



POST OFFICE LIMITED BOARD MEETING
Strictly Confidential

MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF POST OFFICE LIMITED HELD ON TUESDAY 28 SEPTEMBER 2021 AT 20 FINSBURY STREET, LONDON EC2Y 9AQ AT 11:45 AM

Present:	Tim Parker	Chairman (TP)
	Tom Cooper	Non-Executive Director (TC)
	Ken McCall	Senior Independent Director (KM)
	Carla Stent	Non-Executive Director (CS)
	Lisa Harrington	Non-Executive Director (LH)
	Zarin Patel	Non-Executive Director (ZP)
	Saf Ismail	Non-Executive Director (SI)
	Elliot Jacobs	Non-Executive Director (EJ)
	Ben Tidswell	Non-Executive Director (BT)
	Nick Read	Group Chief Executive Officer (NR)
	Alisdair Cameron	Group Chief Finance Officer (AC)
In attendance:	Veronica Branton	Company Secretary (VB)
	Max Jacobi	Strategic Financial Planning and Analysis Director (MJ) (Items 5.)
	Kathryn Sherratt	Finance Director - Network, Support and Change Finance (KS) (Item 5.)
	Cathy Mayor	Finance Director – Commercial (CM) (Item 5.)
	Russell Hancock	Supply Chain Director (RH) (Items 6. & 7.)
	Dan Zinner	Group Chief Operating Officer (DZ) (Item 8.)
	Laurence O'Neil	Senior Legal Counsel - HR & IR (LO'N) (Item 8.)
	Donna Sharp	KPMG (DS) (Item 8.)
	Martin Hopcroft	Director of Health & Safety, Environment & Business Continuity (MH) (Item 9.)
Apologies:	N/A	

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 and Matters Arising¹

The Board **APPROVED** the minutes of the Board meeting held on 27th July 2021, the Strategy sessions held on 27th and 28th July 2021 and the Board meeting held on 5th August 2021.

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

3. Committee Reports (verbal)

Audit, Risk and Compliance Committee (ARC)

Most Board Members had attended the ARC meeting earlier in the day but Carla Stent would be happy to provide a separate briefing to anyone who had not attended. CS highlighted that the ARC had approved moving the bulk cheque clearing contract from Barclays to Excela.

¹ The Minutes from the Board meeting held on 31st August 2021 would be carried over to the next scheduled meeting.



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Historical Remediation Committee

Ben Tidswell reported that the Historical Remediation Committee meetings were now running on a fortnightly cycle. Some decisions were being taken between meetings, as required.

The flow of work relating to the historical convictions (appeals and interim payments) was generally on track.

Progress with the HSS was slower and there were things which needed to be sorted out. Processes were clunky and work was needed to accelerate cases. One initiative, relating to the period of the investigation for the shortfall, had been agreed and this should help with the speed of claim processing. There were some delays in the Panel's work, partly driven by the time required to consider consequential loss test cases, but the panel capacity was being expanded and it would shortly begin to meet weekly.

Tom Cooper noted that we needed better transparency on what was coming through the system and Tim Parker added that progress with HSS claim settlement offers would be one of the key performance indicators for POL. TP would appreciate the best forecast we could provide on how many HSS cases we could process within a specified timeframe. NR agreed that we needed to understand the pipeline. We should not publish figures until we had sight of this but it was then proposed that we do so quarterly, recognising that there could be a Freedom of Information Act request in the meantime.

Action:
Executive

Work continued on reducing the Historical Matters Unit budget, and especially the external legal spend, but there was still some way to go to get to an acceptable result.

The HRC agenda had been revised to make sure it corresponded more closely with the Terms of Reference and to improve reporting to the HRC. The Board would have noted regular updates on the activities of the HRC and any comments on the format of that would be welcome.

It would be helpful to discuss at the October Board meeting how the HRC and the Board should manage the issue of Postmaster detriment between them.

Nominations Committee

Tim Parker reported that the Nominations Committee had been briefed on the process for the appointment of the Chairman's successor and on Ken McCall's successor and updates on these appointments would be provided to the Board.

