POST OFFICE LIMITED BOARD MEETING
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MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF POST OFFICE LIMITED HELD ON TUESDAY 22 SEPTEMBER 2020 AT 20 FINSBURY STREET, LONDON EC2Y 9AQ BY CONFERENCE CALL AT 13:00 HRS[1]

Present:	Tim Parker	Chairman **(TP)**
	Nick Read	Group Chief Executive Officer **(NR)**
	Ken McCall	Senior Independent Director **(KM)**
	Tom Cooper	Non-Executive Director **(TC)**
	Carla Stent	Non-Executive Director **(CS)**
	Zarin Patel	Non-Executive Director **(ZP)**
	Lisa Harrington	Non-Executive Director **(LH)**
	Alisdair Cameron	Group Chief Finance Officer **(AC)**
In attendance:	Veronica Branton	Company Secretary **(VB)**
	Max Jacobi	Head of Financial Planning and Analysis **(MJ)** (Items 5.)
	Dan Zinner	Group Chief Strategy and Transformation Officer **(DZ)** (Items 5.)
	Owen Woodley	Group Chief Commercial Officer **(OW)** (Item 6.)
	Meredith Sharples	Director – Telco **(MS)** (Items 6.)
	Amanda Jones	(Interim) Group Retail and Franchise Network Director **(AJ)** (Item 7.)
	Tracy Marshall	Network Development Director **(TM)** (Item 7.)
	Declan Salter	GLO Director **(DS)** (Items 8. & 9.)
	Julie Thomas	Operations Director **(JT)** (Items 8. & 9.)
	Ben Foat	Group General Counsel **(BF)** (Item 9.)
	Barbara Brannon	Procurement Director **(BB)** (Item 10.1)

Action

1. Welcome and Conflicts of Interest

A quorum being present, the Chairman opened the meeting. The Directors declared that they had no conflicts of interest in the matters to be considered at the meeting in accordance with the requirements of section 177 of the Companies Act 2006 and the Company's Articles of Association.

2. Minutes of Previous Board meetings and Matters Arising

The Board **APPROVED** the minutes of the Board meetings held on 28th July 2020, 29th July 2020 and 24th August 2020.

The Board **NOTED** the action log and status of the actions shown.

3. Committee reports (verbal)

ARC

Carla Stent provided a brief overview of the topics discussed at the ARC Committee meeting held earlier in the day including the pensions assurance update and the identification of 31,000 boxes that would need to be reviewed as part of the Post-Conviction Disclosure Exercise (PCDE). Lisa Harrington was not a member of the ARC and Carla Stent would call her to provide a fuller briefing from the meeting.

Remuneration Committee

Ken McCall provided a brief overview of the topics discussed at the Remuneration Committee meeting held earlier in the day. STIP and LTIP Schemes would not be launched for 2020/21

[1] Participation in the meeting was entirely via Microsoft Teams from participants' personal addresses. In such circumstances the Company's Articles of Association (Article 64) require that the location of the meeting be deemed as the chairman's location. However, it was not deemed appropriate to record personal addresses on the Company record. As such, the Registered Office is recorded as the meeting location.

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but the operational objectives bonus arrangements for the union grades would be honoured. A transformation and cultural reform programme for the company over the next 18 months would be established and incentives set for the GE and SLP population linked to its successful delivery. The Regulations on the £95k exit cap would come into force soon and Post Office Limited (POL) had to comply with these. POL might receive union challenge but would not challenge the Regulations. 25 of individuals whose roles were at risk in the current round of redundancies could be affected by the introduction of the cap. Zarin Patel and Carla Stent were not members of the Remuneration Committee and Ken McCall would call them to provide a fuller briefing from the meeting.

Nominations Committee

Tim Parker provided an overview of the topics discussed at the Nominations Committee meeting held earlier in the day. The Committee had approved the process for appointing an external facilitator for this year's Board evaluation, noting the importance of value for money. The Committee had looked at what we had done since the last Board evaluation and agreed a number of sessions for the Board agenda, including a session with McKinsey at the November 2020 Board meeting to help keep the Board abreast of marketplace and competitor developments and the international postal market.

