

TERMS OF REFERENCE FOR THE GROUP EXECUTIVE

1. Purpose

The Group Executive ("GE") is not a sub-committee of the Board but forms the most senior leadership team which is accountable to the Board for the day to day operations of the Post Office. It is responsible for delivering performance measured against the corporate objectives set by the Board and agreed with its Shareholder, the Department for Business, Innovation & Skills, through its Shareholder Executive ("ShEx").

2. Responsibilities

(a) GE, as a body, is responsible for:

- Producing the strategy and operating plans and budgets for approval by the Board and ShEx
- Delivering the strategic plans as agreed by the Board
- Putting into operation changes in strategy agreed by the Board and reporting back to the Board on performance against agreed objectives and targets
- Monitoring financial and operational progress against key measures set by the Board (in conjunction with the Executive Team)
- Establishing day to day policies designed to manage operational risks within the business
- Ensuring best use of the resources available to the Group including financial, human and technological resources
- Reviewing business development and recommending to the Board new areas of business or more effective ways of working. GE will review the forward agendas for Board meetings and will determine which matters should be considered in more detail by GE before going forward for Board approval.
- Approving contracts and expenditure within the delegated authorities set by the Board
- Producing high quality management reports to inform and guide Board decision making
- Formal evaluation of the performance of the Senior Leadership team and review of the performance analysis across the Group by operating unit on a half yearly basis and taking any action to improve performance
- Implementation of decisions made by the Board
- Championing and role modelling the values and behaviours of the Business
- Implementing policies and processes to embed sound risk management practices and positive risk culture in all Group activities as set out in the Risk Management Principles

(b) GE members will be expected to:

- Attend all GE meetings or arrange appropriate representation if absence is unavoidable
- Review all material circulated to GE and clarify as necessary their own understanding of key issues facing the business
- Work collaboratively to achieve the agreed key objectives
- Highlight, discuss and resolve operational issues which threaten business success

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- Promote employee engagement
- Discuss and review improvements to ways of working to ensure the best use of resources available to the Post Office
- Raise matters or concern or difficulty with fellow GE members and seek their input with the aim of resolving difficulties at an early stage
- Contribute to setting the agenda for GE meetings to focus on the priorities for the business as a whole
- Provide constructive challenge to other members of GE on matters due to go forward for Board decision
- Put into practice agreed values and behaviours for the Post Office as a whole
- Complete actions within the timescales set by the Board
- Be accountable for the actions and financial performance of their area of responsibility
- Act within the delegated authorities set by the Board and by GE as a group
- Communicate through their own reporting lines as appropriate GE decisions and requests
- Attend GE sub committees of which they are members and ensure that those sub committees deliver to the mandate agreed by the GE

3. Authority

The GE's authority to deal with operational matters and expenditure up to a pre-determined level is derived solely from the Board, which retains legal responsibility for the activities of the Post Office as a corporate entity.

4. Composition

- GE is made up of the Chief Executive, direct reports to the Chief Executive and the Company Secretary.
- The current GE members are the Chief Executive Post Office Limited, Chief Financial & Operations Officer, Chief Executive Retail, Chief Executive (Financial Services?), General Counsel, HR Director, Chief Information Officer, and the Company Secretary.
- The GE General Manager, the Strategy Director, and the Communications and Corporate Affairs Director attends the GE.
- The attendance of other Post Office employees for part or the whole of any GE meeting shall be solely at the discretion of the Chief Executive.
- The Company Secretary, or a nominated deputy, will attend all GE meetings as Secretary and will record all decisions and actions.

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- Changes in the composition of the Committee and the reasons for any such changes will be notified to the Nominations Committee of the Board.
- GE members may be invited to present papers to the Board but shall not otherwise be entitled to attend Board meetings.
- The Chief Executive, who will provide a report to each Board meeting on the most significant matters facing the organisation in the short to medium term.
- GE as a body and individual GE members will respond promptly to any question raised by any member of the Board.
- GE may establish sub-committees and sub-boards which shall investigate or deal with particular matters and report back to GE on a regular basis but no such action shall constitute delegation by GE of its responsibility for operational performance and mitigation of operational risk.
- GE will undertake an annual review of its effectiveness as a senior management team. At the request of the Board, GE may contribute to the annual review of Board effectiveness.
- GE will review at least annually its own Terms of Reference and those of any sub-committee established by GE.

5. Meetings

- GE will hold at least one meeting each month, unless otherwise agreed, with reserved time fortnightly to be used if required.
- In addition to regular Board meetings, separate development and strategy sessions will be held at least once a year.
- Meetings may be convened by the Secretary, at the request of the Chief Executive, or by any member of GE with the Chief Executive's consent.
- Notice of each meeting shall be given to all those entitled to attend and notice of the matters for discussion shall usually be given at least 3 working days before each meeting but notice need not be given in writing.
- GE meetings will be chaired by the Chief Executive. The Chief Executive may nominate one of her direct reports to chair a GE meeting, or part of a meeting, in her absence. In the absence of any such pre-determined delegation and where the Chief Executive is not present the members present shall decide between them who shall chair the meeting.
- The quorum for the meeting shall be two GE members.

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- GE may meet in person, by telephone or by other electronic means, so long as each member can contribute to the business of the meeting simultaneously.
- In exceptional circumstances, written requests for approval by GE may be circulated by email, if agreed by the Chief Executive.

6. Reporting

- The GE will ensure timely and appropriate reporting to the Board.
- It will review and recommended all Board papers and all appropriate Board sub-committee papers (where appropriate).
- It will receive monthly reports from GE sub committees and monitor the performance against the sub-committee mandate and terms of reference.
- It will ensure timely cascade of information to the Senior Leadership team and the wider Business.

7. Risk Management

- The GE will ensure that all papers presented and discussed highlight the risks to delivery of the strategic plan.
- The GE will monitor the top Business risks on an ingoing basis and discuss the R&CC meeting report at the following GE.

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8. Members

Chief Executive (Chair)	Paula Vennells
Chief Financial & Operations Officer	Alisdair Cameron
CEO Retail	Kevin Gilliland
CEO Financial Services?	Nick Kennett
CIO	Rob Houghton
General Counsel	Jane MacLeod
HR Director	Martin Kirke
Company Secretary	Alwen Lyons

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