The Nominations Committee would be providing feedback on the new Chair's induction process and had also discussed NED engagement activities. One suggestion was that the Board should schedule a couple of off-site day visits. Not everybody needed to attend and we could split the group to maximise exposure to a range of Post Offices. Attending Postmaster and Employee Conferences could also be helpful and increase the Board's visibility. TP could explain the role of the Board on a ten@ten session for employees.

Remuneration Committee

Ken McCall provided an update on the Remuneration Committee discussions on 27th September 2021.

The Committee had received updates on the status of the Transformation Incentive Scheme; the STIP for 2021/22; the LTIP for 2021-24; and the LTIP for 2019-22. Systems are in place to monitor achievement against the scheme metrics, including the involvement of external partners, and the Committee would receive an update once the H1 data had been collated and verified.



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Targets for the Transformation Incentive Plan had already been communicated to participants who would receive updates on performance against targets. Approval has not yet been received from BEIS for the CEO and CFO's participation in the STIP and LTIP Schemes and a deadline could not be provided for these approvals.

In July 2021, the Committee had approved adjusting the EBITDAS figure for the LTIP 2019-22 to align with the [IRRELEVANT] (including the stretch for Mails and FRES) in the annual plan target.

The Committee had been informed of payments made to Senior and Middle Managers who did not receive a 2020/21 STIP but for whom payments of [IRRELEVANT] (respectively) had been agreed in recognition of the exceptionally challenging year.

An update was received on the assurance work relating to the historical pension data errors, which was due to be completed in the Spring of 2022. A good relationship had been developed with the Trustee but the work required to identify the scheme members affected by the data error (c 1,300) was extensive. All scheme members had been advised of the error and a decision had been taken not to correct de minimis overpayments.

The Committee approved retrospectively an additional tier to POL's defined contribution pension scheme, with an employee contribution of 8% or more attracting an employer contribution of 12%. The change to the POL Scheme had been made as part of the 2020 pay negotiations with CWU but offered to all POL employees from April 2021. The Committee also approved the extension of the additional tier to Post Office Insurance employees.

The actions from the Committee effectiveness review were noted and had been implemented, including the adviser to the Committee now attending the whole meeting and having a briefing session with the NEDs.

The Committee had signed off the draft Directors' Remuneration Report for inclusion in the Annual Report and Accounts for 2020/21.

Payment of a limited number of one-off payments for senior leaders, not eligible to receive the discretionary payment scheme already awarded to senior and middle managers, had been approved. These were individuals had been nominated by the Group Executive and the CEO for having gone "above and beyond" during 2020/21, assessed against four criteria.

An update had been received from Angela Williams on internal people issues and from Paul Townsend, the remuneration adviser from Willis Towers Watson, on the external market where there was a strong demand for talent in all areas as firms geared up for growth and recovery. Most organisations were looking at their incentives, recognition and retention awards below CEO and CFO level. Outside of the public sector, firms were also looking at executive pay, where this had fallen behind market.

4. CEO Report

Nick Read introduced the report and noted that the major challenge for the organisation currently was having the capability and capacity to deal with the past, present and future. A number of people were leaving the business who would be a loss.

In the last six weeks we had managed the Comprehensive Spending Review (CSR) submission with BEIS's help; this had been well received and had been submitted to HM Treasury.

Work was progressing with Banking Framework 3 (BF3) and the BankHub pilots. The feedback from the banks and others was encouraging. We had responded to the HM Treasury consultation on what we thought should be done to legislate for access to cash.



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We would have to be careful in our handling of BF3 and BankHubs as these were important politically and the legislation to ensure access to cash would generate a complex media story. We wanted to develop Bankhubs rather than these being developed by UK finance. This was part of the levelling up agenda and a 250 – 300 BankHub strategy looked likely.

The response to the MDA2 remuneration consultation had been issued and the reception to it had been muted. We had learnt lessons from our communications at the consultation stage, including who owned Postmaster Remuneration at POL. A much closer relationship had been developed between the Mails and Network teams.

