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**Sent:** Sat 27/07/2019 6:10:54 PM (UTC)

**To:** Ben Foat [GRO]; Tim White [GRO]

**Cc:** Katy Thorpe [GRO]; Angela Van-Den-Bogerd [GRO];  
GRO; Katy Thorpe [GRO]; Geraldine  
Mogridge [GRO]; Rodric  
Williams [GRO]; Sherrill Taggart [GRO];  
Melanie Corfield [GRO]; Amy Prime [GRO];  
GRO; Vinoth Mohanram [GRO]; Jonathan E  
Hill [GRO]; Patrick Bourke [GRO]; Diane  
Blanchard [GRO]

**Subject:** Handover Note

**Attachment:** 190725 Ben's Pack v3.pptx

**Attachment:** 190726\_Portfolio Briefing Pack - OE.PPTX

Dear all,

As I hope you are all aware, I am on leave next week. I won't be checking my emails but if anything important pops up or if you need to check something, please do feel free to give me a call on my mobile ([GRO]). Below is my handover note.

#### Horizon Issues Trial Adverse Judgment Contingency Planning

Angela (Welcome back, I hope you had a nice break!):

- Rob H sent his 'call to arms' email last Monday, asking action owners and contributors to prioritise discharging these actions over BAU. Follow up emails have also now gone out to all action owners with the body of the emails containing the specific actions (with more detailed commentary) sitting with the recipients. The overall response plan was also attached to these emails so as to socialise it more widely.
- The workshop / walkthrough with the Rapid Response Team went ahead as planned. I think the session was OK with Will and James both coming across very well. However, we got dragged into discussing tactical responses to the scenarios when the purpose of the session was supposed to be more strategic. e.g. what is our strategy, does this change in circumstances x,y or z?
- I asked Deloitte to play back their views / learnings from the session – which they have now done (you will have an email in your inbox from James 26 July 2019 12:18) - and they are setting up a session with yourself on Patrick this Tuesday to i) discuss these views ii) define the desired outcomes from the session with GE on 5 August iii) reflect on where we are as an organisation ahead of the judgment; and iv) define and prioritise the work we need to now do.
- My view is that next week should be used to:
  1. Agree the strategic questions we need answers to ahead of 'day 1', with authority in place to proceed according to a pre-defined set of criteria, should certain scenarios play out. For example, in what circumstances would we consider incentivising postmasters and our retail partners to continue to trade and our commercial customers (e.g. the banks) to continue to contract with Post Office? When would we consider legal action against Fujitsu? In our comms lines, how 'strong' can we be if the Judge disregards the Expert Evidence and finds Horizon not to be robust, criticises our present day processes and culture and witnesses, without merit?
  2. Really tightening up what the purpose and desired outcomes are from the session with GE on 5 August. My view is that it should be:
    - I. An opportunity to walk through 3 big chunky mitigations which we are putting in

place, in order to instil confidence that we are across this.

- II. Agreeing who they want in the 'war room' from 'day 1' onwards and the decision making authority this group has .
- III. Getting answers to the aforementioned big strategic questions..

As an aside and ahead of the session with GE It may also be worth asking **Ben** whether any questions are raised at the Board next week, as the planning is described in the wider GLO paper and the Response Plan has been included in the Reading Room, so that Board Members can access it, if they wish to.

