

PS 15/04-15/06

**POST OFFICE LTD****SPARROW SUB-COMMITTEE****Minutes of a meeting of the Project Sparrow Sub-Committee of the Board  
held at 148 Old Street, London EC1V 9HQ on 18 February 2015**

Present:	Alice Perkins (AP) Alasdair Marnoch (AM) Richard Callard (RC) Paula Vennells (PV)	Chair Non-Executive Director Non-Executive Director CEO
In Attendance:	Alwen Lyons (AL) Belinda Crowe (BC) Jane Hill (JH) Jane MacLeod (JM) Tom Wechsler (TW)	Company Secretary Programme Director, Project Sparrow Head of Public Affairs General Counsel Programme Manager, Project Sparrow
Apologies:	Chris Aujard (CA)	General Counsel

**PS 15/04                    OPENING OF MEETING**

A quorum being present, the Chair opened the meeting of the Sparrow Sub-Committee ("the Committee") and welcomed Belinda Crowe, Jane Hill, Jane MacLeod and Tom Wechsler.

**PS 15/05                    PROJECT SPARROW**

- (a) The Committee received an update on Project Sparrow following the Parliamentary Select Committee meeting on the 3<sup>rd</sup> February. JM explained the background to the paper, which was asking the Committee to authorise changes to the approach for managing the issue.
- (b) The Committee discussed the Criminal Cases in the scheme and supported the proposition that these should not be put forward for mediation. The Committee received an update on the discussion with the Criminal Cases Review Commission (CCRC) and asked the Business to consider how it could engage constructively with the CCRC and under what circumstances it might share the report written by Brain Altman QC.
- (c) The Committee discussed the proposal in detail as set out in paragraph 3.3 of the paper. TW explained that there were a couple of cases where the Business had agreed to proceed to mediation where criminal proceedings had taken place but the applicant to the scheme was not the guilty party. It was agreed that the decision whether or not to mediate in such cases would be taken on an individual basis.
- (d) The Committee discussed the non-criminal cases and specifically the cases (approximately 19) where it was considered mediation was unlikely to reach a resolution. This could be for a number of reasons, for example, the age of the case and therefore lack of evidence, or the expectation gap on compensation. BC explained that the Centre for

Effective Dispute Resolution (CEDR) had reported a below national average settlement rate in the first 11 cases mediated, and given the significant proportion of cases where mediation was unlikely to achieve resolution this rate was likely to remain low and could attract negative comments.

(e) The Committee agreed that if all non-criminal cases went to mediation that there would be no future role for the Working Group which would therefore be dissolved. There would need to be a clear plan for managing the relationship with Sir Anthony Hooper. Second Sight (SS) would continue to work with the Post Office but only in reviewing cases where the applicant wished them to do so.

(f) It was agreed that Business would continue to support applicants by offering them the services of SS, at a cost of circa £3000 per case. The Committee asked if this would discharge the commitment made by the Minister in Parliament. TW explained that the commitment made 18 months ago was that 'SS would be involved in the scheme'. Their work over the last 18 months and their role as set out in the proposal was thought to fulfil that commitment. Richard Callard asked for an update note that he could use to brief the Minister.

**ACTION: TW/RC**

**ACTION: JM**

(g) The Committee asked the Business to consider the relationship with SS and the legal position should it need to be enforced.

(h) The Committee discussed the second SS thematic report, a draft of which could be ready at the end of February and was due to be discussed at the March Working Group meeting.

**ACTION: TW**

(i) It was agreed that the Business would publish its own report to set out the facts and figures on the operation of the Scheme and the branch support programme. The Committee recognised the advantage of publishing this report alongside the announcement concerning the changes to the scheme, and before the SS report. The Business reported that it was likely to take a further two weeks to prepare.

**ACTIONS: TW**

(j) The Committee supported the proposal in principle and asked the Business work at speed to:

- Clarify the definitions on non-criminal cases and any exception
- Clarify the number of cases unlikely to be resolved at mediation and the plan to deal with these
- Consider scope for speeding up the mediation process, including the challenge of finishing mediation in 6 months
- Clarify what was said in Parliament and provide a briefing note for the Minister, explaining the changes
- Consider scope for NFSP to be used in the process to support the proposition

- Produce a Post Office report with a clear and compelling summary as an introduction.
- Provide a communication and stakeholder plan for the publication of the Post Office report and announcement, to explain why we making the changes.
- Provide a communications and stakeholder plan for the publication of the SS report
- Consider the approach to CCRC
- Consider the CEDR information

**ACTION: TW**

- (k) The Committee asked for a noting paper for the Board to explain the proposal, as supported by the Committee.

**PS15/06**

**CLOSE**

There being no further business the meeting was closed.

**GRO**