

POLB 13(6th)
POLB 13/47-13/63

POST OFFICE LIMITED
(Company no. 2154540)
(the 'Company')

Minutes of a Board meeting held on 16 July 2013
at 148 Old Street, London EC1V 9HQ

Present:

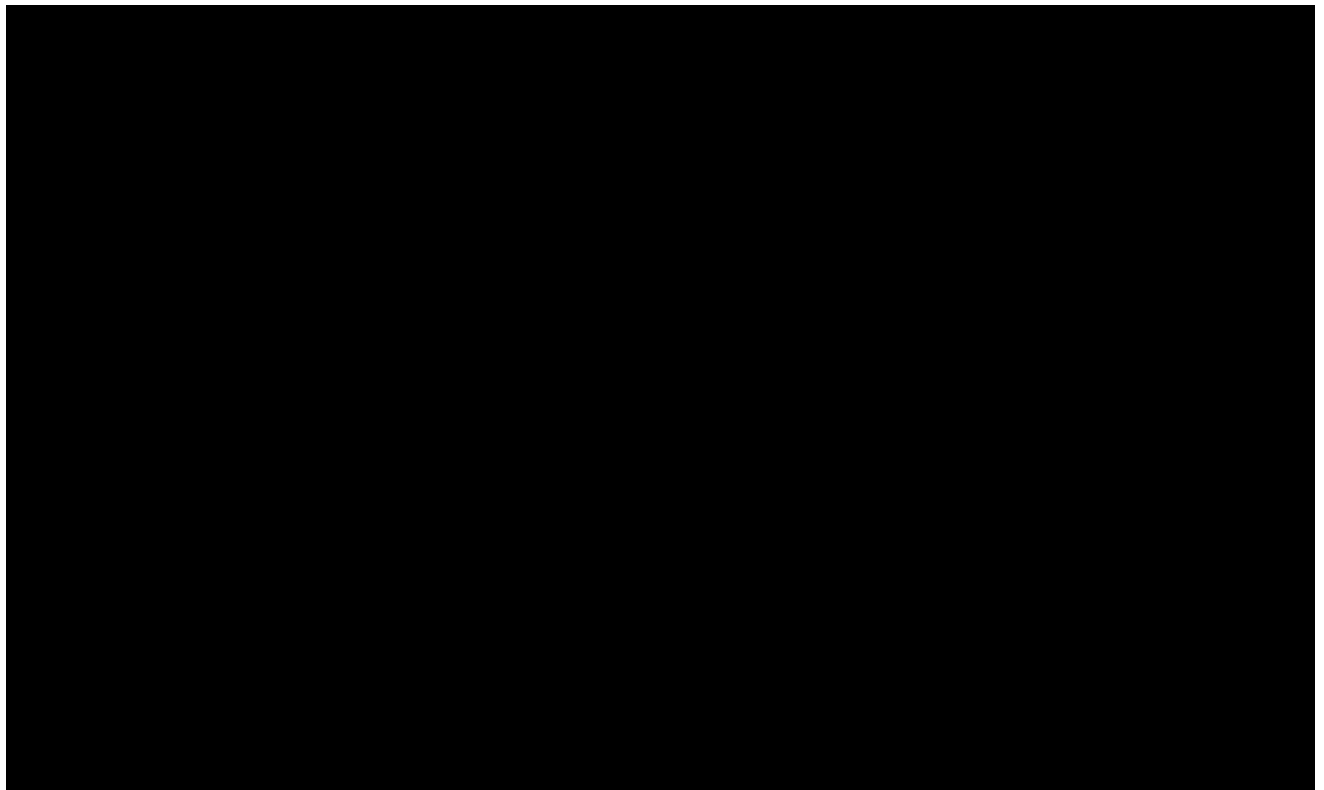
Alice Perkins	Chairman
Tim Franklin	Non-Executive Director
Virginia Holmes	Non-Executive Director
Alasdair Marnoch	Non-Executive Director
Susannah Storey	Non-Executive Director
Paula Vennells	Chief Executive Officer
Chris Day	Chief Financial Officer