### 3. Beginning to chase action owners...

- In terms of admin
  - 1. Deloitte have billed for phase 1. We have a CAF in place but I didn't raise a PON (apologies!). I have asked Karima to raise a PON and to forward it on to Deloitte once it is received.
  - 2. I have asked Deloitte to produce an engagement letter for phase 2 – as per our discussions before you went away. Could you please work with them on the contractual side of things while I am away?
- On the whole, I think we are in a good place – we just need to make sure the business now owns the discharging of actions. The business (rightly) holds the view that Horizon is robust. As such, our response and mitigations become a lot simpler compared to if we held genuine concerns that Horizon may have been the cause of significant shortfalls. Although already covered in the response plan, I think it is worth repeating that in order for the response to be successful we must:
  - 1. Have crystal clarity on what the Judge's findings, against each of the 15 issues, means for our employees, customers, postmasters, retail partners and corporate clients. What the Judge has found but also, perhaps more importantly, what he has not found i.e. to 'isolate' the judgment.
  - 2. Then arm our execs, comms team and relationship owners with this analysis (in lay terms), so that they are equipped to instil confidence i.e. as we believe Horizon is robust, and accurately records transactions as inputted into it by branch operators, we won't be looking to replace the system. Rather, we need to instil confidence through 'isolating' the judgment and communicating the evidence base (facts and figures) which 'proves' it works, and ask Postmasters to inform us when they are unable to balance so that we can work with them to identify the cause.
  - 3. Ensure those who need to receive the embargoed version of the Judgment in order to execute the response plan, are 'in the tent'. **Rod** is working on this.

## Organisational Effectiveness Portfolio

**Tim** - please use **Katy** in my absence. I think all of the various asks from GE and Dan (e.g. the 3+9s, actuals, committed and potential releases of money ) have now been discharged but if they haven't been or further asks arise, please do use **Katy** and **Vinoth**. I have also attached the latest version of the OE Portfolio pack which we have been working on. It is a work in progress but improving with each iteration. **Vinoth** – I have noticed that some of the numbers in the finance table have gone skewy – could you please fix this? Could you also please let **Katy** know what is missing from what PMs and ask her to chase this down on your behalf next week? Thanks.

## **Legal Entity Optimisation**

**Ben:**

- **Katy** is now back, so is on point for any support that you may need in the next 5 days. Naturally, please do however give me a call if there is anything you need from me.
- Subject to **Links** providing clarity on your one outstanding question of yesterday evening, I think you have everything you need for the Board and I hope the one pager prepared by **Links** provides clarity on i) the step change in control, oversight and reporting that the new AoA will result in; and ii) the potential high level risks

associated with agreeing to a putting in place a Framework Document. **Sherill** and **Jono** have kindly offered to talk you through this on Monday, if required.

- I understand that conversations have been had with the FS Portfolio for the delivery of LEO (as now scoped) to move into that Portfolio. I think this makes sense. As such, and as part of the wider Portfolio wide review of programme spend, £1.1m of LEO's 19/20 spend allocation has effectively been returned to the business. This is very much a 'wooden dollars' scenario as clearly this money still needs to be spent, but by the FS Portfolio.
- For LEO, spend to date in 19/20 is c£500k. We have retained £122k to tidy up before handing over to FS. This money should cover (I hope!):
  - Any further advice required from Links.
  - Any additional spend on KPMG which is needed to run the new POL POMS scenario through their route to dividend model.
  - Programme Resource ( I have already released Manoj to Retail, so the only resource costs hitting LEO now are Katy and Vinoth – though regrettably Vinoth leaves the business on 16 August).
  - We also have c£100k accruing from when we stood down KPMG during phases 2 & 3 (I think).
- **Katy**, next week, could you please prioritise:
  - Reaching out to Matt Keefe and agreeing the hand over process.
  - The new timeline / POAP, as requested by UKGI – which overlays our approvals (POL Board, POI Board, SoS etc), the non-ministerial and ministerial approval process which UKGI themselves have to go through; and the latest Peregrine timings.
  - Working with KPMG to support as required in order to drive through finalising the Route to Dividend work.
  - The programme financials, sharepoint site and outstanding actions.
  - With reference to an earlier bullet – understanding whether we do have c£100k of KPMG spend accruing and whether this is 18/19 or 19/20 spend.

## Record Retention

- **Geraldine** just keep doing what you already are – you are doing fantastic jobs.
  - You will have seen I have chased Ian Mills from Fujitsu are the implementation of system changes and splitting the associated CMN. Can you please monitor for any responses next week and progress as you see fit?
  - I am afraid that I did not get an opportunity to finalise the GDPR Closure report. I will either do that whilst on leave or when I come back (depending on the weather!)
  - I think the August SteerCo will have to be cancelled / postponed owing to attendees being on leave. As such, lets pick this up on my return. I agree that it should be a very focussed group.
  - I have also sent the answers re HR SAP and SF to WBD, asking that they liaise directly with you in my absence.