4. CEO Report

Nick Read provided an overview of the key issues for the period. September 2020 had been a pivotal moment. The Purpose had been launched. On 16th September 2020 the organisational changes had been announced, with 150 roles at risk. We had been transparent about the process and feedback was that colleagues had expected more redundancies; we had been clear that there would be further changes but that we would be transparent about that when the plans had been worked through. We had made a profit in three consecutive periods and in our core areas where we had re-pivoted the business although there had been a slight flat lining in trade which had continued into September 2020. We had started planning for Christmas trading but a lot of uncertainty remained. Morale in the business was good, especially because of the number of branches open. The information provided to the business when we issued the Respondent's Notices would have to be considered carefully. There had been no further updates on the Government inquiry into Post Office.

The costings for the Historical Shortfalls Claims Scheme (HSCS) would be discussed further in the Historical Matters Unit session later on the agenda. We had to work out how we could fund the quantum of claims and had stopped investment in projects such as SPM at the moment. No claims payments had yet been made and no de minimis set for the HSCS.

A number of points were raised, including:

- Ken McCall thought that demand for Post Office services would be high this Christmas. Our success would be defined by our ability to respond to this well. We needed to consider setting up more reception points for Mails at this time
- Ken McCall noted that the HSCS position made the Telco sale even more critical. Nick Read reported that we had received a fourth bid from Utility Workplace at £110m and would be discussing the position further under the Telco item later in the agenda
- Lisa Harrington said she would like to understand POL's Brexit Plan. Nick Read reported that we had been looking at the plan with Mark Baldock, Head of Risk, but with a particular focus on communications in branch. Al Cameron noted that there were interesting ups and downs in trade linked to Brexit as a first line impact but we also had to consider the second and third line impacts which were hard to judge. Carla Stent added that the ARC Committee had looked at Brexit from a risk perspective
- Tom Cooper reported that the Government review into Post Office was likely to be announced on 29th September 2020
- Zarin Patel asked whether we should be considering pausing the operation of Travel Money, Travel Insurance and bills payments given the current trading situation and

asked what the timeframes would be for halting investment spend. Nick Read reported that we needed to work out the investment spend position over the next two to three weeks but we could not spend the money from a cashflow perspective. NR was concerned about the bills payments volumes notwithstanding some mitigating factors. We were trying to integrate Payzone into the current bills payment business and integrate it better into the rest of the business. We had made a commitment to Postmasters on the core elements, such as bills payments and Travel Money, that drove footfall

- Ken McCall raised the high level of P1 IT incidents and whether any of these were linked to remming in and if there were any potential issues for those branches affected in the future. KM would like the executive and the Board to monitor these incidents closely. Nick Read reported that Jeff Smyth, CIO, was acutely aware of the P1 issues which were being investigated and monitored. Lisa Harrington noted that she and the IT team were going review the last remming in incident with Fujitsu.

5. Finance

5.1 Financial Performance Report

Al Cameron reported that P5 had been positive from a trading perspective and there were no major issues of concern to flag. The trading profit for P5 had been £4.5m.

5.2 Re-forecast Budget 2020/21

Al Cameron provided an overview of the re-forecast position but noted that it was difficult to gain an overall picture because of the many different variables and the situation had changed again since the paper had been circulated. The reasons we thought there would be a tail off over in some areas of trading over the rest of the year had been set out in more detail in the Reading Room but included factors such as the delay in DMB franchising. The position was moving fast, for example in Mails, where we had thought the Mails Team might have been overly prudent but with the worsened Covid-19 position our forecast could prove to be optimistic.

