



UK Government
Investments



Department for
Business, Energy
& Industrial Strategy

POL OVERTURNED CRIMINAL CONVICTIONS (POCC)

BOARD TERMS OF REFERENCE

Approved by the BEIS POCC Board on 10 May 2022

Purpose

1. The purpose of this document is to set out the Terms of Reference for the Department for Business, Energy & Industrial Strategy (**BEIS**) and UK Government Investments (**UKGI**) in relation to the BEIS POCC Board (the **Board**). Compensation for Overturned Criminal Convictions (**OCCs**) is being delivered by Post Office Ltd. (**POL**).
2. This Terms of Reference document is supported by the [Operations Agreement](#), which has been agreed between POL, UKGI and BEIS, and the [OHC - Governance and Operational Structure provided by POL](#). More detailed information of how compensation for Overturned Historical Convictions (OHC) will be delivered can be found in these documents.

Roles of POL, BEIS and UKGI

3. POL and BEIS with support from UKGI have a shared objective to see postmasters whose convictions are overturned be compensated swiftly, fairly and in a manner which represents Value for Money (VfM) for the taxpayer. On 22 July 2021, Minister Scully announced interim payments of up to £100k for postmasters whose overturned convictions relied on Horizon evidence. Subsequently, on 14 December 2021, Minister Scully announced full funding to facilitate Post Office making final compensation payments to these postmasters.
4. Roles of key individuals and teams can be seen below:
 - i. **Responsible Minister for POL:** The Minister for Small Business, Consumers and Labour Markets (**Responsible Minister**) provides ministerial oversight and support for key policy priorities, on behalf of the BEIS Secretary of State (**BEIS SoS**). The Minister approves the concept of compensation for OCCs and has high-level engagement with POL management. From time to time, there may be certain decisions that require BEIS SoS approval or consultation.
 - ii. **BEIS Permanent Secretary:** The BEIS Permanent Secretary is the Principal Accounting Officer (**PAO**) for POL. The PAO is accountable to Parliament in respect of POL and the spending of public finances. The PAO will sign off on any business cases.
 - iii. **Senior Responsible Officer (SRO):** This is Carl Creswell (BEIS Director responsible for POL). With the support of the other senior officials on the POCC Board, he is responsible for making strong business cases and, from a BEIS perspective, the overall delivery of the project, including settlement and dispute resolution strategy, methodologies and ranges for quantifying compensation amounts, and approving the amount POL can offer to individual claimants based on legal and financial advice.
 - iv. **BEIS POL Policy Team:** Responsible for preparing and navigating business cases for OCCs through the Department, coordinating engagement across government and providing policy input. Members of the team are part of the WG and provide the secretariat function for the Board. The policy team includes a senior lawyer with



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litigation experience who will provide POCC with legal advice and assurance, and work with both the policy team and UKGI to provide legal advice in relation to claims and challenge POL and its legal advisers as necessary, and to recommend where further external legal advice and assurance is required. The BEIS POL Policy Team, working with departmental and external experts, is the primary producer of assurance advice to POCC.

- v. **UKGI POL Shareholder Team:** Assume the day-to-day lead in engaging with POL on the process for compensating postmasters with OCCs, including monitoring POL's strategy, providing appropriate challenge to POL and its external advisers on both the general approach and on specific cases (including consistency with the legal principles and agreed quantification methodologies). The UKGI POL Shareholder Team will carry out a reporting and monitoring function for BEIS with respect to management information provided by the company. It is not responsible for providing legal, commercial or financial advice, or assurance to BEIS.
- vi. **HM Treasury (HMT):** To provide the funding and budget cover to BEIS. HMT officials sit on the POCC Board.

OCC Working Group

- 5. **BEIS / UKGI POCC Working Group:** The Working Group consists of the BEIS team that will work with the UKGI POL Shareholder Team on POCC matters requiring discussion at POCC board meetings or BEIS approval. The Working Group has a separate Terms of Reference document outlining its mandate.

POCC Board

- 6. **BEIS POCC Board:** The Board is the decision-making body for POCC matters and approvals. Decision-making members of POCC are:
 - Carl Creswell (BEIS SRO for compensation for overturned criminal convictions and Director responsible for the Post Office)
 - Tom Taylor (BEIS CFO)
 - Patrick Kilgariff (BEIS Legal Director)
 - Joshua Fleming (HMT BEIS Spending Team)
- 7. Additional POCC Board attendees with observer status are:
 - Nigel Boardman (BEIS NED and Chair of Audit and Risk Assurance Committee)
 - Tom Cooper (UKGI, POL Non-Executive Director who also sits on POL HRC)
- 8. POCC may invite additional people to attend for specific meetings or parts of meetings.