The Statutory Inquiry's revised scope had been published and there were 184 questions and themes being considered. [REDACTED]

[REDACTED]. The Inquiry's interim progress report had been published on 24th September 2021. It had deferred the start date for the oral evidence and pushed out the completion date for the report.

Branch numbers were back to 11,500 and churn levels down but the Board should not read too much into the latter, although we saw this as more manageable and we had more transparency as Area Managers were "owning" what was happening in their area. DMBs and Supply Chain were the main employee populations in the organisation and we would be coming back to the Board next month on the cost drivers for these.

There had been growth in parcel volumes during Covid but we were now in a different trading environment and there had been changes in e-commerce usage. Business parcel volumes were growing but there was a decrease in social mails and parcels which needed to be managed carefully. We were hearing more about trading conditions from our Postmasters. We were focused on upskilling our Area Managers and Postmasters. We needed to keep the business focussed on delivering a strong Christmas.

We were [REDACTED] off the original trading profit target of [REDACTED] for 2021/22. We were a trading business and we needed to hit this number. We needed a successful Christmas campaign to support the top line, our platform product sales were picking up and we had a [REDACTED] cost challenge. NR and Tim Parker had discussed how we pivoted the Board discussions more onto trading and our markets.

Al Cameron and his team were working hard to resolve the Historical Matters Unit (HMU) budgets and getting transparency and understanding of these costs. Al Cameron, Ben Foat and Smyth Jeff would be focussed on what was happening with the Statutory Inquiry and would need time to prepare for that.

A number of points were raised and addressed:

- KM noted that we could not afford to lose six months not having developed some of our parcel initiatives, notwithstanding the need to bolster the Mails Team. NR reported that the "Drop and Go" incentive we had put in place was taking a risk because of how Royal Mail Group (RMG) might react to this but we had decided it was appropriate to introduce incentives for upselling. This was separate from product development but was important lever nonetheless. We were trying to interpret the RMG numbers and their underlying profitability was likely to be c50%. KM thought we needed to get more volume and margin into our parcel business and implement initiatives to achieve that. NR noted that we were driving the expansion of PUDO services for Christmas and were making some progress there
- Lisa Harrington raised the Credera Report and NR agreed that we would return to this topic at the next Board Meeting. CS explained the background to the audit and Al Cameron noted that he thought the major decisions on SPM should be taken at the



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Board which was agreed. NR said he would bring back the project on Branch Accounting and Financial Transactions (BAFTA) to the Board

To do: NR

- Saf Ismail asked about overseas markets and whether someone could produce a deck on what we might be able to do in this area. SI thought it would be helpful for the Drop & Go incentive and RMG views on this to be conveyed via Areas Managers. SI asked about Western Union and how would that affect MoneyGram and it was noted that would come back to that topic
- SI had discussed MDA2 and the action on legacy branches with Martin Edwards. This was an excellent initiative but it not been communicated to Postmasters. We needed to be able to explain what we were doing and Postmasters at legacy branches were vocal. NR noted that there was some operational immaturity as there were not many retail people in the business and that drove our disconnection on communications with Postmasters which was something we needed to get better at. SI added that he and Elliot Jacobs had helped to rewrite the initial letter on MDA2 but this had not been sent yet and there could be some further reaction from Postmasters following this. NR reported that we had identified the key influencers amongst Postmasters and were communicating with them. EJ added that it was quiet in the chat rooms about MDA2. NR advised that the new Postmaster Director had started and this would be helpful for our communications
- EJ noted the change in the remuneration modelling and asked whether we should we be pushing harder for the lines that made us more money in Mails. We were being impacted by some SMEs and were not helped by the complexity of some of our processes but we needed to make sure that we communicated to eBay sellers that it was easy for them to process parcels with us. NR noted that the incentives were on a pilot basis in an area where we had more control. EJ thought it would be helpful to have conversations about staff sales levels and linking that to incentives would be very helpful. KM thought that a frontline performance group specialising in upselling could add millions to the bottom line. NR agreed to look at that this issue. KM added that it was vital to get Postmasters onto BranchHub and EJ thought the scripting would be vital here. TP noted that this linked to the general subject of profitability drivers, which were direct, indirect, medium term etc., so we could be a more proactive business. Communications, incentivisation, and other profitability drivers would be a helpful conversation for the Board and having each of the business leaders speak to this regularly at Board meetings could be helpful
- Zarin Patel noted that it was encouraging to see the platform products doing well but asked how we could do more
- EJ asked whether we had any data about automation on conversion rates, for example, SSKs. It was noted that this was available and made the argument for automation
- KM asked about Belfast Exit and the overrun amount of [RELEVANT] NR noted that we had some capability issues as well as the Fujitsu bottle neck and we could not bring individuals into the business who understood Horizon. We were looking at bringing some things in-house and NR might need to get involved in the prioritisation choices. KM noted that the Board needed to understand what was driving this and how we avoided the costs creeping up further. NR said that we could not provide that reassurance currently. AC added that this was part of the reprioritisation conversation, especially around Fujitsu capability, Horizon Issues Judgment conformance, which had to happen, while also needing to keep Post Offices open. NR noted that we needed to understand the sequencing and risks around Belfast Exit and SPM. LH thought that the capability issue needed to be addressed urgently. TP thought we needed to get the right people and recognise that it was going to be a "rocky road". AC noted that we had to complete the Belfast Exit Plan to be able to

