



POST OFFICE LIMITED BOARD MEETING

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MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF POST OFFICE LIMITED HELD ON TUESDAY 03 JUNE 2025 AT 100 WOOD STREET, LONDON, EC2V 7ER AT 11:15 AM

Present:	Nigel Railton	Chairman (NRa)
	Lorna Gratton	Non-Executive Director (LG)
	Simon Jeffreys	Non-Executive Director (SJ)
	Amanda Burton	Non-Executive Director (AB)
	Andrew Darfoor	Senior Independent Director (AD) – Via Teams
	Elliot Jacobs	Non-Executive Director (EJ) – from item 7
	Sara Barlow	Non-Executive Director (SB)
	Brian Smith	Non-Executive Director (BS)
	Emma Branch	Non-Executive Director (EB)
	Richard Hawkins	Non-Executive Director (RH)
	Jonathan Slater	Non-Executive Director (JS)
	Neil Brocklehurst	Chief Executive Officer (NB)
	Preetha McCann	Chief Financial Officer (PMcC)
In attendance:	REDACTED: PERSONAL DATA	
	John Dillon	Group General Counsel and Company Secretary (Observer) (JD)
	Chrysanthy Pispinis	Chief of Staff (Observer) (CP)
Other attendees as shown against the minutes for each item.		
Apologies:	None	

Action

1.1 Welcome and Conflicts of Interest

A quorum being present, the Chair opened the meeting. The Chair welcomed Jonathan Slater to his first meeting of the Board following his appointment.

The Chair called for the Directors to disclose any conflicts of interest. EJ, BS and SB's roles as serving Postmasters were noted. The Directors declared that they otherwise 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.

The Board acknowledged the attendance of CP and JD as observers at the meeting. As observers, the Board was aware that all contributions made by CP and JD to the meeting were observations only, and did not constitute advice, recommendations, directions or instructions. The Board confirmed that it would take due care not to be unduly influenced solely by a contribution made by CP and JD and that it would reach its conclusions based on a balanced and diligent assessment of all the facts available to it.

1.2 Inquiry Confidentiality Undertakings

The Board noted that any attendees without confidentiality undertakings accepted by the Inquiry in place would be excused from the meeting should the need to discuss information confidential to the Inquiry arise.

2. Minutes and Matters Arising

Minutes

TABLED and **NOTED** were draft Minutes from the Board Meetings of 22 April and 16 May 2025. The Board **RESOLVED** that the Minutes of the Board Meetings held on 22 April and 16 May 2025 (subject to some minor amendments in the case of the minutes of the meeting on 16 May) be **APPROVED** as a correct record of the Meetings and be signed by the Chair.

Matters Arising

The Board **NOTED** the action log and status of the actions shown; the actions marked for closure were agreed.

3. Finance**3.1 Security Headroom and Postmaster Remuneration**

Preetha McCann, Charlotte Cool, REDACTED: PERSONAL DATA

TABLED and **NOTED** was a paper, 'Security Headroom and Postmaster Remuneration'.

Preetha McCann presented the paper which set out:

- The current position in relation to the options to improve POL's liquidity and what that meant in terms of an affordable uplift in Postmaster remuneration.
- The final position on the proposed Postmaster remuneration for FY2025/26 equated to a £96m uplift in total (including the £20m advance payment made in December 2024).

On points of detail, discussion included:

- There was a provision of £10m within the proposed uplift, for payments to DMBs under the exit programme; as such, the total uplift to which all Postmasters would benefit, was £86m.
- While an £86m uplift amounted to a 21% increase year-on-year, Postmasters could rightly expect to be disappointed that the remuneration fell short of POL's stated ambition of a £120m uplift in FY2025/26.

The Board **RESOLVED** to **APPROVE** a Postmaster remuneration uplift of £86m for FY2025/26, noting that the communications to Postmasters would be transparent and clear on what the uplift comprised, explain it fell short of the £120m ambition by £35m and that POL would continue to look at all the options to enable it meet the gap and enhance the uplift further, albeit that there could be no guarantees.

4. CEO Report

Neil Brocklehurst, Mark Donnelly, Dominic Grounsell, Andy Nice

TABLED and **NOTED** was the CEO report.