Decision-making

- 9. Quorum for Board meetings will be set at three attendees, at minimum Carl Creswell, Tom Taylor and Patrick Kilgariff. Should a member of the Board be unable to attend a meeting, the individual may choose to delegate attendance to a member of their team. Issues not requiring formal discussion may be considered and agreed by correspondence.



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10. The POCC Board is entitled to receive all such information it deems necessary to fulfil its function and may reserve the right to withhold a decision until such information is provided by POL and/or the Working Group.

Meeting Frequency

11. The Board will meet as often as necessary to carry out its responsibilities, set out at paragraphs 12–14 below. The Board will initially meet weekly, but the meeting schedule will be kept under review and meetings cancelled if there are no substantive items. The first meeting was held on 3 August 2021. The timing and agenda of such meetings will be aligned as far as practicable with outputs from POL HRC Board meetings.

POCC Board's Responsibilities

12. The POCC Board is responsible for:

- oversight of delivery of the business cases for interim and full business cases
- ensuring the compensation is delivered in line with the terms of the funding letters to POL of 22/7/2021 and 20/12/2021
- setting overall strategic direction from an HMG perspective and maintaining oversight of the successful delivery of the strategy for delivering compensation
- (for **interim payments**) ensuring that POL has followed the agreed process and criteria to allow BEIS to release funds for interim payments
- (for **full compensation payments**) overseeing compensation offers made in line with the processes set out in the Operational Agreement
- (for **full compensation payments**) (with POL) reviewing the approach to governance/approvals 6 months after the first of the Initial Cases has been presented, or after 20 Initial Cases have been presented, whichever occurs first
- ensuring it has sought appropriate assurance for decisions, including appropriate independent legal and commercial litigation assurance/advice
- signing off changes made to the principles and the Operations Agreement
- providing approvals / decisions / steers requested from POL and/or on issues escalated by the WG
- deciding when to update and/or escalate items to the PAO, the responsible minister or other internal or external boards as appropriate (e.g., BEIS Projects and Investment Committee, HMT Treasury Approval Point)
- (with POL) reviewing governance arrangements periodically to ensure they are adequate and proportionate
- oversight of overall delivery performance, including via monthly and quarterly MI reviews to be chaired by the SRO, as set out in the Operations Agreement
- maintaining oversight of strategic risks and issues from an HMG perspective

13. As per the Operations Agreement, the POCC Board also has the right, at any point, to advise the PAO or the Responsible Minister to pause BEIS's support for funding under the Funding Commitment Letter should POL fail to meet any of its conditions (as determined by BEIS acting reasonably).



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14. Should this decision be taken, BEIS and UKGI will work with POL and its legal advisers to agree an action plan to resolve the risk / issues identified. This is with the aim of restarting payments once all parties have agreed the risk or issue in question has been addressed sufficiently.

Secretariat & Preparation for Meetings

15. The Secretariat for the Board, including recording of actions and minutes, will be provided by the BEIS Post Office team. The Secretariat will ensure POCC agrees the actions and minutes at the subsequent meeting or as soon as is possible thereafter.
16. The Working Group will discuss and agree the agenda, preparation of papers, escalation of risks and issues for POCC steers or decisions. The Working Group is responsible for communicating POCC decisions to POL.

Data Sharing

17. The Board and WG will be required to review or handle sensitive personal and/or legally privileged and confidential data submitted by POL. The Board and WG will handle such data in accordance with the relevant data sharing agreement agreed between POL, BEIS and UKGI.

Other

18. **Funding Drawdown:** Payment will be made to POL on interim payments once the recommendation has been approved by POL Board and the BEIS SRO, i.e., at the same time as the offer is made by POL to the claimant, given the quantum has been justified. Once the POCC Board (including Tom Taylor as BEIS Finance Director or his deputy) has approved the request, including a schedule of recommended payments, BEIS Finance will process the payments to POL to ensure POL are able to make the payment within 28 days of the initial claim. POL will be eligible to draw down final compensation payments at the point they receive a signed offer acceptance from the claimant and once POCC has signed off the release of funds.

Review of Terms of Reference

19. The POCC Terms of Reference is considered a 'live' document that will be kept under review and updated as needed.