

Post Office Network

Performance Summary

Period 1 2000/01

People Scorecard

- No figures available for **opinion survey based measures** until further tracking takes place (planned for end of quarter 1)
- Vital Few Measures - 3 Green, 2 Amber, 0 Red

Performance Indicators	Previous year Performance	Actual Performance	Full Year target	Traffic light Status
1. Leadership Index Line Manager Relationship	63.0		60% ile	
2. Commitment Index • Group Commitment Index Staff agents • People satisfaction - Staff • People Satisfaction - Agents	48 47.2 38.3 36.4		Under review Under review Under review Under review	
3. Capability Index	26.4		+5%iles	
4. Agent\ Franchise value				
5. Manpower Forecast	227			Amber

Headcount Variance(Excludes Operational staff)

	Template			Interim			Project			Transitional			Staff in Post		
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance
Post Office Network	2045	2203	158	216	116	-100	503	498	-5	0	174	174	2764	2991	227

Variance comments:

- Please note that all 'plan' numbers are taken from the SCS manpower plan baseline (approved in February 2000), and are reflected in the Template Management Database (TMD).
- Transitional staff reduced by 99 this month, ie. from 273 (period 12 1999/2000) to 174 this period. Additional reductions are planned throughout this year (in the context of some forecast additions) in order to achieve the overall target reduction.

- Interim posts have decreased by 100 since baseline, mostly attributable to changes this period, ie. interim helpline staff have decreased by 22, and 79 interim TP staff have changed status (21 transferred from PON to POSG; 58 roles became templated roles in PON). There has been a small increase in interim stores roles (ie. +3).

The variance of +158 templated roles can be explained largely by a number of agreed additions to PON template since the baseline figure was agreed in February 2000, eg. the 58 TP roles described above, as well as 30 Horizon cluster support roles.

Customer Goal

- No Quarter 1 figures available for Customer goal Measures at time of publishing
- Vital few Measures - Not available

Performance Indicators	Previous Year Results (01/04/00)	Planned Performance			Full year Target target	Traffic Light Status
		Q1	Q2	Q3		
1. Customer Satisfaction Tracking Index	73.0				73	
2. Customer Loyalty - Propensity to repurchase - Share of Purse % (Personal) - Share of Purse % (Business) - % very satisfied	74.6 12.6				Measures & target to be developed 74.6 12.6 63	
3. MFU Satisfaction Index - (to be developed)	Perceived as poor				Measures & Targets to be Developed	
4. Conformance to Standards:						
Mystery Shopper Q of S (proxy)	93.8				95.0	
Mystery Shopper Index (proxy)	88.6				Under development	
Mystery Shopper CSI	90.5				91.0	
Percentage Correctness	76.1				77.0	
QPA	57.4					
5. Supplier Performance - ICL Pathway Measures being scoped include: - Service Failures - Achievement of key deliverables/ milestones - Perception index	Perceived as poor				Measures & Targets to be Developed	

Shareholder Scorecard

Performance Indicators	1 st Quarter Planned Performance(period 1) (£m)	Actual Performance (£m)	Full year target (£m)	Traffic Light status
Cost recovery(prime Costs)	91.21	81.3	980	Green
Contribution - Measure driven by Trading Model	Data unavailable	Data unavailable	Baseline +n	

- Vital Few measures - 1 Green, 2 Amber
- numbers reported are Period 1 budget and actuals, Prime costs and no Inter-business charges.
- Budget Includes £4m development(assessed) but there has been little spend this month.

Actuals Include £3m costs of Recoverable VAT which were no re-accrual. These were expected to be transferred to group.

- We have been advised of other omissions and there are misplacements in the accounts arising from mis coding by IA2000. We are in the process of quantifying these to advise group finance to resolve.
- It was not unusual for POCL to underspend in the early couple of months whilst budgets bedded in. More in depth analysis needs to be conducted to establish how much is available to offset budget gap, if any.

Risks and Opportunities

	£ m.
Current budget gap	(11.5)
Period 1 weighted risks and opps.	(0.4) -----
Current total risk	(11.9)
ABB reduction opportunity advised by Keith Falconer	4.0 -----
Latest View	(7.9)

Comments

- There was a further £ 8.5 m. of weighted risk identified for which a budget is held centrally.
- The £ 0.4m. weighted risk disguises a total risk of (£ 14 m.) with opportunities of £ 13.1 m. (details on attached sheet)
- An approach to managing theses risks needs to be discussed and agreed at PONEC
- Initial recommendation is that finance review each item with directorates to :
 1. Clarify the issue.
 2. Test weighting.
 3. Check with budget or ABB process for potential double counting.