To do:

Executive

To do: NR



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deliver SPM. Ben Tidswell noted that the publicity around the Inquiry would not, for the most part, be until the report was published. NR noted we had done a lot of work on conformance issues already but some solutions would be basic rather than having "bells and whistles".

The Board **NOTED** the report and the closure of the Network Development Programme.

5. Finance Report

Al Cameron introduced the report and reported that the position with Labels had taken the whole market by surprise and was the main reason for Mails being behind budget. We were seeing "green shoots" with FRES but it was not yet delivering real outcomes. The position with POca and Western Union was difficult but our Credit Card revenue was encouraging. There were two different stories with cash. Withdrawals were not increasing but s had increased significantly; we had taken [IRRELEVANT] in deposits for some weeks and this had put pressure on Supply Chain and Headroom. We were carrying circa [IRRELEVANT] more in cash than we would like but were working on bringing that down. The digital business drive should increase revenue and we hoped to end the financial year at least [IRRELEVANT] better than forecast. We had agreed [IRRELEVANT] of the cost reductions.

We had in place a Hardship Fund for Postmasters on travel for circa [IRRELEVANT] but a further [IRRELEVANT] had needed to be allocated as we had got the budget wrong for Mails. While we had spent some money improving our data this work was not complete; we would not make the same mistake again but we did need to invest in our forecasting on Mails remuneration.

We would be returning to the Board with the budget reforecast next month and also wanted to come back on Change Spend. We had programmes in place for Belfast Exit, the Historical Matters work and so forth but we would not be able to progress everything we wanted to on our longer list.

AC reported that he was still not comfortable with the Historical Matters Unit budget and costs. Sessions had been run with Peters & Peters (P&P) and Herbert Smith Freehills (HSF) and the accountabilities were confused. The review of the budget remained work in progress. While the overall costs might not be significantly less, we would be going through the costs line by line with HSF next week and would have to escalate if we did not make progress. Ben Tidswell agreed that we needed to unpick the package we had in place with HSF and start again. Tim Parker added that we needed to involve senior people in this work to reach a resolution. Nick Read said that he would be reviewing this again after the meeting with HSF later in the week. AC added that we might want to ask a person in Government to have a conversation with HSF.

AC reported that the BAU funding process was in train. We were not having dialogue with UKGI/ BEIS on this currently but there would be further conversations in due course. The funding request for the Overturned Historical Convictions would also go to HM Treasury and we wanted agreement on future approval processes that gave us some flexibility. We needed to have a narrative on compensation payments, including the provision for the Historical Shortfalls Scheme (HSS). The situation with Postmaster detriment was getting clearer but was difficult because we had not made a formal funding request for this tranche of compensation.

AC reported that we had undertaken deep dives on product profitability previously which had shown that everything contributed but needed to look at that again and be clear on the data.



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The marketing campaign for Christmas had started on 4th October 2021. We were aiming for 2,900 branches to be set up for Amazon and DPD PUDO for the Christmas trading period.