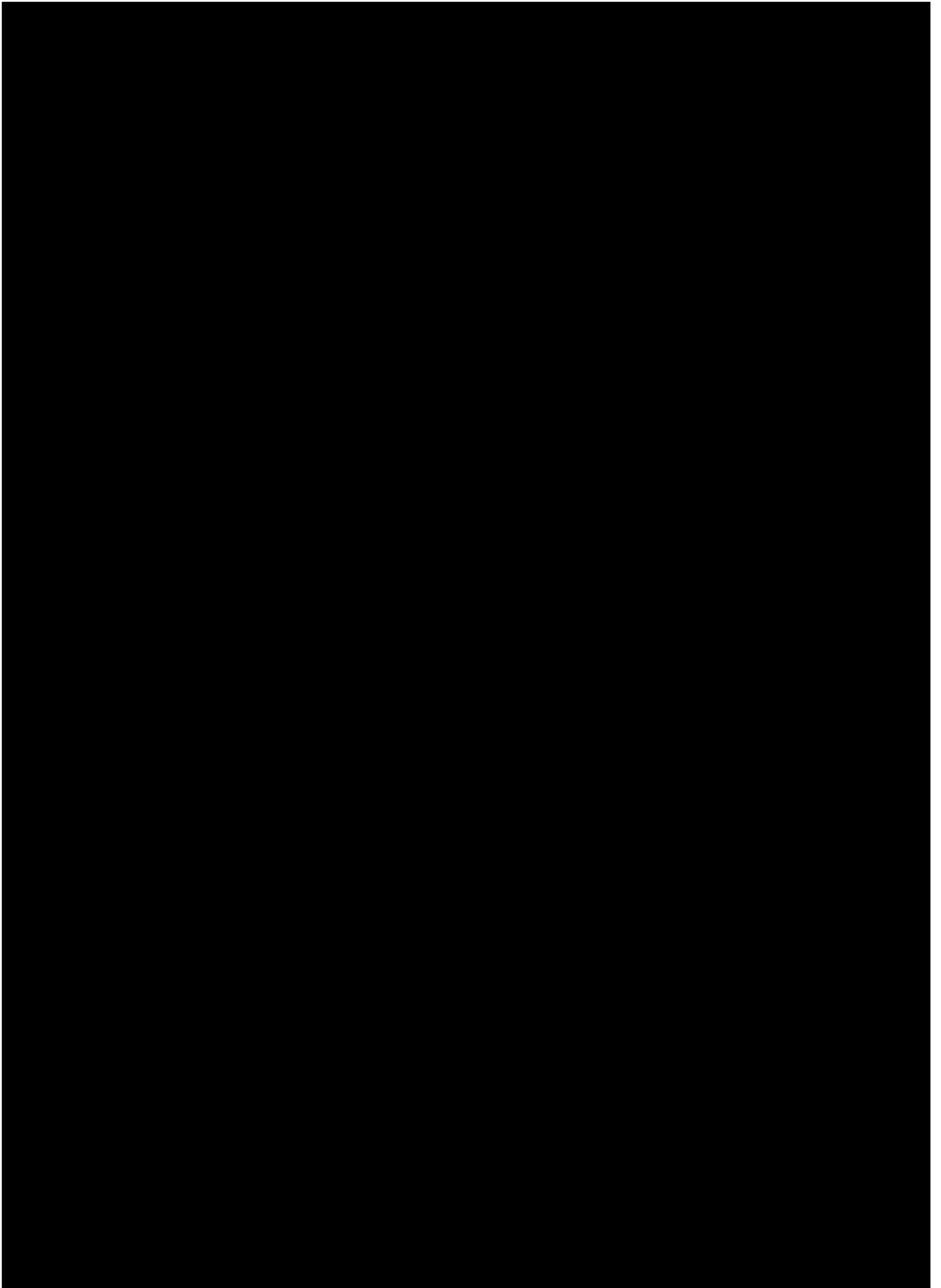
Apologies for Absence:

