

Security 4 Weekly Report 12/3/2010**HOT TOPICS:****Risks and Opportunities**Weekly Incidents 1st to 7th March (1st week of Period 12)

- **Fraud Casework** losses for period 12 to date are £0k with 2 fraud cases raised with a loss of currently £0k occurring in the first week of this period.
- **Supply Chain** losses for period 12 to date are under target with a loss of £0k against a target of £56k (£187k target for the full month), with 2 incident and nil losses occurring in the first week of this period.
- **Network** losses for period 12 to date are under target with a loss of £6k against a target of £82k (£187k) with 5 incidents and losses of £6k occurring in the first week of this period.
 - Of note, there have been 3 recent 'Post and Go' incidents during the period, Ludgate Circus, Arndale Crown and High Street Sutton Crown with a total loss of £430.

Weekly Incident
report 1st - 7th March

- **Weekly Incidents Report in more detail-**

Accomplishments**Post Office Branch attack arrests**

- **Robbery at Newlands SPSO, G41 3JF on 26th February 2009.** Male arrested 15minutes after the incident. **£5k Loss recovered**
- **Robbery at Yetholm SPSO, TD5 8RA on 26th September 2008.** **GRO** has been found guilty of carrying out the robbery and will be sentenced at the end of the month.
- **Geneva Rd SPSO, DL1 4HG on 12 January.** Suspect arrested by Durham Police
- **Andersontown SPSO, BT11 8BD on 17 February & Turf Lodge SPSO, BT11 8EF on 22 February.** **GRO** appeared on two counts of attempted armed robbery and remanded in custody.

CViT attack arrests

- **GRO** and **GRO** appeared at Belfast Magistrates Court on 27th February and were remanded in custody following the robbery at Seymore Hill SPSO, BT17 9TX on 26th February. Activated lbox with contents was recovered

Casework Results

- **Alderley Edge SPSO, SK9 7JT** – Defendant given 3 months custodial sentence suspended for period of 12 months and ordered to undertake 120 hours unpaid work. The Defendant was also ordered to make a contribution towards prosecution costs in the sum of £410.10
- **Bath Road SPSO, SL1 6JA** – Defendant sentenced to 8 months imprisonment
- **Glasgow CViT** – Defendant found guilty of theft and given 120 hours community service. Full recovery of £6k loss
- **Southway Drive SPSO, PL6 6QR** – Defendant sentenced to 16 months imprisonment
- **Putley SPSO, HR8 2QN** – Defendant given a 12 month Community Order. Unpaid work 200 hours. The defendant was ordered to pay prosecution costs of £300 and compensation of £1,572.56

- **Otterspool SPSO, L17 0BJ** – Defendant given 12 months imprisonment suspended for 1 year with a requirement to complete 200 hours unpaid work. He was also ordered to pay investigation and prosecution costs of £2,200
- **Jesmond SPSO, NE2 2SY** – Defendant given a 3 month Curfew Order. There was no order for costs or compensation.
- **Erpingham SPSO, NR11 7QE** – Defendant sentenced to 40 weeks imprisonment suspended for 18 months with 200 hours of unpaid work.
- **Pant SPSO, NP11 5BX** – Defendant sentenced to 12 months immediate custody. No order for costs was made.
- **Blackhorse SPSO, WA8 9LQ** – £33,944.76 Fraud Recovery
- **Funtington SPSO, PO18 9LJ** – £28,298.00 Fraud Recovery
- **Rugeley MSPO, WS15 2BE** - £8,975.51 Fraud Recovery
- **Tean SPSO, ST10 4DY** - £8,000.00 Fraud Recovery

Project & Programme update

Network

- **Safer Post Office Initiative Programme** – 213 joint visits with GMP have been completed, with 160 offices receiving the accreditation. Bolton Crime Reduction Advisors have agreed to commence visits within this area running from April through to May. As at Period 11, GMP robbery incident numbers reduced year on year by 30%, whilst losses are reduced by 27.4%. An initial batch of 8 offices have now received discounted CCTV, as part of the camera solution for failing offices within the 'Safer Post Office Initiative' in Greater Manchester
- **Case across the counter** - 50 offices have volunteered to participate in the Case across the Counter trial in London, Offices will be assessed for their suitability of the trial, with the training to commence.
- **Northern Ireland Project** - Analysis is on going to aid the design of a Northern Ireland Project.
- Post Office Security sponsored an award at the **Greater Manchester Police Chief Constables Excellence Awards** at the Town Hall in Manchester on 26th February. The winning Officer received the award from Head of Security, Post Office Ltd.

