



**POST OFFICE LIMITED BOARD MEETING**  
***Strictly Confidential***

supplying a Shareholder NED for the boards of arms-length bodies. The Shareholder NED had of course the same statutory director's duties as other directors including the primary duty to promote the success of the company; they did not have a position of power where they were different to other directors on the board;

- NR was appointed as the Accountable Officer, and this carried with it a number of responsibilities;
- UKGI were not the customer, funder, nor policy maker. They were fundamentally in place to represent the Shareholder.

NR noted the collision between politics and the commerciality of the business. For the Shareholder the priority was the administration of the compensation schemes and the conclusion of the Inquiry. This was in stark contrast to issues that the Postmaster NEDs were concerned about. The shadow that the Inquiry had cast on the business was significant. Aspects of the business had unravelled around Christmas 2022, and it was not clear how this would be repaired. The next few weeks would be challenging until the house rose, with the Shareholder Inquiry metric review to be delivered, a further Inquiry disclosure hearing, and the Interim Inquiry Report on compensation from Sir Wyn. We needed to get off Horizon; the costs for doing this had been underestimated however the Inquiry had provided illumination as to what was required, and this had in turn pushed costs up.

DB and CD left the meeting at 10:22.

### **3. Minutes and Matters Arising**

**TABLED** and **NOTED** were draft Minutes from the Board Meeting of 6 June 2023. Subject to the incorporation of the comments of BT the Board **RESOLVED** that the Minutes of the Meeting held on 6 June 2023 be **APPROVED** as a correct record of the Meeting and be signed by the Chair.

The Board **NOTED** the action log and status of the actions shown. RS advised that following the Board meeting of 5 July 2023 that AB had nominated for the position of Speak-Up Champion. The Board **RESOLVED** that AB be appointed as Speak-Up Champion effective immediately.

### **4. Committee Reports (verbal)**

#### **4.1 Remediation Committee**

BT advised as follows:

- Progress of the not in the public interest cases may be delayed until August. One of the cases that had been heard in the Court of Appeal involved a deceased, Mrs O'Donnell. This case had been contested by the Company on the basis that it was not a case that involved evidence from Horizon. It is not inconceivable that the Company could lose this case in the Court of Appeal and the Board needed to be aware of this;
- Aspects of the HSS would need to be re-visited including the tax treatment of payments and whether all Postmasters who applied to the scheme were given sufficient information about potential consequential loss claims. The Remediation Committee had requested a list of these types of issues from the Remediation Unit



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and for the Remediation Unit to consider how these issues might be approached. An Appeals Committee in relation to the HSS perhaps may be set up;

- OHC was not progressing swiftly. Potential claimants were not bringing their claims as they wished to see the finalised OHC pecuniary principles first. These were close to being agreed; the Board would need to consider these and likely before the next scheduled Board meeting in September;
- There had been administrative errors in the Remediation Unit. Whilst none of these were significant, a programme of assurance over activities was being conducted.

#### **4.2 Audit, Risk and Compliance Committee**

SJ distributed a paper, 'ARC Notes 10 July 2023' and advised as follows:

- RMU risks has been considered with two key operational risks highlighted;
- At an enterprise level a number of risks were sitting outside appetite however the position appeared stable;
- The number of overdue audit actions had increased although there was generally good progress on actions;
- The FY22/23 external audit continued, and it was hoped to be concluded this calendar year although potential impairment of the Company's assets and resolution of the Shareholder funding request remained outstanding with the issues interrelating;
- A number of policies were approved however certain Postmaster policies required further revision and were deferred until September.

#### **4.3 Remuneration Committee**

AB advised as follows:

- The recent Remuneration Committee meeting had focused on finalising the schemes that were outstanding, so that these could be combined with application made to the Shareholder seeking approval for the Executive Directors to participate in the schemes;
- **ACTION** The metrics for the LTIP 23-26 remained to be finalised. AB requested that over the course of the Board Strategy Days that the Board consider activities that could be incentivised for the 23-26 period.

**Board  
Members**

#### **4.4 Nominations Committee**

**ACTION** The Chairman advised that J Davies had left the Company and requested NR to continue with the search for an interim CPO. **NR**

#### **5. CEO Report**

**TABLED** and **NOTED** was the CEO report.

NR advised as follows:

- In relation to the appointment of the CTO, NR was due to meet with ZM, and C Brocklesby was due to commence circa 17 August. **ACTION** NR would advise the Board of the final arrangements once confirmed;
- Scopes for the KPMG and Accenture NBIT reviews were expected this week with the exercise anticipated to take between 8 – 12 weeks. In the meantime, R2 would continue to progress. AD queried whether C Brocklesby was likely to

**NR**