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Sent: Fri 11/02/2022 3:45:41 PM (UTC)
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Subject: [OFF:SEN] HSS Quarterly Review Meeting - Draft Minutes

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Hi all,

Please see below draft minutes from the HSS Quarterly Review meeting last week.

Welcome any comments or amendments by next Friday.

Kind regards,

Liam

HSS Quarterly Review Meeting – 3 February 2022

Status Update and Overview (POL)

- CC opened the meeting by recognising POL's progress in achieving their end January target.
- SR praised the quality of the panellists highlighting that they are skilled, with a good track record and although they appreciate the need to assess cases quickly, they are not influenced by that and will take the necessary time to make the right call.
- CC expressed some concern there could be a situation when zero awards are given but appreciated that the panel take a balanced judgement. He also thanked POL for the understanding the pause in cases w/c 24 Jan to allow SteerCo to consider some of the issues raised by the more complex cases before proceeding to Panel.
- SR explained that with the monitoring already in place POL/HMG can see any trends and act quickly.

Legal Privilege

- RJ noted that everyone present was on the same page of trusting the panel. Raised the issue that pre-offer we have the panel, but post offer we do not, so there is no independent view. She explained that in the context

of the funding extension request it is likely the nature of the cases in that period will be more challenging. This point was noted by SR.

- NL flagged most postmasters are not represented when they are first making their claims so do not know the importance of providing information at the early stage, although appreciated there's a limit to what can be done. Also raised that on slide 13, the total value claims, amount of higher value claims was quite striking and something that should definitely be monitored.

Programme Delivery

- SR explained that he appreciated the desire to talk about the 95% end of year target, but at the moment his focus is on the March target (51%), and the team are working well to achieve this but it's not just getting offers out 'every other part of the engine has to produce stock at every single level'.
- SR noted the recent escalation of 36 cases, that the plan is tight and that any blockages could jeopardise the plan if not handled well. Highlighted that February is a significant 'ramp up' and there is only a buffer of 9 cases to meet the March target.
- Explained that AW is looking at building a contingency panel – a few in February and a few in March if needed. Explained that POL currently have a weekly check-in point to make sure the plan is on track and identify risks.
- Appreciated that did not answer question about the 2022 year-end target, but explained that after March, there will be a refocus towards that. Explained that in his experience the 'sticky stuff' is left at the end and that may cause an issue in meeting the 95% target. Clarified the Ministerial target was 100% (CC confirmed) and SR said POL will work towards that but again flagged experience that there are always issues at the end of this sort of compensation scheme. Flagged that panel availability will potentially be an issue – QC's might get called off to cases, there might be covid-related issues etc. and that AW is looking into contingency panels if needed. Explained the need on the POL end to be careful because the plan is tight but the plan has tried to account for future issues (built-in flex in summer for e.g.)
- CC explained he was happy with the update and confirmed RJ was also comfortable before moving on to DRP.

Dispute Resolution Procedure

- SR flagged at HRC there was a paper confirming POL are going to start including senior managers in escalation meetings. Explained this has been done on a small scale, and already appears to be adding value. Two escalation meetings have been resolved with POL representative being active.
- SR highlighted he's been developing a productivity plan which looks into how many meetings these representatives will be attending each week. In his view it is not enough at the moment, so he explained he was looking into what more could be done, could they add value in other meetings - the GFM's for example?. Explained it will always be helpful to have a POL person at the meetings who can speak the postmasters' language, and this will improve the customer journey as a result. CC agreed that this was a good plan
- NL raised concern about the bigger picture, beyond the escalation period into arbitration and beyond if needed, and how each part of the journey links together. Explained he was happy to discuss further at working level.
- SR explained that mediation guidance was being developed and a paper will be provided by the end of February – confirmed with GH. Further explained until it is used in practice POL won't know if they've got it right. When they get feedback, they can react. GH also confirmed that POL intend to do an overarching DRP strategy paper alongside the mediation guidance.
- NL explained that all the post-offer elements are all interlinked, and highlighted that arbitration is going to cost hundreds of thousands. Developing aspects of the post offer process is fine, but there are some concerns there.
- TC had a follow-up question on POL representatives attending, as they are senior managers, would they have the availability? All have day jobs, and there's a potentially huge bottleneck if we get more claims coming through than expected. SR clarified that these senior managers are fully seconded into roles to serve exactly this purpose and would not have an additional 'day job'.

- TC also asked if the DRP could be restructured.

Legal Privilege

Legal Privilege

- GH explained that on the POL side what they are looking at is applying principles either side of meetings, trying to figure out what claimants are unhappy with and trying to resolve these issues outside of meetings. This would not need any amendments to the GLO settlement agreement.

Operational Risk, Costs and Quality Assurance

- SR stated that the HMU reorganisation is work in progress and there are meetings next week to discuss. He explained that detriment piece was being taken forward by HMU, which he felt was the right place for it. Highlighted he's speaking to his HR Team about this and is working with KPMG from Monday to start building what the right operating model would look like.
- SR flagged that POL have developed a risk log which will help them maintain the operating rhythm and pace. Key risks in his mind were: i) maintaining the operating rhythm and pace; maintaining the focus and quality; case complexity and delay; maintaining flexibility; and on cost control.
- CC appreciated the need to bring in more people, as BEIS have had to do also. Also appreciated the expressed positivity in including PMD.
- SR explained he sees HMU as the place for Postmaster Detriment where a good process can be developed, and then be passed on to BAU to use when dealing with similar issues in the future. In the meantime, the legacy, such as unpaid suspension pay will be dealt with.
- SR explained that POL costs are currently being reviewed and will be challenged where appropriate to ensure POL are getting value for money.
- SR explained his previous experience, on a significant remediation programme that was the subject of the Tomlinson Report, the costs of the programme were greater than the payout, but that was acceptable because the position was that the remediation programme was righting a wrong. Thought it was important to flag, as this will be a consideration as part of the review into costs.
- BW asked about the 23/24 HSS funding extension letter and clarified that we will need to understand what date Ministers and HMT should be working towards to sign-off on this. **ACTION FOR POL TO PROVIDE A DATE.**
- BW highlighted that the Select Committee letter on costs was issued Wednesday 2nd February, and has been provided to the PAC, and Lord Arbuthnot has asked a similar written question in the House of Lords next week which will need to be answered. At the moment it is not in the Libraries of the House. She highlighted that there will likely be further questions in this space and a possible Urgent Question (UQ) that BEIS will have to work with POL on, that will need to be worked up in very short timeframes. She flagged that we will need to be on watch for the next week or so as there is still high political and media interest in this topic.
- SR also flagged that APPG for businesses submitted a paper, conscious that went into the select committee, are we expecting any fallout from that, or anything else in particular? BW explained the BEIS and UKGI team are working up a lessons learned piece on HBOS, and making sure they have a clear position and potential responses to follow-up questions. Main focus is around costs and GLO pressure.
- AW made the point that HSF did not design the HBOS scheme. The APPG reported HSF to the SRA and the complaints was thrown out. RW also flagged that there was a Judicial Review into the HSS that was not accepted. AW followed on to say that they had sought advice from the counsel who was part of the team that criticised the HBOS scheme.

AOB and Close

- RJ explained that after the Quarterly Review a new set of recurring dates will be set up for the attending teams to take stock. Explained she appreciated March will be a tricky month with the targets.
- SR agreed to share a spreadsheet which highlighted where they are in terms of a plan on a daily basis.

ACTION FOR POL TO SEND OVER THIS SPREADSHEET

- RJ stated that if there are any concerns with the February target, POL should flag as soon as concerns emerge.
- End of Meeting



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