Max Jacobi provided an overview of the main trends in P5.

A number of points were raised and addressed, including:

- TP noted that we wanted to be able to move the Board conversation to contribution by types of Post Office. Nick Read explained that we did not access to all the data that would allow us to do this, such as contribution from the retail side of the Postmaster's business; however, we did have information on the trading position, for example, in central London trade was down circa 40%. NR had been discussing with Dan Zinner how we could get greater insight into the contribution by Post Office type. TP recognised that this information could not be obtained immediately but we did need to have conversations about Post Offices and be able to "slice and dice" the data. Al Cameron observed that we were not talking about obtaining data for 11,500 branches because some of these were very small but we might want to focus on the 3,000 – 4,000 branches with entrepreneurial Postmasters. TP agreed and spending some time on this issue could make a difference to our profitability
- TP would like to return to the FRES discussion. It ought to be possible to make money here as a major player in the market if we could control the end-to-end business. It would be helpful to remind ourselves of the current set up and the opportunities available if we could control the business end-to-end. The business would need to be capitalised and we would need to get under the skin of how successful currency businesses made their money. Tom Cooper noted that the only way to get out of the evergreen arrangement was negotiation. TP noted that the Bank of Ireland's (BoI) circumstances might have changed but Carla Stent thought that BoI had no incentive to change from the current arrangement. NR said that the executive we would take this away to consider further. Elliot Jacobs noted that banks were closing and a major competitor in the foreign exchange market was closing. We were considering developing 250-300 BankHubs which were not Post Offices so did we need to trade through FRES for these? AC thought that was potentially the case. TP wondered whether we might find a partner to purchase FRES
- Saf Ismail asked about G4S standards and security. AC reported that POL had worked very hard on standards and security and while G4S did not have a good record here they were improving and it was beneficial for us to work with some third parties, not least that it provided good "muscle memory" in advance of considering outsourcing Supply Chain
- EJ requested that the two years' comparison of trading figures be included in the main pack. CS noted that the basis of trading was completely different post-pandemic
- Cathy Mayor noted that foreign exchange was an interesting topic. FRES was seeing increased margins on buybacks because of changes in consumer behaviour and our expectations of trading performance had increased significantly during the year. There was an opportunity to drive significant change in profit but this was limited to the main trading periods for travel
- Kathryn Sherratt suggested that we avoid spending too much time on the HMU budget for the current year but make sure we were set up for success in future years.

Action:
Executive

To do: MJ

Tom Cooper asked about the waterfall chart on Postmaster Remuneration as he was struggling to reconcile the numbers and whether there was a [REDACTED] swing in Postmaster Remuneration. When the Board had looked at MDA 2, we had asked what this meant for Postmaster Remuneration and the indication had been that it would not change much and

Action: AC



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that nothing structural had changed. AC took an action to look at this and the question on whether there had been structural change.

6. Future of Stock

The Board considered that options set out in the paper and the recommended approach to outsource stock to a third-party logistics solution. A final business case would be developed together with an implementation plan and timetable for January 2022. A full benchmarking study had been undertaken with five highly rated third-party logistics providers.

Lisa Harrington noted that we needed to look at what obligations might be put on us by a 3PL. AC noted we were only proposing to outsource stamps at the moment and agreed that the more we outsourced the more we had to manage the delivery of the contract and the outsource provider. Russell Hancock described the functionality we wanted to have for the new distribution centre.

The Board **APPROVED** the recommendation to outsource the stock operation to a third-party logistics solution (3PL).

7. Cash Utility

Al Cameron introduced the paper and noted the discussions that had been taking place on Supply Chain efficiency. To increase efficiency, we would start working with third parties more and automate more but we did not have the funding to outsource fully and the investment case for outsourcing would not be made in the next few years. AC did not think it was the right time for POL to join the Cash Utility being proposed by the Bank of England (BoE). We knew that G4S and Loomis were also struggling to make the investment case for joining the Scheme.