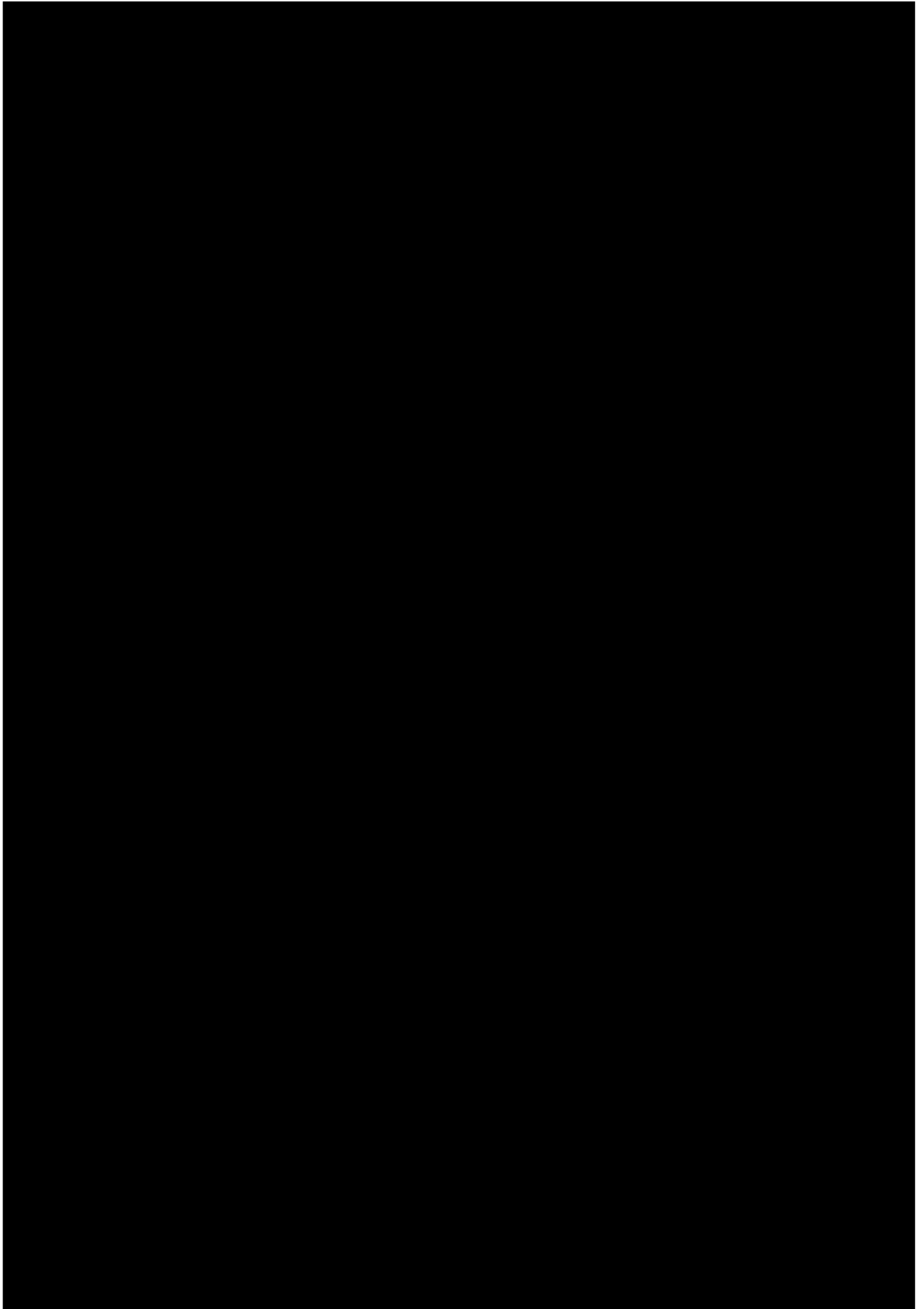
Neil McCausland	Senior Independent Director
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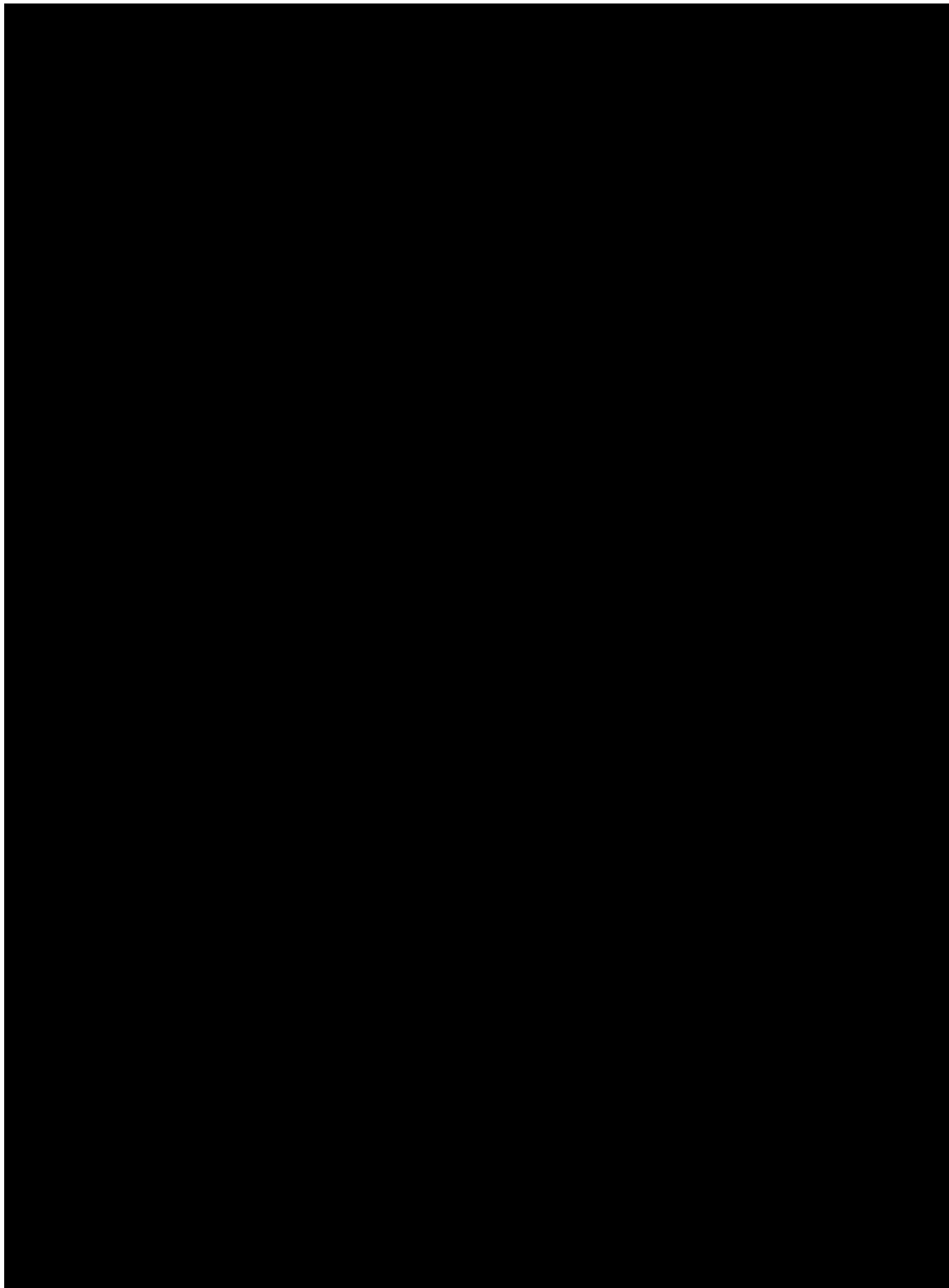
In Attendance:

