



POST OFFICE LIMITED NOMINATIONS COMMITTEE REPORT

Title:	Postmaster NED recruitment	Meeting Date:	22 October 2024
Author:	[REDACTED]	Sponsor:	Neil Brocklehurst, Interim Chief Operating Officer

Input Sought: Approval and noting

The Committee is asked to:

- (i) Approve for recommendation to the shareholder the appointment of two Postmaster Non-Executive directors; and
- (ii) Note the proposed Onboarding and Training programme.

Executive Summary and Update

The process to recruit two new Postmaster Non-Executive directors has been ongoing since April 2024 when applications launched. The last update to the Nominations Committee on 25th September was to advise on the timelines for the Postmaster election. The election has now concluded and with this paper we are seeking approval to make an application to the shareholder to appoint the two Postmasters with the most votes. The Committee is also requested to note the main activities proposed as part of the onboarding and training programme. The recruitment process has been multistage as per the below (full timeline provided in **Appendix 2**):

- Postmaster applications submitted with CV and covering letter;
- Initial eligibility check against the approved criteria (**Appendix 1**);
- Sifting and shortlisting by Green Park;
- Interview with an independent interview panel [REDACTED]
- Vetting conducted by Green Park; and
- Postmaster election run by Civica Election Services.

Questions Addressed

1. Which Postmasters received the most votes in the Postmaster Election and are therefore being recommended for appointment?
2. What is the proposed Onboarding and Training programme?
3. What is the plan for communication to the Network?

Report

Which Postmasters received the most votes in the Postmaster Election and are therefore being recommended to the Shareholder for appointment?



- 3. Following completion of the external vetting we passed the final six candidate details to Civica Election Services. Civica worked with the candidates to produce election materials including a statement and video.
- 4. An extract was provided to Civica with contact details of all Postmasters eligible to vote. The following rules have been applied to the voting and the data:
 - a. One vote allows the selection of two candidates
 - b. Each Strategic Partner is entitled to one vote
 - c. Each individual Postmaster is entitled to one vote. In the case of multiple branches then the Postmaster remains eligible for one vote.
- 5. The election opened on Monday 30th September. At that point the candidate names were made available to the network through email or post (if no email provided). Online and postal votes have been accepted.
- 6. The election closed on Wednesday 16th October at 5pm. Throughout the election window there have been multiple reminders to vote through the weekly Postmaster newsletter, Branch Hub and the reminders from Civica.
- 7. Final data has been made available from Civica on the 17th October. The statistics are as follows:
 - a. Total Eligible voters – 6,580
 - b. Total Postmasters voting – 785
 - c. Total votes cast – 1217 (each PM eligible to choose up to two candidates)
 - d. Turnout – 11.93%
 - e. Voting data provided by Civica Election Services:

RESULT		2 to elect
SMITH, Brian	335	Elected
BARLOW, Sara	265	Elected
	264	
	147	
	118	
	88	

- 8. Subject to shareholder approval and due diligence it is proposal that Brian Smith (Freefield branch)take up position as soon as possible and for Sara Barlow (Rainhill branch) to take up position in June 2025. This would allow for a minimum six-month period of handover with the current Postmaster Non-Executive Directors. Election statements for both can be found in **Appendix 3**.
- 9. The appointments would be subject to further Post Office due diligence checks as well as regular employee onboarding activities including Conflict of Interest, Right to work, Experian vetting and background checks, HMRC fit and proper.

What is the proposed Onboarding and Training programme and timeline?

- 10.The Company Secretary has and will continue to incorporate feedback from Elliot Jacobs and evidence provided to the Inquiry in respect of NED inductions and develop an Induction programme and corporate governance induction materials.



11. The induction is proposed to take place over a 4-6 week period and will include the following:

- a. The candidates will be assigned a POL "Board Buddy" and will meet with each of their Board colleagues;
- b. The candidates will have 1 to 1 introduction with the members of the Strategic Executive Group to understand their priorities and challenges;
- c. There will be also be briefings with members of the Leadership Team and a Hot Topic series run, which will provide focused teach-ins of the issues of most importance currently in the Company;
- d. There will be the opportunity for cash centre visits;
- e. External training will be provided by Notum Associates and a short course via the Directors Institute is also being considered.

12. In terms of the training provided by Notum, they will run a two-hour face to face Board training session which will provide a solid grounding in Board governance, structured questioning, and lateral thinking. The aim is to demystify boards by creating awareness of the behaviours required in a board environment and providing an understanding of the inner workings. It will explore and highlight the importance of the different behaviours required to interact successfully in an external board environment through a variety of interactive learning and thought-provoking case study activities. Target date 5th November, to be held in Wood Street.

13. Notum will also arrange individual virtual sessions between the incoming Postmaster NEDs and an experienced NED not associated with the Company in order to provide the candidates with exposure to an experienced NED who is currently serving on multiple Boards.

14. In addition, Notum will facilitate a connection to a Non-Executive Director in their location (as far as possible) to act as a "Buddy".

What is the plan for communication to the Network?

15. There will be several communication streams. Assuming Shareholder approval and confirmation of completion of the onboarding checks we will communicate to the Network and to Post Office Employees in the following forums:

- a. Update and intro to the two new Postmaster Non-Executive Directors in the weekly Postmaster email.
- b. Update to Post Office Employees and introduction by the new incumbents in the 10@10.
- c. Invite by the Postmaster Engagement team to attend scheduled forums for introduction.

