

Post Office Limited
SEG Tactical meeting
 27 March 2024, 11.00 – 13.00hrs

Present: Nick Read, Owen Woodley, , Ben Foat; Kathryn Sherratt, Chrysanthy Pispinis.		
Other attendees: Alison Hoyland (Deputy Company Secretary Other attendees as shown against agenda items.		
Apologies: Al Cameron, Karen McEwan, Chris Brocklesby.		
Topic (Decision/Discussion/Noting)	Action owner	Deadline
Pre-discussion/Board outcomes		
<p>Key points discussed were:</p> <ul style="list-style-type: none"> The discussion on the 2024/25 business plan and actions arising, including in relation to cost savings and revenue generation opportunities. On cost savings, BF noted the risks of removing costs across the Board from the centre and noted the resource challenges in LCASR, for example, which included the need to fulfil certain regulatory obligations. OW noted that a one-size fits all approach would not be taken and that, for example, in commercial/retail opportunities to realise savings were likely to arise, including in the light of his departure later in the year. The discussion on the SPMP business case and the proposed extension of Fujitsu's contract, and the associated issues that arose in relation to the buy v build analysis. The discussion on the Grant Thornton governance review and the issues arising. BF – on costs out – counter points on the key risks that would arise from taking costs out at the centre etc NR noted the upcoming meeting the following day with Minister Hollinrake and how the team would provide assurances in relation to understanding the cost savings challenge. In wider matters, the SEG noted: <ul style="list-style-type: none"> the current position in relation to PM NED term extensions and some engagement activity that was currently underway; and the need to refocus Board time on the right matters (with less on the agenda) and aligned to that, to improve Board papers to ensure they engaged the Board in the appropriate way and on the right matters. <p>Actions:</p> <ul style="list-style-type: none"> Discussion to be scheduled on the anticipated outputs in FY24/25 H2 under the £10m unallocated additional pot for spend for cost reduction and growth programmes. Discussion to be scheduled on buy option analysis. 	<p>KS</p> <p>CB</p>	<p>April/May 2024 10/04</p>
SEG Action Review		

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<ul style="list-style-type: none"> CP ran through the outstanding actions and noted that #1 the discussion at SEG on the next steps in relation to branch discrepancy recovery would be delayed due to resourcing challenges in retail and legal; NR noted the imperative to ensure the discussion was not delayed for much longer however. 		
People		
<p>SLP End of Year Distribution JL joined the meeting. Key points of note were:</p> <ul style="list-style-type: none"> SEG noted the updated ratings. JL reminded SEG that the purpose of the early calibration discussions at SEG was to allow ratings to be confirmed to SLP colleagues, without risk to those ratings being changed subsequently. JL set out the criteria for confirming EOY ratings and explained that: <ul style="list-style-type: none"> if a final rating was as indicated or lower, SEG could confirm the rating to the individual; if a final rating was higher than indicated, SEG should inform the individual that there would be further calibration steps which may mean the final rating would be confirmed a little later than planned (and after others had received their ratings); adjusted ratings would be reviewed at a post calibration session in May, after which SEG would be able to confirm rating with the individual; and individuals should be reminded not to discuss their ratings with other members of the team. SEG noted that while the early calibration approach had been possible for the SLP, there was no capacity currently to enable this approach to be taken more broadly, although it was hoped it would be possible annual appraisal rounds. In noting a relatively high % of 4 ratings, SRG noted that this would mean a smaller payout as the budget was spread across more people. <p>Past Roles SR joined the meeting.</p> <p>Key points of note were:</p> <ul style="list-style-type: none"> SR noted the latest position on the OD plans for RU colleagues under the Past Roles review, which continued to evolve as the Government's plans in relation to the different redress schemes became clearer; most recently, the Government had confirmed it would not take on the HSS claims but would take over appeals. 		

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<ul style="list-style-type: none"> • The SEG noted the implications for the proposed OD approach in relation to Past Roles and that Option 3 (the “many to few” approach) was the only viable option – the proposals to create a ringfenced RU business unit staffed by contractors was predicated on the understanding that the activity would pass over to Government. • The SEG discussed the need to document how any conflicts, or perceptions of conflict, were defined and determined, not least against the fact that while RU colleagues were not assessing or deciding HSS claims, they were involved in the processing of claims, for example, providing factual shortfall information. • SEG noted the need to be able to provide assurance in relation to this procedural/factual work and SR undertook to check the previous independent audit activity, in addition to the routine checking that was undertaken. • SEG noted the ongoing issues in relation to redeployment, but noted too that the recent example of a member of the RU team being publicly identified, provided a real-case example of why it may be in people’s interest to find alternative roles, where they would be protected from being target inappropriately in this way. • NR noted the need to ensure the Government fully understood the various dependencies that arose from the decisions it made, including the limitations placed on POL as far as the options open to it. 		
Papers for noting		
FOIA <ul style="list-style-type: none"> • BF se out the key FOIAs of note. • SEG noted the update. 		
AOB		
<i>SMPM resource</i> <ul style="list-style-type: none"> • KS explained context for the direct award. • SEG agreed it could be agreed of-line and did not need SEG approval. <i>SEG engagement</i> <ul style="list-style-type: none"> • KS noted plans to use pre-existing SEG time on team building. <i>General Counsel cover plans:</i> <ul style="list-style-type: none"> • BF noted that he had now received his Rule 9 request and set out his plans and cover over the coming weeks. • SG would cover his role as GC, and CS would backfill to SG’s role, with his role being covered in turn. • BF planned to be in in WS once a week to maintain contact and visibility. • BF noted LCASR involvement more broadly in relation to the Inquiry, including the provision of corporate witness statements and the capacity and resource challenges that arose as a result. 		

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<p><i>Wider Inquiry matters:</i></p> <ul style="list-style-type: none">• BF noted the matter of LPP docs having been shared in error with the Inquiry.• SEG noted that it had not been briefed and asked for a discussion to be arranged to better understand the content that had been shared and the implications that arose.• SEG noted the request to change the contract KPMG contract ownership from SR to DW on the basis that the majority of the KPMG costs were Inquiry related; SEG agreed, however, noted that SR should continue to have some engagement in relation to those aspects of the KPMG contract that were RU related. <p>Action: Discussion to be scheduled on disclosure of LPP material to the Inquiry, focusing on content and key risks</p> <p><i>Staff engagement:</i></p> <ul style="list-style-type: none">• CP noted the colleague conference plans in May during key Inquiry stages; SEG agreed that engagement during this period could be undertaken as part of the 10@10/Townhall sessions with a more substantive colleague conference arranged for later in year, post-Inquiry.	<p>DW</p>	<p>10/04/2024</p>
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