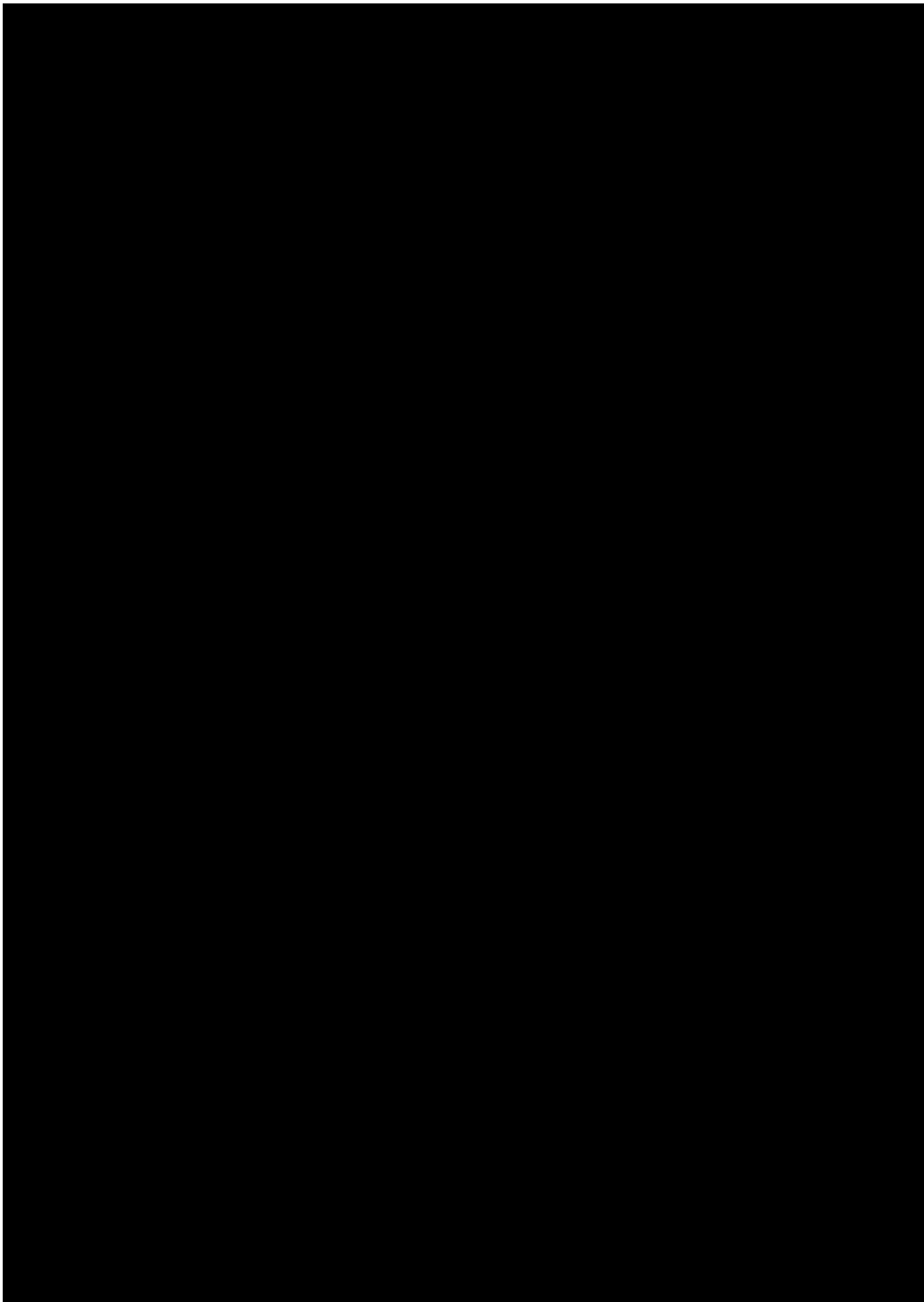
Alwen Lyons	Company Secretary
[REDACTED]	[REDACTED]
Lesley Sewell	Chief Information Officer (13/49 only)
[REDACTED]	[REDACTED]