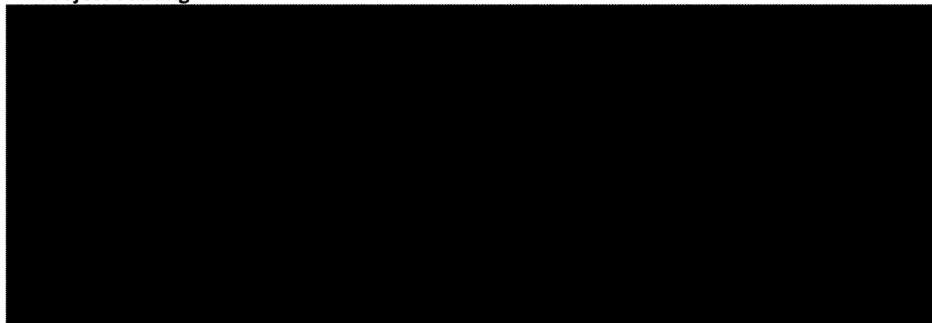
AC reported that we had made clear to the BoE that we had to do what was right for POL and not what might be right for the system overall. Tim Parker noted that we could revisit the position if Government decided to legislate participation in the Cash Utility.

A number of points were raised and addressed:

- Tom Cooper noted that he could not see who would want to join the Cash Utility currently. AC reported that we were not sure who would choose to join but the banks had asked for the BoE to develop the Cash Utility so we assumed some would be keen to join, though we knew that a couple would not because they had already reduced their cash costs. TC thought it would be interesting to work out the figures for a bank of joining the Cash Utility

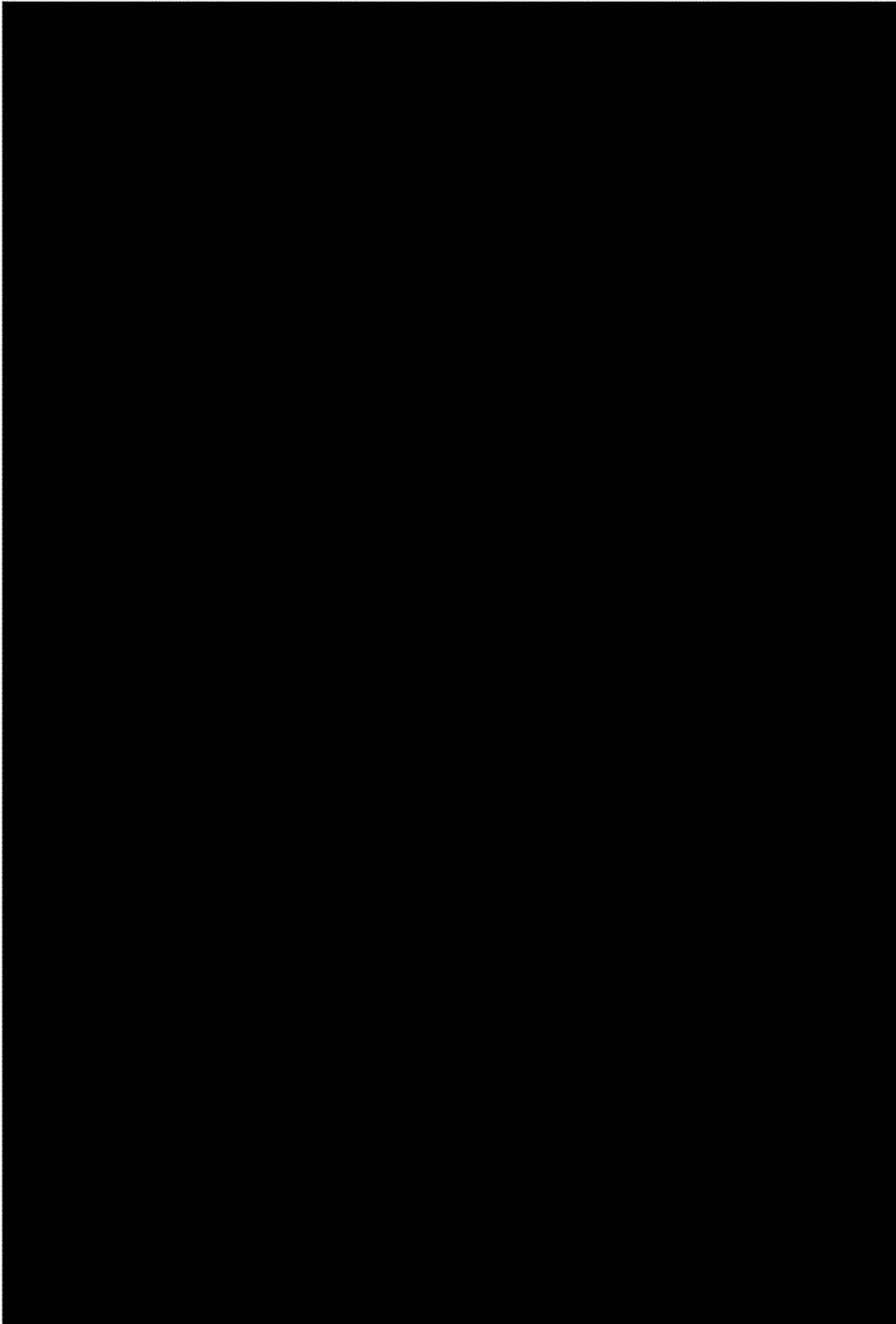
The Board **APPROVED** that Post Office Limited would not join the Wholesale Cash Utility being established by the Bank of England (BoE) at this juncture and would maintain standalone cash centre operations.