A net liability position at year end now seemed a certainty because of the HSCS claims; this could also impact our position for the 2019/20 Annual Report and Accounts. AC advised that it was not clear that we could make HSCS payments from November 2020 if we could not support the payments throughout the year. All requests for funding made at the Investment Committee this week had been turned down. It might be necessary to ask Linklakers back to advise the Board on wrongful trading.

A number of points were raised, including:

- Ken McCall thought that we were not in a position to debate the forecast at this stage and the cash position, security headroom and HSCS payments should be our areas of focus which would need to be reviewed very carefully at each meeting
- Carla Stent asked about the consequences of not taking some of the actions we had thought we were going to take, including those set out in our funding plan. AC explained that the developments discussed today had been raised in conversations with BEIS and UKGI. We had only reached this position in the last few days but we would have to think about the stakeholder ramifications of going into net liability. It would make any negotiations we entered into difficult. AC was also concerned about the potential funding traps associated with the sale of the Telco business
- Dan Zinner noted that there would be in delays in the cash benefits associated with programmes such as DMB franchising and a number of other programmes as well as extra costs associated with pausing and then having to re-start programmes
- Tim Parker asked how clear we were about the potential £100m costs associated with the HSCS and the period over which the payments would be made. We would need to discuss the position with BEIS and look at the options and the ramifications of these such as

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cutting back on scheme payments or change spend. It was difficult to have a valuable conversation without greater certainty on the numbers but serious enough to need to have a conversation with our Shareholder swiftly. Tom Cooper noted that it had not been clear previously that payment of the full amount of the claims submitted was proposed. The Board needed to be able to rationalise why the figure was as estimated. Sums above £50m would need Shareholder approval. Carla Stent asked whether the increased costs were solely linked to far higher claim volumes than anticipated. AC advised that he was working from the figures provided by Declan Salter but the position was almost impossible to forecast and we were in unprecedented territory. The Board could ask Declan Salter to explain the rationale for the figures in more detail later today. The fact remained that we did not have the money to pay for this quantum of claims so we needed to start conversations with the Minister straightaway. TC agreed we needed to have these conversations with BEIS quickly and were going to need their approval as the sum was likely to be over £50m. We could not pay any claims prior to BEIS approval other than for distress payments. Our approach had to be reasoned. Nick Read reported that he had had a discussion with Carl Cresswell at BEIS yesterday and had set out the position and options. CC had raised the Telco sale and asked us to come forward with a proposition. NR added that the HSCS was still open and would be for the next 5-6 weeks. BEIS was fully cognisant of the number of claims that had been received. TC noted that it would be important to involve HSF in testing the claim figures as they had provided the original estimates. There appeared to be a disconnect between what the Board had discussed in January and February 2020 and the current position. The figures discussed with BEIS would need to have been reviewed by a third-party review

- Al Cameron advised that we would need to reduce our spend and could not crystallise the revenue streams for our business at the moment. Part of our conversation with BEIS needed to be about security headroom
- Ken McCall was concerned about pausing the Horizon replacement spend. We could not end up with an unsupported system. This work was essential to us being able to operate. Carla Stent warned that we had to avoid starting a project if we were not clear we could fund it. We could not commit wrongful trading. Dan Zinner advised that we could split out some of the spend and not commit to further spending until the position was clearer
- Tom Cooper noted that we had always known we would need a comfort letter because of the litigation. It would be for the Board to decide the pay-out level against the HSCS claims and it would be helpful to think about what we could afford for the HSCS. Tim Parker noted that the Board had no appetite to create an opportunity for a very negative campaign about POL as an institution. The HSCS claims went much wider than the financial issues.

Tim Parker summarised the next steps, which were:
1) understand options for the HSCS claims and tie down the numbers as far as we could
2) decide what were we comfortable with from a reputational perspective, for example, paying out less than 100% of the value of the claims submitted and how would that impact the individual claimants. Once considered, work out how much cash we needed, when this was going to be paid out and how this would impact on POL as a business.