Supply Chain

- **Operation Ingress** – Out of 25 supply chain depots to be visited under the Operation Ingress project, the last depot assessment was completed on the 11th March 2010; the overall report will be completed by 31st March.
- Principal Unit Manager meetings have been attended and will continue with collaborative working approach within Cash Centres and CViT Depots.
- Collaboration between security and supply chain has implemented a robust Post Incident Process following incidents at supply chain sites.
- To conclude the Tiger Eight Programme a change risk assessment has been completed for the decommissioning of Tiger Foot buttons in Supply Chain vehicles. Subject to Senior Area Manager concurrence, a residual risk will be addressed before the matter is resolved.
- A meeting has been arranged with Parcellforce security to understand and assist them with their vehicle security and crew awareness in mitigation of robbery risk.
- The Security Team have been represented at a two day Tiger Kidnap conference hosted by Bank of England.
- WH Smith Security has expressed concerns to POL Security over CIT crews servicing their kiosks through the hatch rather than inside the kiosk. WH Smith are to reiterate the correct transfer procedure to their staff and an item will be included in Cashcade to ensure our crews also follow the correct procedures, which effectively is case behind the counter.

- Security attended a two day course run by Resolve Security Consultancy as observers; this was aimed at CIT crew safety and threat assessment. This will now be assessed as to its relevance to POL.

Security programmes for products

- **Stock Issues** - A Project Initiation Document has now been submitted in relation to a number of issues around stock and remittance processes at Swindon and P&BA. A programme plan is now being completed and will be circulated to the appropriate stakeholders for agreement. The Security team are meeting with Business Efficiency next week at Swindon stock centre to share information and ensure collaboration when moving the programme forward.
- **FONCH (Foreign Overnight Cash Holdings)**– A briefing document has been compiled with the assistance of P&BA and Inventory regarding the non-reconciliation between POLFS and Branch declarations of holdings. Security are working closely to support P&BA in obtaining verifiable data on the scale of discrepancy, within the next few weeks. Once this is available Security will provide analysis of root cause issues in conjunction with P&BA and Inventory and then produce activity planning to resolve issues.
- **Crowns** - Meeting held with Communications Team in order to continue to drive the use of communication channels by the Security Team. Various topics were discussed, including proposals for Security WTLL sessions in May. Loss league tables should appear in this weeks Crown Focus (now a monthly BAU activity) and a quiz highlighting the remits of the Security Strands should appear in next weeks Crown Focus.
- **Scratchcards** - Following the Stakeholder meeting of 4th March, it has been agreed that a new process of monitoring holdings will start. Based on the volumes of dispensers/inserts at branches, rather than a blanket £2k target, Camelot will provide accurate information about the volume of dispensers/inserts across the network. It is envisaged that this will take 3 months to complete (via Camelot Field Sales Teams), when new monitoring will commence.
- **Horizon Online** - Due to live service issues, the decision has been made not to migrate any further branches until these issues are fully understood, necessary actions agreed and success criteria met. In effect, the Pilot 'stabilisation' period has been brought forward in order to assure the quality before proceeding. This will allow Fujitsu some time to resolve issues, including a higher than expected number of screen freezes and resultant recovery transactions.
- **Cheques** - As part of the due diligence work around the Cheques ITT evaluation, members of the Security Team will be part of the team visiting both bidders to observe their operations.
- **POSS** - The Security Team are working with P&BA to arrange phonecalls to branches, who are holding excessive amounts of POSS when compared to their sales. The intention is to support the withdrawal process by tackling the worst 50 - 100 offices at an early stage prior to migration. The phonecalls were made in early March and the results will be analysed by P&BA and the Security Team during week commencing 15th March. The current date for withdrawal of POSS is 25th May 2010.
- **Spoilt Postage/Rejected labels** - P&BA have made phonecalls to the worst 20 offices for spoilt postage and rejected labels and the results will be analysed in April using the data from period 12.
- **POca** - Following the intervention calls made in January, data has now been provided to measure the impact and benefit in reducing duplicate transactions. Although not fully completed, initial analysis of the results, show a reduction overall across the 29 branches of 15% in duplicate numbers compared to the period prior to the calls.

