

POST OFFICE CATCH UP ON 4 JULY – AGENDA

1. *Post-2015 strategy work – approach to meeting on 11 July*

You and the Secretary of State meet POL on 11 July to discuss post-2015 strategy and in particular the approach to Network Transformation and the Secretary of State's suggestions around compensation strategies. Accompanying this note is a skeleton presentation from POL seeking to cover these issues. We can discuss this at our catch-up and would appreciate your feedback on the following issues in particular:

- Are you happy with POL's proposed approach to the meeting on 11th July?
- Are there any other issues you would like covered at that meeting?

Additionally, POL's discussions with the NFSP around NFSP support for POL's proposed mandated approach to NTP continue (though agreement may be some way off).

- If POL and the NFSP reach agreement, and provided it is affordable and value for money, would you be happy to proceed on that basis?

2. *Post-2015 strategy work – other issues*

Tim McInnes' submission on KPMG's conclusions accompanies this note. KPMG's report is broadly supportive of POL management's plan but highlights some areas where there are risks or areas for POL to improve, which we will take forward with the business. We would, however, appreciate any feedback you have on the issues KPMG has raised.

Tim McInnes also provided a copy of POL's proposed mutualisation timeline to you last week. We would appreciate any early feedback you have.

3. *POCa – response to letter from SoS DWP*

Katrina Lidbetter's 2 July submission provided a draft response to the letter from the Secretary of State for Work and Pensions to our Secretary of State, and set out related issues. We would appreciate your feedback on our proposed response.

4. *Horizon and James Arbuthnott MP*

You are speaking to Paula Vennells and James Arbuthnott MP today (3 July) to discuss the emerging findings of the initial review by Second Sight. This covers 4 cases where subpostmasters have cited difficulties with POL's Horizon IT system as a contributory factor in their dismissals for irregularities, fraud or false accounting. We should touch on the latest developments here.

5. *AOB*

Should we have time, we are keen to provide updates on the following:

- POL aspects of next week's announcement and report on the RM sale.
- POL's latest network conversion statistics.
- VOA plans to make external cash machines at post offices locally rateable.