There was a triangulation of reputational impact, the cash we could spend today and the cash we would spend tomorrow. We could not get into a position of wrongful trading. Neither could we fail to have support in place for our fundamental IT platform. We needed to reach a rapid understanding of the various costs, the conversations that had been held with the Shareholder and that needed to be held with the Shareholder. Setting up the HSCS was part of the settlement agreement and had to be delivered.

Al Cameron said that he would leave the forecast as included with the papers; would talk to Linklaters about the position for wrongful trading; would go through the HSCS figures with

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Declan Salter; and, would set up meetings with BEIS. Tim Parker noted that he would be happy to be involved in these conversations at short notice.

The Board **APPROVED** the proposed forecast which would supersede the agreed budget but noted that the degree of uncertainty made it impossible to regard this as a stable position and the Board would need to review the position carefully at each meeting.

Strategy and updates

6. Telco Sale update

Owen Woodley reported that we needed to continue to drive the sales process forward. We had received three bids under the £110m reserve price but had recently received a fourth bid from Utility Warehouse at the reserve price. There were potential bids from Vodafone and BT. We were considering whether we should move to phase 2 of the sales process.

Meredith Sharples reported that TalkTalk would like one of their wholesale buyers to buy the business which could be favourable for us because of our pressurised timescales. BT were not respecting the timelines and the position with the Competition and Markets Authority could be a barrier for them. We would return to the Board with a sale proposal or, in the absence of a favourable offer, proposals for enacting the RFP which would have affordability challenges or for extending the contract with Fujitsu which would have procurement risks.

The Board **APPROVED** £1.6m of additional costs associated with the sales process for the Telco business. The business case associated with this spend would be reviewed and approved by the executive Investment Committee prior to funds being released.

7. Sign off of Annual Network Report 2019/20

Tracy Marshall introduced the paper and the Annual Network Report which provided information about the Post Office network and customer accessibility for 2019/2020 as required under Provision 11 of the Postal Services Act 2011. It demonstrated compliance against the full suite of agreed accessibility criteria and a stable network of 11,638 open branches in March 2020. Provision of Social General Economic Indicator (SGEI) products were a prerequisite of the Network Subsidy Payment (NSP) and stipulated in the Entrustment letter and Funding Agreement.

The recommendations from the internal audits of our reporting in March and November 2019 had been implemented. This year's report also explained the impact of Covid-19 on the network. Following Board sign-off, the report would be laid in Parliament and published on our website.

Tracy Marshall confirmed our commitment to the audit next year that not happening this year because of Covid-19.

The Board **APPROVED** the 2019/2020 Network Report and confirmed compliance with the Entrustment Letter and Funding Agreement with respect to SGEI provision as at March 2020.

8. Postmaster Contracts

Julie Thomas introduced the paper. Work had started on reviewing the contracts in January 2020 when we had considered various options. It had been a long and involved piece of work and Board approval for the contract restatement exercise had been obtained in June 2020; since then we had used a codified version of contract and issued a plain English restatement of what the contract said to postmasters.

We were now making sure our documents were compliant with the Common Issues Judgment (CIJ). The Operations Manual was out-of-date and was the document our operators used the most; updating and simplifying this to produce a single version would be a "no regrets" move. In parallel, we wanted to commission work with Norton Rose Fulbright to look at how we could mitigate some of the more onerous clauses in the contract. The third piece of work was to reduce the number of contract variants and to hold the templates in house. The stages of contract reform would could be described as:

1) Legal compliance - completed
2) Better, modern contracts laying the foundations for how we wanted to change the relationship with our postmasters. This work was due to be completed in the middle of 2021
3) Network Strategy work and alignment of that to the development of new contracts. This work was due to be completed in 2022.

The roadmap for the work was included at Appendix A of the paper. Starling and the consultation requirements with NFSP were key dependencies for this work. We thought the appointment of a postmaster non-executive director would be helpful for the contract reform work. The NFSP might be resistant to a significant change in the approach to postmaster representation.