What are the next steps, subject to Committee approval?

16. Subject to Committee approval we will submit a request to the Shareholder to appoint the two elected Postmasters as Non-Executive Directors.



17. We will commence additional Director checks and begin the onboarding process.
18. We will instruct Notum to commence planning and preparing for the Board Training sessions.
19. On receipt of the Shareholder approval, we will communicate the outcome of the election to the Network.

Appendices

Appendix 1 – Initial Eligibility Criteria

1. Contractual status

Be an individual Postmaster or director or partner of a company or partnership, that includes a Post Office and holds a permanent contract with Post Office Ltd.

2. Length of Service

Have a minimum of three years continuous service in that role, as of 30th April 2024 when the application window closes.

3. Operational Conformance - Cash Declarations (for each Branch)

Have an average cash declaration completion rate of at least 90% over the last 6 months period from October 2023 to March 2024.

4. Operational Conformance - Monthly Trading Statements (for each Branch)

Have completed the last 6 months trading statements.

Appendix 2 - High level recruitment process and indicative timescales:

Post Office Limited - Document Classification:
CONFIDENTIAL

Proposed timelines

PMR NED Process and Timeline

1	Communications	Launch initial comms to postmasters- the responsibilities and requirements of the role, details on the application process itself, how to apply, and proposed timescales. Update the NFSP on timings and process.	Early April
2	Applications	PMs are formally invited to apply to become a NED via a short application form and personal statement of 500 – 750 words initially. Applications will be through our website and managed via Success Factors	April to early May
3	Initial Eligibility sift	Applicants will have to meet certain eligibility criteria to progress to the next stage of the process. A minimum of at least 3 continuous years as a serving postmaster will be required, as well as good performance against a series of operational criteria including monthly accounting and cash declarations. Post Office will check initial eligibility in line with this criteria and any applicants who don't meet this criteria will be advised accordingly.	May
4	Due Diligence & external shortlisting	An external recruitment agency will create a shortlist of up to 12 candidates through cross referencing applications against the competencies and skills required and a written statement provided by the Regional Manager. They will also conduct due diligence checks on each applicant.	Late June/ early July
5	Competency Interview	An Independent Panel (excluding POL / DBT) will conduct a competency-based interview with the candidates. They will produce a shortlist of up to 6 candidates. Date driven by availability of panel members.	<u>Mid August</u>
6	Election	The 6 candidates chosen by the Independent Panel will then be put forward for election by the postmaster community. Election window would be open for 3 weeks and would be managed by an external provider.	October
7	NEDs appointed by SoS	The candidate with the 1 st and 2 nd most votes will be put forward to the Secretary of State for approval. The Candidate with the 2 nd highest vote will be subject to additional due diligence in early 2025 as they are not due to commence until June 2025.	October
8	Training	The appointed NED(s) will undergo intensive training and will spend time with incumbent NEDs and Chairman. They will be assigned a 'buddy' to assist them in the early months of tenure.	November

Appendix 3 – Election statements for two Postmasters receiving the most votes:

Brian Smith



I am Brian Smith, and I'm standing to represent Postmasters on the board of Post Office Ltd. With almost 20 years of experience running a busy Post Office as part of my businesses in the Shetland Islands—one of the most rural communities in the UK—I have a deep understanding of the challenges we face as Postmasters, as well as the essential role we play in supporting our local communities.

In addition to my hands-on experience, I bring a strong background in finance and IT, which has equipped me with the skills to analyse business operations and drive efficiency. I understand how to leverage technology while keeping our traditional services intact, and I want to ensure that Post Offices remain competitive and vital in today's market.

I am well-versed in how Post Office Ltd operates at a corporate level, so I'm ready to hit the ground running to fight for the issues that matter most to us as Postmasters, including:

- Fair remuneration for the work we do.
- Holding Post Office to account for its high operating costs.
- Securing redress and proper acknowledgment of past mistakes.
- Ensuring a strong, sustainable plan for the future that keeps us commercially viable.

My priority is putting Postmasters and our welfare first. If elected, I will be your voice on the board, advocating for the changes we need to thrive. Thank you for your support.

Sara Barlow



My name is Sara Barlow BEM I am married with four children and two grandchildren. I have been a Postmaster for six years in Rainhill and I serve as their parish councillor. I have been a member of many Postmaster listening groups and working groups including branch operational change and the IT working group. Significantly I have been secretary of the Voice of the Postmaster group which has been championing the difficulties of Postmasters for over two years. I have worked tirelessly to improve the standards within the network for my fellow Postmasters. I have met with many politicians, general executives and I meet Postmasters regularly, whilst fully representing their views and prioritising to receive fairer remuneration and improved working conditions.

I have formed valuable relationships with other organisations such as implementing the wellbeing initiative, which will be launched in October and is fully supported by Post Office Limited, NFSP & VOTP and inspiring the Affinity breakfast, which is a networking opportunity focusing on postmistresses. I am

also a newly appointed member of the legacy committee formed by the Horizon enquiry which is an honour and I hope to contribute to a long lasting positive legacy to remember and take ownership of the wrongs of the past. I will strive to continue to speak out for all current postmasters at board level and beyond including all representative groups. A stronger network built by Postmasters and fairer pay is my top priority.

Now is the opportune moment for change as we undergo a strategic review. I am the ideal candidate to make history for Postmasters, while also acknowledging the efforts of my predecessors who were let down by our system. I am dedicated to paving the way for a brighter and more prosperous future for all involved.