowledge Base

Product & Branch Accounting will provide regular updates to ensure that the Knowledge Base scripts are up to date to deal with the incoming calls.

### 2.9.3 Intervention

Product & Branch Accounting will request intervention calls from Service Delivery to deal with specific issues.

### 2.9.4 Helpline queries to P&BA

Product & Branch Accounting will respond to requests from the Service Delivery helpline within 10 working days of request.

### 2.9.5 Branch Non-conformance

Although the responsibility for conformance clearly sits with the Network and Multiple Partners, Product & Branch Accounting and Service Delivery will work with the Network,

Crown offices and Multiple Partners to address conformance issues.

## ***2.10 Opening Hours***

### 2.10.1 Product & Branch Accounting

Product & Branch Accounting will be available to take phone calls between 8.00 am and 5.00pm, Monday to Friday (excluding Public holidays). If Branches want to contact P&BA out of hours, they can also use the email address branch.control GRO and someone from Product & Branch Accounting will call them back, within 2 working days. This email address can also be used to arrange an out of hours call.

### 2.10.2 Service Delivery helpline (NBSC)

The helpline will be available on branch trading days until 8pm on Branch Trading balancing days.

## ***2.11 Review & day to day Relationship***

### 2.11.1 Quarterly review

A quarterly review meeting is in place lead by Marie Cockett and attended by Andy Winn, Paul Dann, John Breedon, Glenn Chester and Karen Arnold. This group, together with the relevant guests, will review this Operating Level Agreement at least annually.

### 2.11.2 P&BA Contacts

P&BA to provide details of contacts within P&BA at regular intervals

Network to provide details of contacts within the Network at regular intervals

Service Delivery to provide details of contacts within Service Delivery at regular intervals

### 2.11.3 Changes

P&BA to provide details of any changes to the Network & Service Delivery, in advance of implementation, to enable impact assessment by Network & Service Delivery

Network to provide details of any changes to the P&BA & Service Delivery, in advance of implementation, to enable impact assessment by P&BA & Service Delivery

Service Delivery to provide details of any changes to the P&BA & Network, in advance of implementation, to enable impact assessment by P&BA & Network



2.11.4 Day to Day Contacts

Name	Role	Area	Email	Telephone
Marie Cockett	Branch Conformance & Liaison	P&BA	GRO	GRO
Andy Winn	Relationship Manager	P&BA		
Paul Dann	Agents Debt accounting	P&BA		
John Breedon	National Contract Manager North	Network		
Glenn Chester	Contract Manager, Central	Network		
Karen Arnold	Contract Manager, North Central England	Network		
Cathy Macdonald	Multiples & Crown Accounting, Fraud & conformance	P&BA		
Alison Bolsover	Financial Services & Bill Payment	P&BA		
		Service Delivery		

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### **3. Dependencies**

In order to delivery the levels / timescales in this agreement, the following dependencies need to be met.

#### **3.1 National Federation of Subpostmasters**

Agreement must to be sought from the NFSP to the timescales in this document

#### **3.2 Clients & Joint Venture Partners**

Timescales for data feeds, enquiries and evidence requests must to be agreed with Client Banks, A&L, Bank of Ireland, Hanco, First Rate, Moneygram, NS&I, Camelot, DVLA, Post Office Ltd Banks, Quantum and the Passport Service to enable the timescales in this document to be achieved

#### **3.3 Suppliers**

Timescales for data feeds, enquiries and evidence requests must to be agreed with EDS, Steria and Fujitsu to enable the timescales in this document to be achieved

#### **3.4 Cash, Bureau & Stock**

Timescales for data feeds, enquiries and evidence requests must to be agreed with Cash Services, Cash Centres, Hemel Hempstead, Swindon and Royal Mail Service Delivery to enable the timescales in this document to be achieved