A number of points were raised, including:

- Dan Zinner noted that in the next year would be starting the changes in mails remuneration linked to MDA2 and needed to make sure this was aligned to the contract reform work so we were not making multiple changes. Julie Thomas reported that we would monitor timings and alignment and keep the Board informed
- Tim Parker asked how we could assure ourselves that we were not leaving room for criticism of our approach to implementing the CIJ and contract reform. Julie Thomas explained that the work we had done had shown compliance with the judgment and had been received positively. We were now saying we wanted to do more than required by the judgment to make the contract and support materials better for Postmasters. TP asked whether there could be criticism of the time it was taking us to complete this work. JT accepted that this was possible but it was a major task and we had needed to identify every document that had to be reviewed. TP noted that we needed to be on the "front foot" and be able to demonstrate POL's changed approach. This was the opportunity to make a significant and positive shift. Nick Read noted that there had been no adverse response to the contract restatement but there would be challenges ahead because of remuneration changes and the development of the Network Strategy. There had not been a demand for contract change from postmasters and we had to get the contract change right and try and to re-contract only once
- Carla Stent noted that we needed to be able to say to the Head of the Government Inquiry that we had engaged with postmasters about the contract changes and were continuing to do so. CS asked whether it would be visible that we were running with a different set of contracts and how would we manage and mitigate these risks. Julie Thomas explained that we had no plan to change the central terms and conditions of the contract as part of the overhaul of processes and documents to simplify and modernise these but we would have options to consider when we got to a decision point on new contracts when we would look at changing terms and conditions
- Tom Cooper asked how we would deal with contracts for new postmasters. He understood not wanting to change the contracts again until the Network Strategy had been determined but the contract following the judgment was favourable to postmasters and retaining this for longer than necessary could create costs for POL. TC asked whether any consideration had been given to changing one or two of the clauses for new contracts in advance of the full overhaul. Julie Thomas explained that a legal review of the clauses was underway; we had looked at the termination clause and while we could terminate the cost of doing so came from the notice period. We could look at changing one or two clauses once we had the legal advice in tandem with data on what was happening in practice. The legal advice should be available soon but the dependency was appointing a Head of Contracts

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- Ken McCall noted that as a new postmaster taking on a new franchise it would be helpful to know what you would receive when joining and he would like to see how this compared with the past and how this would look once all the work had been completed. For example, would the Operations Manual comprise a core with add-ons depending on the branch format type? Julie Thomas would arrange for this to be mapped out including deadlines for completion where work was in progress. KM also requested that this show how quick or long the onboarding process could be, the minimum start up training requirements and subsequent training requirements. **Action:** JT

The Board:

- **APPROVED** the approach and stages to achieve full contract reform which were: I) and overhaul of the Operations Manual; II) implementation of the next phase of legal review; III) updating and modernising the contract templates, which would require consultation with the NFSP IV) modest digitisation, including the Operations Manual V) the final phase to completely review the terms and conditions of the contract which would sit within the business cases for the new Network Strategy
- **NOTED** the proposed delivery timeline which was aligned with the business strategy
- **NOTED** the dependencies on the business strategy for full contract reform to be delivered.

9. Subject to Legal Privilege – Post GLO implementation plan & Historical Matters Business Unit Report

Tim Parker welcomed Declan Salter to the meeting and explained that the Board needed to understand how the HSCS claims had been valued and have confidence in this process; the degree of control we had; and whether we could put a cap on the claims.

Declan Salter had circulated the figures for the HSCS and also needed Board approval for the structure and governance of the Historical Matters Business Unit. £18-20m of the HSCS claims related to actual shortfalls through the system. The rest of the sum was for consequential claims. Once the much higher number of claims had been factored into the original estimate the claims sum increased to around £80m. The HSCS was part of the settlement and was meant to facilitate quick resolution, further delay would take us over a year from the settlement date. If we put a control on the sums proposed by the Panel it would take away its independence.