- **MVL** - DVLA have agreed the branches to be contacted as part of the manual transaction reduction initiative. The data is now ready and the call scripts are being prepared. It is anticipated the calls, made by Security will be completed mid March and reviewed in time for a meeting with DVLA on the 25th March.
- **Analytical capability** -The Security Team are currently scoping out the use of software to advance the efficiency of fraud detection. A presentation from Comsec on their Intellinx software and a demonstration of ACL (Audit Command Language) of how Deloitte are building bespoke exception reporting for P&BA are being evaluated for application to current fraud issues. The strategic analysts have had MapInfo software installed to provide Geospatial analysis and enhance modelling of crime threats.
- **Risk Assessment processes** - Property Projects have been provided with a risk assessment model for use in allocating TDLC (Time Delay Locking Compartments) to new safe installations. Since the start of the project, 119 requests were authorised leaving 281 being rejected, resulting in a saving of £18k. New local Risk Assessments for high risk branches considering screenless working are being trialed with a view to full out in the near future.
- **Critical Business Processes for Security Management** - For this year an additional two processes have been added for security. These processes have been mapped for IT Security Management and Physical Security. The self assessments of conformance to these processes have been sent for sign off.

Business Programmes, Security Issues

- Grapevine Tender - The Security Grapevine tender process is now complete, and Professional Witnesses Ltd. were awarded the contract. A Grapevine strategy meeting is scheduled for April to plan the way forward bringing together various representatives from other directorates.
 - PCI DSS Audit – The audit is now complete and the only item that caused a problem, was that Patch Management and Anti-Virus were suspended during roll-out of HNG-x. Auditor visits to Branches were delayed to coincide with audit on Patch Management. Fujitsu supported the audit exceedingly well and demonstrated that they have implemented a very professional service in line with the requirements of PCI DSS.
 - Meeting with Streamline went exceedingly well. They were supportive of our planned programme for PCI DSS across the group.
 - It has been agreed with Fujitsu that getting HNG through the Security gates for AG4 is the highest priority at present. There are, as previously reported, 3 High acceptance incidents, which are being managed. Two of these, Fujitsu have assured us that will be completed before the gateway deadline, these are being monitored at our twice weekly meetings. The third is around Risk Assessment, this is more problematic but a way forward has been agreed with Fujitsu, we should see the results of that at the meeting Monday 15th March. If this is not satisfactory the situation will be taken to a wider forum for discussion and resolution.
 - Progress continues to be made in the areas of collaborative working with Service Delivery, Royal Mail Group and other suppliers. Some projects upon which we have been relying to provide us with enhanced security of removable media (USB drives/CDs) have experienced some delays and issues, although the approach of working closely with RMG and the suppliers is ensuring POL will not be unduly exposed.
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- Ernst & Young Audit - Further progress has been made and the audit is now drawing to a close. There has been some overrun by E&Y as a result of delays in the provision of

information from Fujitsu and the time taken for E&Y to gain sufficient understanding of the systems, including Credence. Engagement with Service Delivery and Finance/P&BA is continuing to iron-out the outstanding issues. The deficiencies in the change control processes for Credence means some additional financial audit work will be undertaken, although the extent and implications of this are not yet fully understood.

Security Team