## Source to Settle

- Tim – I think you are across this but any questions should be directed to **Liam**

## Success Factors

- Tim – I think you are across this but any questions should be directed to **Ian**

## Blueprint

- Tim – I think you are across this. With LEO 'moving', I will probably have more capacity to support with delivery, if that would be helpful. Let's pick up upon my return.

## FRC Transformation

- Tim – I think there is an action outstanding with for the PM / Tom Lee to present to us what exactly this project is doing? **Vinoth**, could you please set this session up for w/c 5 august – unless Tim needs it to happen before then.

## Project Assurance

- Tim – I think you are across this but any questions should be directed to **Matthew**

Tim – I hope the session with GE next week goes well. **Vinoth**, could you please ask Hollie to put an hour in our (**Tim, me, you**) diaries on Monday 5 August to catch up on i) outcome of GE Session ii) Portfolio resource – contract extensions and recruitment progress update iii) review of OE Portfolio deck, governance (frequency of meetings etc) and iv) training needs – Change Excellence Framework, Service Now, other.

## Projects of Interest to the GC

Ben – I have updated your pack – this is attached. I haven't however updated the LEO slides, as I think everyone is well briefed on the change in approach.

- We didn't manage to meet to discuss the resource requirements of these projects, and where gaps may exist – but I have included an updated version of the table I circulated previously which will help frame that discussion which I will ask Di to set up for when I return. This table is now included within the attached pack..

## GLO

### Ben:

- The Board paper and associated documents for the Reading Room have been uploaded to diligent. I think you have everything you need for the Board (which I hope goes well) but if you need anything else please let me know.
- Looking ahead at next week
  - I can see that **Rod** has set up the weekly planning session. I understand that Aimee will be back to capture actions etc, which will then flow into the link included within your attached pack.
  - There doesn't appear to be a SteerCo next week, or going forward in the diary. Given the Board is next week and that I don't think any instructions are needed, my view is that a SteerCo is not needed next week. Further, as no further SteerCos appear to be in the diary, perhaps we should use this as an opportunity to review their frequency (as per my recommendation in slide 3 of the attached)?
  - There is a further session with **Tom Cooper** on Tuesday at 8am to discuss a further lead claimant's case. This is a con call and **Rod** will be able to open it.

### Angela / Rod:

- I have asked Karima to raise a PON to cover WBD's June costs.
- **Stuart** was asked to present the forecast spend over 19/20 at Investment Committee on Monday. I said that I would prefer to work through the detail with him before this is presented. As such, he is setting up a session with you and I Angela once I return. I hope that's OK.
- **Rod** – can you please open the call on Tuesday morning with Tom C?

## Mel

- Can you please re-direct any comms related questions from Laura to **Patrick** or directly to **Amy** where legal input is required?

## Amy

- As you aware, we are working together on two linked pieces of work at the moment:
  - Suspense Accounts Report (for the Further Issues Trial)
    - Can you please get the clean claimants list to Deloitte ASAP so that they can –re-draft the report
  - POLSAP data extraction (for Stage 4 disclosure)
    - I have told Accenture that I am on leave next week. On the call this week, they said that they expected to be able test their new 'transaction' on Monday. If successful, they will then be able to begin to extract next Friday.
    - Can you please check in with them on Weds to see how they are getting on?

Other

**Business readiness Process**

Ben:

- There are a couple of live issues - Scottish Power which **Jono** is across and I think you are aware of but also Horizon Integration Hub's migration to Azure. **Ken, Chris Russell** and **Georgina** are engaged and supporting the programme but a REN will likely need to be raised regarding IT vulnerability, with a further REN required for data governance at the point of which Bill Payments comes into scope. The programme team are aware that I am on leave from today but I have told them that as long as data protection and Ken from LCG are comfortable and the associated risks have been flagged and accepted by the business through Risk Exception Notice process, then I am happy.

All:

- I think above covers everything. I hope the Board goes really well next week and I'll see you in a week.

Ciao!

Mark



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**ADVANCE NOTICE OF LEAVE: 29 July - 5 August 2019**