Neil Brocklehurst presented the paper which set out:

- The key matters before the Board for discussion and approval.
- Year-to-date performance across business-as-usual operations.

On points of detail, discussion included:

- POL's mails, banking and franchise strategies in the light of the current market context and the future outlook.
- The steps being taken to engage stakeholders (internally and externally) on POL's Annual Business Plan, its transformation agenda and the Government's Green Paper consultation on the future of POL.

5. Strategy**5.1 Business Case Planning and Strategy Refresh**

Andy Nice, REDACTED: PERSONAL DATA

TABLED and **NOTED** was a paper, 'Business Case Planning and Strategy Refresh'.

Andy Nice presented the paper which set out:

- The process and timeline for the submission of POL's business cases for government funding to 2030 (covering its strategic transformation and future technology plans).
- The need to continue to evolve the underlying plans, through ongoing and fresh strategic thinking to inform how POL could best to achieve its end-state ambition.

On points of detail, discussion included:

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- The recognition within Government that, subject to POL remaining within its settled funding envelope, its underlying transformation initiatives and activities would continue to evolve as the relevant prevailing factors came into sharper focus.
- The need to maintain a clear overview of the dependencies across the transformation plans and to continue to test the plans from a prioritisation and a resources and capability perspective.

Action:

- Timeline to be drawn up setting out the key transformation initiatives for consideration through to September 2025.

AN –
Transformation
Committee on
17 June 2025.

6. Finance (cont.)

6.1 FY2024/25 outturn, subject to audit and final adjustments

Preetha McCann, REDACTED: PERSON and REDACTED: PERSONAL DATA

TABLED and **NOTED** was the Full Year 2024/25 Update.

Preetha McCann presented the update, which set out the pre-audit end of year financial outturn.

6.2 Period 1 Management Accounts and Opportunities and Risks

TABLED and **NOTED** were the following papers:

- (i) 'P1 FY25/26 Management Report'; and
- (ii) 'P1 Opportunities & Risks'.

Preetha McCann presented the update, which set out the P1 month-end financial outturn.

7. Transform Technology and Data

7.1 Kroll Review Update

Chrysanthi Pispinis

TABLED and **NOTED** was a paper on the 'Kroll Review Update'.

Chrysanthi Pispinis presented the paper which set out the current position in relation to the independent Horizon data integrity review being undertaken by Kroll (the Board had received an oral update at its meeting on 15 May) and the plans for sharing the findings with key stakeholders once the review was completed.

REDACTED: Subject to future publication

7.2 Paystation services: contract extension (Verbal Update)

Paul Anastassi

Paul Anastassi provided a verbal update on the current position in relation to the need to extend the contract with POL's current Paystation services provider. At the time of the Board, the terms of the contract extension were in the process of being finalised.

The Board **DELEGATED AUTHORITY** to:

- i. The Executive to finalise the contract modification terms.
- ii. An authorised signatory to execute the contact modification.

8. Strengthen the Commercial Proposition/ Ensure the Network is Fit-for-Purpose

8.1 & POI Governance

8.2 Clare Ryder, REDACTED: PERSONAL DATA

TABLED and **NOTED** were papers on 'Post Office Insurance Governance' and Appointment of a Shareholder Representative on the Post Office Insurance Board'.

Clare Ryder presented the papers which set out:

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- Proposed changes to Post Office Insurance's (POI's) governance which were aligned to POIs revised Strategic Plans (which the POL Board had approved in March 2025).
- Proposals to develop an 'Operating Protocol' between POL and POI.
- A proposed role description and appointment process for the Shareholder Representative Director on the POI Board.

On points of detail, discussion included:

- The governance in relation to the appointment and removal of POI directors remained subject to POI seeking further corporate legal advice, and POL and POI agreeing a mutually acceptable way forward.
- Changes to POI's Articles of Association would first require the prior written consent of POL's Shareholder, whereafter, POL's Board would be asked to approve the amended Articles of Association, by way of Special Written Resolution.

The Board **RESOLVED** to:

- APPROVE** a revised financial threshold of £15,000,000 for POL Board approval of POI budgeted contract expenditure.
- DELEGATE AUTHORITY** to POL's Company Secretary and Chair to finalise the governance changes to be reflected in the amended POI Articles.
- APPROVE** the proposed role description and appointment process for a Shareholder Representative Director on the POI Board.