A number of points were raised, including:

- [redacted]
- Tim Parker asked whether an independent panel could no longer be deemed to be independent if it had to work within a cap and Declan Salter confirmed that this was his view. Tom Cooper noted that we had anticipated the point DS had raised but that this was why we had wanted the Panel to provide an estimate and for the Board to approve this. The Clive system had been critical to the settlement agreement and he had thought HSF would go through the same process for the HSCS claims with the Panel. It was not clear that this had happened yet and this was critical. Zarin Patel added that she did not think the Board had ceded control at set up. Ben Foat confirmed that it had been agreed

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that the Board would approve the funding envelope for the Scheme. It had originally been envisaged that the Panel would be compromised of POL employees but that Board had wished to appoint an independent panel to consider claims but with the Board approving the funding envelope to avoid a position where we had unlimited liabilities. We could use the Clive system and trying to assess individual claims without such a system would delay the timescales for the Scheme

- Tim Parker noted that when we had had the initial discussion about the HSCS we had thought the sum could probably be accommodated within POL's financial plans. Even at the cost of some delay we needed to be as clear as possible on the numbers. We needed to look at the timescales for a generic model and a case specific evaluation
- Zarin Patel requested further information on the basis of the de minimis sum proposed for the Scheme **Action:** DS
- Tim Parker said he could envisage a situation where the quantum was £100m but POL could only afford to pay part of this and we needed to approach HMT. Ben Foat noted that we had to compare these costs against what might be paid out under a second GLO
- [redacted]
- Carla Stent noted that we wanted to avoid a second GLO but needed to understand the basis of the £100m reported. Declan Salter reported that a GLO 2 could lead to costs of around a quarter of a billion pounds
- Tim Parker noted that we needed to be alive to the risk of a certain proportion of the claimants rejecting the offer and moving to mediation and litigation. Tom Cooper thought that using the Clive system gave us a rationale for what we said about the funding envelope to the Panel and for a gap in our ability to fund with BEIS. Declan Salter reiterated that we had to be careful about Panel independence. Applying a cap to the shortfall sums would be problematic. Carla Stent noted that we would not be restricting the Panel in expressing its view but the Board had to review this against the backdrop of the funding envelope we could afford. Zarin Patel added that it was clear in the Scheme rules that POL was funding the HSCS and had a role in its overall governance.

Ben Foat confirmed that further work would be done and options would be brought to a Board (CCRC) meeting. Tim Parker noted that we needed the evidential base for a discussion with BEIS and that might require applying the Clive methodology to the claims. Ken McCall asked for a date by which the HSCS claim scenarios could be produced given the urgency of the matter. Nick Read reported that he was seeing the Minister on 2nd October 2020 and we would endeavour to provide the information to the Board for the Board (CCRC) meeting on 1st October 2020. **Action:** DS/ BF

Declan Salter asked whether interim payments could be made for the hardship cases. Tim Parker asked whether the quantum of these payments set a precedent. Declan Salter confirmed that these payments had the potential to set a precedent. It was **AGREED** that the management team would review the distress payments proposed to see whether it was possible to make payments in a very limited number of cases. The Board would need to review the proposals before payments were made in these cases but noted its preference to proceed. **Action:** DS

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10. Approvals

10.1 Procurement risks and pipeline report

Barbara Brannon joined the meeting and described the two procurement risk exception approvals sought from the Board. The Board:

- **REVIEWED** and **APPROVED** the Risk Exceptions for Board approval set out within Appendix A of the paper presented to the Board:
  a. **PREN24 – Value £106,000 plus £44,000 contingency.** Appointment of KPMG to perform a high-level review of POL's product portfolio
  b. **PREN25 – Value £101,000 plus £50,000 contingency.** Retrospective approval to extend the compliant engagement with Grant Thornton over the threshold in order to complete Phase 1 and commence Phase 2 of the Telecoms Sale process.