POLB 13/51

HORIZON UPDATE

(a) The CEO explained that although the Second Sight report had been challenging it had highlighted some positive things as well as improvement opportunities. The Business had been praised in Parliament for setting up the independent review; the proportionality of the tiny number of cases had been emphasised; and no systemic issues had been found with the Horizon computer system. However there were cultural issues which had to be addressed to improve the support we gave to sub-postmasters. The CEO stressed that this was now a catalyst to make changes in the Business.

(b) [REDACTED]. The Board asked if Susan Crichton, as General Counsel, was in anyway implicated in the prosecutions. The CEO reported that, up until eighteen months ago, Royal Mail Group Limited (RMG) had run the criminal law team and many of the cases in the review had arisen before separation. The CEO explained that the Business was a prosecuting authority and as such brought its own prosecutions. However since separation the General Counsel had proposed moving to the more normal position of using the CPS for prosecutions; this was being explored.

(c) [REDACTED]

(d) The Board accepted that this was an independent review and therefore things could happen that were beyond the control of the Business.

(e) However the things that could be managed by the Business needed to be well managed with strong leadership and the Board asked the CEO if she had considered changing the person leading for the Business.

(f) [REDACTED]

ACTION: Susan Crichton

(g) The Chairman asked for a review, a post mortem, to report to the ARC explaining how we awarded and managed the contract. This should be put in hand swiftly.

ACTION: CEO

(h) The Board asked the CEO to decide on the way forward in terms of the leadership of this work based on the option which had least risk for the Business.

ACTION: CFO

(i) The CFO was asked what the insurance position was. He promised the Board a note on this. He was also asked to ensure the both RMG and the Business' insurers were given notice of the review findings.