8.3 to 8.7 **Contracts: awards, sourcing strategies and modifications**

Dominic Grounsell, Mark Donnelly, REDACTED: PERSONAL DATA

TABLED and **NOTED** were papers on:

- Customer Cheque Pouch Collection Service: Direct Award
- Management of Affiliates and Aggregators Network: Sourcing Strategy
- Media Planning and Buying: Sourcing Strategy
- Media Planning and Buying: Reg 72 modification
- Security & Grapevine Services: Reg 72 modification

On points of detail, discussion included the need for broader discussions at the Board on the associated business/strategic imperatives at play, supported by relevant underlying analysis, for example, on the anticipated return on investment.

Actions:

- Future contract papers to lead with the business imperative, distinguishing BAU and transformation activity.
- Proposals for further delegated authority arrangements to be drawn up for Board approval.
- Programme of deep-dive strategic topics to be drawn up for the Board forward agenda.

Contract owners
Mark Donnelly/
Dominic Grounsell
Neil Brocklehurst/
Co Sec

The Board **RESOLVED** to **APPROVE**:

- The Customer Cheque Pouch Collection Service Direct Award, in line with the terms and total contract value, as presented.
- The Management of Affiliates and Aggregators Network Sourcing Strategy, in line with the terms and total contract value, as presented.
- The Media Planning and Buying Sourcing Strategy, in line with the terms and total contract value, as presented.
- The Media Planning and Buying contract modification, in line with the terms and total contract value, as presented.
- The Security & Grapevine Services contract modification, in line with the terms and total contract value, as presented.

For all the above approvals, the Board **RESOLVED** to **DELEGATE AUTHORITY** to:

- i. The Executive to finalise the contract/modification terms, as relevant; and
- ii. An authorised signatory to execute the contracts/contact modifications, as relevant.

9. Reset Stakeholder Relationships

9.1 POHIT Inquiry: Warning Letters Update (Verbal Update)

John Dillon

Chrysanthi Pispinis left the meeting.

JD provided a verbal update on the latest position in relation to the POHIT Inquiry and the work being undertaken since the Chair, Sir Wyn Williams, had announced his plans to publish Volume 1 of his final report in the Summer, covering compensation and the human impact of the scandal.

Action:

- Discussion to be tabled at the July Board on preparations for the anticipated publication of Volume 1 of the POHIT Inquiry report.

John Dillon –
8 July 2025.

9.2 Colleague Engagement and Cultural Indicators

REDACTED: PERSONAL DATA / Gaenor Prest

Chrysanthi Pispinis re-joined the meeting.

TABLED and **NOTED** was a paper, 'Transforming Post Office Culture'.

REDACTED: PERSONAL DATA presented the paper which set out:

- The headline results from the 2025 Colleague Engagement Survey.
- The proposed business-wide action plan (presented at a macro-level).
- The new 'Cultural Indicators' dashboard.

On points of detail, discussion included:

- Staff engagement levels had fallen and while not surprising in the current context of organisational change, the Executive was committed to addressing the feedback and taking meaningful steps through a focussed action plan.
- Action planning would be undertaken at both an organisational and functional level.
- Four themes had been agreed for the action planning, covering trust, equity & connection, behaviours and organisational effectiveness.

9.3 Postmaster Engagement

Charlotte Cool and REDACTED: PERSONAL DATA

TABLED and **NOTED** was a paper, 'Postmaster Engagement'.

REDACTED: PERSONAL DATA presented the paper which set out:

- The headline results from the 2025 Postmaster & Strategic Partner Engagement Surveys.
- The key actions to address the findings.

On points of detail, discussion included:

- The Postmaster and Strategic partner results showed increased positivity and trust, as well as a degree of optimism about the future.
- Action planning would be centred around the same key themes as for colleague engagement, to ensure consistency and to show alignment.
- Delivering against the commitments in relation to remuneration and improved in-branch technology (reducing the 'cost to serve') would be key drivers to improving engagement.