Barbara Brannon explained that the Board had requested to be sighted on the procurement pipeline and she had included the most strategic projects and would come back to the Board periodically with an updated list. Where we used the Crown Commercial services they could be subject to delay but allowed us to leverage the benefits of being part of a larger procurer. The P2 slide deck showed the live procurements in flight. We had a framework that allowed us to procure services. ATMs and global payments were in the live space. There was an open risk with digital services. The Belfast data centre exit procurement work was underway. The SPM delivery partner tender process was due to complete at the end of November 2020.

Slides 5 & 6 showed some of the risks and complexity we faced. We had a cheque clearing contract with Barclays and were looking at whether we could reduce our requirements in this space. We were not sure whether Barclays would be interested in bidding for this work so were looking at other potential providers. The Request for Information (RFI) for the supply chain work was in process and proposals would come to Board before the end of 2020. The Telco contract options with Verizon were being considered. There were some minor projects in 2021 to support Post Office Insurance.

Tom Cooper asked what Board oversight was envisaged for major projects. For example, when Board approval was sought to start a project would that include an overview of the procurement process and the criteria and decision points? Barbara Brannon confirmed that we proposed doing this for the strategic projects and the sourcing strategies had tended to be part of the strategy papers for the Board. In some instances, a large OJEU process would pay for itself but the balance between cost versus quality was always going to be a challenge for POL.

Carla Stent asked about the marketing contract and Barbara Brannon confirmed that this had been procured compliantly.

Tim Parker asked whether Brexit make any difference to the OJEU process and Barbara Brannon explained that it would not because of our international obligations.

The Board **REVIEWED** and **DISCUSSED** the Strategic Procurement Pipeline set out within Appendix B of the paper presented to the Board.

Barbara Brannon explained that at the end of the first stage of the procurement process for the global payments contract we had gone out with high level requirements. We had found a direct award approach under a framework agreement with the Crown Commercial Services; this was with the incumbent at a much lower cost and with other benefits such as lack of business disruption. The two options were to continue with the process already approved but with 3 to 4 month extension of the non-compliant award or move to the direct award. There would be costs associated with migrating to a new provider. Both options would terminate at the same contract point.

The Board **REVIEWED** and **APPROVED** the Global Payments direct award procurement recommendation set out at Appendix C of the paper presented to the Board.

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The Chairman congratulated Barbara Brannon on the progress that had been made on procurement risk exceptions.

10.2 Modern Slavery statement

The Board **APPROVED** the Modern Slavery Act transparency statement 2020/2021, following sign off by RCC & ARC, and endorsed the proposed actions POL would progress in the 2020/2021 financial year.

10.3 Law Enforcement Policy

The Board **APPROVED** the Group Policy, "Cooperation with Law Enforcement Agencies and Addressing Suspected Criminal Misconduct".

Noting and governance items

11.1 Health & Safety Report

The Board **NOTED** the Health & Safety Report.

11.2 Sealings

The Board **APPROVED** the affixing of the Common Seal of the Company to the documents set out against items number 1978 to 2006 inclusive in the seal register.

11.3 Future Meeting Dates

The future meeting dates were **NOTED.**

11.4 Forward Agenda

The forward agenda was **NOTED.**

12. Any Other Business

Postal Museum. Al Cameron reported that POL had almost reached an agreement with the Royal Mail Group (RMG) for it to take responsibility for the Postal Museum in the future and for the loans to be paid off. Covid-19 and the management changes at RMG had halted progress and the Postal Museum had now asked for another letter of support. It was proposed that we should not provide another letter of support to the Postal Museum but start a sensible conversation on the best approach for future arrangements; however, the Board needed to be cognisant of the likely public reaction to this. The Board **APPROVED** the approach proposed.

There being no other business the Chairman declared the meeting closed at 4.30 pm.

13. Date of next scheduled meeting

27th October 2020.

GRO

Chairman 02/11/2020 16:57