8. Project Starling





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• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

The
adv

• [REDACTED]

• [REDACTED]

• [REDACTED]

• [REDACTED]

To do: DZ/
LoN/ DS

The Board requested an update (by email or through a call) on the position with the negotiations in advance of the October Board meeting.



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The Board **APPROVED** additional exceptional funding for Project Starling for [REDACTED], for programme costs up to the end of October 2021, which included legal costs and programme resources.

9. Health and Safety Report (including violence and robberies trend report)

AI Cameron introduced the report and Martin Hopcroft, whom he noted was also responsible for Business Continuity and Environment as well as Health & Safety.

MH reported that POL had sufficient fuel supplies currently but that we would be monitoring this. AC added that we had had a conversation with BEIS and at the moment there was no prioritisation for any group to access fuel.

MH reported that there had been a number of incidents of customers harassing Postmasters which we were monitoring. The number of incidents reported for the whole network via Grapevine was down. Tim Parker asked whether we could include information on reporting incidents on BranchHub and it was confirmed that this could be done.

There had been a small increase in crime in P4 and P5 but the number of incidents had reduced to 4 in P6. We had not experienced any ATM attacks in P5 but there had been some incidents in the industry in specific locations. We were reviewing training for DMB employees on dealing with crime with the help of Nick Rigby, an external expert. We would then consider how this advice could translate into more support for branches.

Only 7 positive Covid cases had been reported across the business in September 2021. We were continuing social distancing and face covering but there would come a point where we relaxed the latter.

AC reported that alcohol testing for drivers had started and drug testing would follow. There had been instances of bad driving and we were recommunicating the requirements. We wanted to be able to randomly review CCTV footage but we had been advised that this was prohibited by data protection but we wanted to test this position because it made sense from a health and safety perspective. Ken McCall asked whether other firms reviewed CCTV footage and AC confirmed they did. TP thought we had to understand what risks we were and were not willing to take.

AC reported that there had been an incident where a slate had fallen off the roof and there would be a claim in connection with this and we would in turn bring a claim against CBRE.

Carla Stent asked whether people were going to start coming back into the office as it appeared quiet compared to other organisations. Nick Read reported that we had just started a room booking and hot desk booking system and would be encouraging people to return to the office. Elliot Jacobs agreed that it would be good to see people back in the office and relayed his conversation with Tim Perkins about the need to get people back in the support training. Tim Parker noted there was a distinction between the public and private sectors in return to workplaces. EJ noted that there appeared to be a lack of facilities internally currently and asked what we were going to do about this. AC reported that people could make hot drinks and there were a number of cafes in the vicinity. It would not make sense to reopen the café but we would use the space. Team meetings were starting to be held in person again. We needed to make the offices a good place to be and create a positive return to work experience. NR added that there had to be good reasons for coming back to the office. MH reported that we were looking at ways for opening up the floors for collaborative working and noted that some people were still nervous about making the trip into the office on public transport.

