



Post Office Ltd
LOSSES POLICY - OVERARCHING
(BRANCHES)

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Document Information

Title	Losses Policy for Post Office Limited branches (Registered trademark not needed after Post Office Ltd)
Category	Standard
Subject	Treatment of branch trading losses at Post Office® branches
Version Control	05
Author	Jennifer Robson, Debt recovery section manager, Product and Branch Accounting
Owner	Dave Miller, Chief Operating Officer
Managed by	Lynn Hobbs, GM Service
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Audience	Full circulation, including NFSP
Privacy level	Commercial Confidentiality
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Effective date	April 2006
Review date	September 2006

Approval

Role	Name(s)	Date
Business input	V2 of the previous Liability for losses Policy, Geoff May, Rod Ismay, Martin Ferlinc, Tony Utting, Sandra Murray, Sean Farrow,	August 2005
Circulation	Business document change control	
Assurance	Victoria Noble,	
Authorised	Rod Ismay	

Version control

Version No.	Reason for issue	Date
1 Draft	Completely revised as a result of the	December

	implementation of Branch Trading and business requirements to implement a set of policies for various branch types.	05
1.1	Second draft for branch control forum	December 05
2 Draft	Third draft for branch control forum	December 05
3 Draft	Fourth draft for branch control forum	December 05
4 Draft	Fifth draft for branch control forum	December 05
5 Draft	Updated with comments received from Rod Ismay and page numbers, contents & appendices added	30 th Dec 2005
6 Draft	Updated following review and further appendices added	10 th Jan 2006

SECTION 1 – SCOPE AND EXCLUSIONS

This policy defines Post Office Ltd's actions in respect of losses associated with cash, cheques and transactional stock (whether in branches, in transit or in central processing locations) and in respect of the counter transactions or remittance transactions themselves. It also considers assets, in branches, that have been partly or fully paid for by Post Office Ltd.

Other potential liability situations, for example invoices, customer complaints, client charges/penalty payment and personal injury are outside the scope of this document, and would be subject to the relevant terms and conditions in product literature and agent contracts.

For purposes of this document, agent shall be considered to include franchisee and multiple within its meaning.

SECTION 2 –LIABILITY

In general, agents are liable for all losses, including counterfeits, under their contractual responsibility. DMB staff are covered by the conduct code.

For branches, there are separate liabilities clauses for agents, in line with their contractual responsibilities, and DMB staff. These are recorded in separate documents.

Post Office Ltd shall formally consider the balance of risk and liability between itself and its clients and/or other parties such as joint venture vehicles, in agreeing contract terms.

It shall also seek to minimise liability risk through cost effective product and process design.

SECTION 3 – PREVENTION OF LOSSES/SUPERVISORY CONTROLS

It is the responsibility of the agent /branch manager to ensure that the accounting and operational procedures and practices employed in the branch conform to the current business standards. It is their responsibility to exercise satisfactory supervisory controls to ensure that this is the case and to provide advice, guidance and instructions to their staff.

For branch managers at directly managed branches, it is mandatory they have a programme of surprise supervisory checks on all stock units (both individual or multi-user stocks). Branch managers must ensure that each stock unit is checked at least once in a rolling six-month period or once in a three-month period, where the stock is held by a single clerk. Such checks are advisory for the agency network.

SECTION 4 – COMMUNICATION

This policy and the supporting processes outlining how the policy around contractual liability will be deployed are communicated to the relevant third parties as appropriate. (See Appendix)

Appendix A

LOSSES POLICY (BRANCHES) – supporting processes

1. Policy for Handling Burglary & Robbery Losses Within the Agency Network

Version: 3.5 (31_05_05)

Owner: Len Clay



"Burglary & Robbery
Losses Policy ~ Ver 3

2. Liability for losses Multiples Partners/Franchisee

Version:

Owner:

Note. This currently only applies to National Multiples, but we are looking to roll this out for Local Multiples, later this year.

3. Process for awaiting TC - Multiples

Version: 1, 15/12/05

Owner: Marie Cockett



"Processes for
awaiting TC - Multipl

Note. This currently only applies to National Multiples, but we are looking to roll this out for Local Multiples, later this year.

4. Process for awaiting TC – singletons

Version: 1, 15/12/05

Owner: Marie Cockett



"Processes for
awaiting TC - Singletons

5. Process for seeking relief on losses – singletons

Version: 1

Owner: Lynn Hobbs



"Processes for
seeking relief on losses

6. Process for remittance disputes – cash

Version: 1, 15/12/05

Owner: Sandra Murray



"Process for
Remittance disputes .

7. Process for remittance disputes –Bureau

Version: 1, 15/12/05

Owner:

8. Process for Counterfeit note losses

Version:1

Owner: Eddie Jarman



"Counterfeit Note
Losses.doc"

9. Process for dealing losses revealed at audit

Version: 1

Owner: Martin Ferlinc



"Dealing with
discrepancies reveale

10. Process for losses at Directly Managed Branches

Version:

Owner: Paul Patterson