10. Governance Items

10.1 Board Committee reports (Verbal Updates)

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Chairs

The Committee Chairs provided updates on the business before their respective Committees since the last Board meeting.

TABLED and **NOTED** was a paper on 'Transformation Committee Terms of Reference'.

The Board **RESOLVED** to **APPROVE** the updated Transformation Committee Terms of Reference, which included the delegation of authority to the Committee to approve change spend in excess of £15,000,000, up to £50,000,000.

10.2 Annual Governance Report

REDACTED: PERSONAL DATA

TABLED and **NOTED** was a paper on the 'Annual Governance Report'.

REDACTED: PERSONAL DATA presented the paper which set out the annual governance report which included proposed updates to POL's governance artefacts to reflect a number of changes during the year, including the updated delegated financial thresholds which the Board had approved in April.

Action:

- Board directors to review the Directors' Register of Interests and confirm the register is up to date in relation to their respective entries.

Board
directors – by
8 July 2025

The Board **RESOLVED** to **APPROVE**:

- The updated Delegated Authorities Matrix.
- The updated Matters Reserved to the Board.
Both to include the updated financial threshold for POL Board approval of POI budgeted contract expenditure, as approved earlier in the meeting.

10.3 Grant Thornton Governance Review Tracker

Chair/REDACTED: PERSONAL DATA

TABLED and **NOTED** was a paper on the 'Grant Thornton Governance Review: progress update'.

REDACTED: PERSONAL DATA presented the paper which set out:

- The progress against the recommendations from the Grant Thornton Governance and Board Effectiveness Reviews, differentiating the open actions to show:
 - Actions being progressed in the nearer term.
 - Actions that were dependent on later phases of the Transformation Plan and/or where there were external dependencies, most notably the Government's Green Paper consultation on the future of the POL.

The Board **RESOLVED** to:

- APPROVE** the actions proposed for closure, noting they included actions that remained on track and were subject to ongoing oversight and governance.
- AGREE** that the updates could move to quarterly reporting.

10.4 Sealings Report

REDACTED: PERSONAL DATA

The Board **APPROVED** the affixing of the Common Seal of the Company to the document set out against item numbered 2287 – 2288, 2290 – 2292 and 2294 - 2297 inclusive in the Register of Sealings.

11. Board Effectiveness

The Chair noted that he and the SID, Andrew Darfoor, were exploring the prospect of appointing an external provider to undertake an assessment and advise on Board effectiveness, to coincide with the Chair's permanent appointment, the appointment of two

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new Postmaster NEDs and 3 new independent NEDs and the permanent appointment of the CEO and his executive team.

In the meantime, the Board noted the relevant points that had been made during the course of the meeting in relation to ensuring timely discussion on strategic matters, ensuring clarity on the business imperatives in papers before the board, the ongoing work to improve paper content more generally and putting in place 'critical friend' arrangements between executive management and NEDs, aligned to the NEDs areas of expertise.

12. **Papers requested to be taken as read, no presentation** **Any Other Business**

Papers take as read:

The following papers were **TABLED** and **TAKEN as READ**:

- (i) 'RU Performance, Transformation and Transition'; and
- (ii) 'Assurance and Complex Investigations (A&CI) Report'.

AOB

Additional legal costs

The Board **APPROVED** the additional legal fees costs which had been circulated by the General Counsel and Company Secretary by email on 30 May 2025, and which had been proposed to be taken under AOB at the Board.

DMB franchise plans – first tranche

Brian Smith, in his capacity as Chair of the Postmaster Consultative Council, noted that the Council had requested it be noted at Board that assurances were being sought on the process for selecting the franchisees, and how any potential or actual conflicts had been managed, on the basis that a Postmaster NED was among those who had been selected.

Farewell

The Chair and Board recorded its thanks to Elliot Jacobs who was stepping down from the Board at the completion of his term. Elliot had been appointed as one of the first Postmaster Non-Executive Directors and during his tenure he had made a significant contribution, bringing his first-hand experience and knowledge as a serving Postmaster to bear during a period of significant challenge for the Post Office. Elliot was thoughtful and constructive in ensuring that decision-making took account of the Postmaster perspective.

There being no other business the Chair declared the meeting closed at 16.41.