The Health & Report was **NOTED**.



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10. Noting papers

Historical Matters: HMU and Public Inquiry

The Historical Matters report and Public Inquiry report were **NOTED**.

11. Approvals

11.1 Ratification of Board decisions and approval of HRC recommendation

The Board **RATIFIED** the following decisions:

1. Approval of the revised decision-making tools for cases referred to the Court of Appeal Criminal Division (CACD) on which the Historical Remediation Committee (HRC) needed to determine stance or refer to the Board
2. Approval of the following changes to the terms of reference for the Independent Advisory Panel to the Historical Shortfalls Scheme:

“In formulating its recommended offer, the Panel may recommend the making of an offer to the postmaster ~~for the whole or part of the sum they have claimed~~ if, guided by broad considerations of fairness, the Panel considers that doing so would produce a fair result in all the circumstances of the particular case. ***For the avoidance of doubt, in doing so, the Panel’s discretion will not be confined solely to the specific heads of Consequential Loss claimed by the postmaster but will take into account any facts and matters which the Panel considers will produce a fair result on the facts of a particular case.***”*

*The text struck through is to be deleted. The text in bold, italic is to be added.
3. Approval of the appointment of the members to the Historical Remediation Committee on the recommendation of the Nominations Committee.
4. Approval of the Terms of Reference and Delegated Authorities of the Historical Remediation Committee.

The Board **APPROVED** the Historical Remediation Committee’s recommended changes to the terms of reference (ToR) of the Independent Advisory Panel to the Historical Shortfalls Scheme to reflect the appointment of additional panel members to the Historical Shortfall Scheme’s Independent Advisory Panel, as shown at appendix 1 of the paper presented to the Board.

11.2 Unlimited liabilities and indemnities

The Board **APPROVED** the proposed changes to sign offs with respect to unlimited liabilities and indemnities under the Contract Approval Process (as set out in the Executive Summary) and the associated costs in implementing the changes.

11.3 Belfast Exit Programme

The Board discussed the additional funding sought. Tom Cooper noted that the increase in costs were a surprise and he did not understand what had happened. Al Cameron noted that he and Nick Read needed clarity on this and would then come back to the Board. We needed to answer the capability question and how we prioritised to get Belfast exit done, the sequencing and plan for this. Ken McCall asked how would be get assurance that the costs would not increase again. Lisa Harrington and NR both advised we could not provide that assurance now and needed first to have a plan in place and test that plan. KM noted that the Board was being asked for a 33% uplift without a detailed explanation of why. Carla Stent asked how much funding was required to get through to the next Board meeting.



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Lisa Harrington noted that we must be clear that the firm providing services for us were either assuring the work or doing the work but not both.

The Board **APPROVED** funding for the project but only until the end of October 2021. The longer-term plan and funding requirements would be discussed at the October Board meeting.

Noting and governance items

12.1 Sealings

The Board **APPROVED** the affixing of the Common Seal of the Company to the documents set out against item numbers 2073 to 2081 in the seal register.

12.2 Future Meeting Dates

The future meeting dates were **NOTED**.

12.3 Forward Agenda

The Forward Agenda was **NOTED**.

13. Any Other Business

Feedback on papers

Board Members thought that the papers had been shorter and more focussed in this month's meeting pack.

There being no other business the Chairman declared the meeting closed at 16:00 hrs.

14. Date of next scheduled meeting

26th October 2021.

Tim Parker

Chairman

20/02/2022 14:48

Voting Results for Board Minutes from 28.09.2021 (approved on 26.10.2021)

The signature vote has been passed. 1 votes are required to pass the vote, of which 0 must be independent.

Vote Response	Count (%)
For	1 (100%)
Against	0 (0%)
Abstained	0 (0%)
Not Cast	0 (0%)

Voter Status

Name	Vote	Voted On
Parker, Tim	For	20/02/2022 14:48