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To	Mark Davies, Post Office
Date	12 October 2018
From	Portland Communications
Subject	Communications support RE Horizon

Summary

This short note sets out an indicative programme of communications (corporate and litigation) and public affairs support around the forthcoming Horizon group litigation, following briefings with Mark, Melanie and the Post Office leadership team. The precise content of the below will be tailored based on existing materials and where you would most value our support.

Recommended approach

You have clearly recognised the reputational risks posed by the litigation and have begun detailed preparations, which is exactly the right approach to take. We want to work with your communications and leadership team to ensure you have the right strategic approach, narrative and tactical support to ensure your side of the story is heard.

Based on this week's briefings, there are three main communications pillars which we want to work with you to address:

- i. The Post Office is one of the best-known institutions in the UK and the ongoing litigation will inevitably generate significant media coverage. However, we believe that this media attention is **an opportunity as well as a threat**, and we must not be solely reactive. It is vital that we tell our side of the story to avoid the claimants setting the tone for the coming six months. They will do everything possible to capture the attention of stakeholders as quickly as possible; equally, we must robustly but compassionately dial down the temperature with factual briefings to cut through the hyperbole. You must use the opportunity to quickly set out why the Post Office is a compassionate and modern employer, and that no employer takes its obligations to a front-line workforce more seriously.

Offering no commentary on the ongoing litigation risks creating a vacuum of information that will be filled by the postmasters and third-party commentators. It is important to recognise that the claimants will be proactive in painting the Post Office as cruel and uncompassionate, threatening your narrative of modernisation, so you must be appropriately proactive to ensure our arguments are heard. You have a strong story to tell and being entirely reactive misses important opportunities to set out your side of the argument.

- ii. **Coordination between the legal strategy and corporate communications.** Media coverage will be heavily influenced by the briefings given to legal correspondents before and in the early phases of the hearing. Using all available legal and publicly available information, our communications strategy will reinforce both your commercial and legal objectives.

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- iii. It is vital that we **proactively engage with political stakeholders** to set out our arguments and ensure they are fully briefed on the facts of the case, including the steps that you have taken to rectify the issue to date. There will be negative coverage at some point, and a lack of political forewarning risks undermining your broader modernisation agenda.

Meanwhile, **we continue to believe it is vital to secure positive coverage in advance of the first hearing** and help set the tone for how the PO is perceived. You have a range of smaller financial services news items which – together with senior engagement from the CEO or Chairperson – should secure a positive feature from the FT or Telegraph. You are already in conversation with Michael Pooler and we will work with you to help shape the story or seek an alternative if needed.

Recommended activities

As set out in our previous proposal, we have extensive experience of working with clients to support their litigation and corporate communications functions around such legal actions. This work requires an intense period of support until after the first hearing concludes, during which we will take stock and refine our approach where needed.

Over the coming eight weeks, we recommend a focus on senior strategic support acting as a challenge function to refine our narrative, positioning and collaterals. After this point, our support will evolve dependent on media appetite, coverage and the level of reputational risk. As such, we recommend the following three workstreams:

1) Ongoing strategic counsel

Ongoing support from George Pascoe-Watson, Philip Hall and Simon Hamer, as well as Portland's senior team, to act as a 'challenge' function and offer senior strategic advice whenever it is needed. This will include: narrative development; journalist briefing as required; strategic direction, as well as regular meetings and calls.

2) Litigation communications support

We strongly recommend that Portland's Disputes team meets with your General Counsel and law firm as quickly as possible to offer advice on litigation communications. The Disputes team have extensive experience of supporting legal strategies, including group litigation. Our recommended steps to ensure that your legal objective is supported by our communications strategy include: reviewing all legal documents to ensure that our key messages reinforce the legal strategy; attending court for opening statements and legal milestones; creating litigation-specific media collateral; briefing target journalists using public court documents and skeleton arguments; and round-the-clock monitoring and rebuttals of factual inaccuracies as needed.

3) Day to day support

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Your day-to-day account team, led by Matt Pollard (who has worked on a range of different projects with the Post Office for several years), will offer the full suite of communications support. This includes: drafting or reviewing all collateral material, including press releases, briefing documents, Q and A, and 'lines to take'; ongoing monitoring; background research to either map stakeholders (e.g. legal correspondents) or issues (e.g. previous coverage of 'Gig Economy' legal hearings); and calls, briefings and meetings as required.

Cost

While we can estimate the work required to support your communications during the first trial in November 2018, the work around the judgement and second trial is less predictable and will depend on the coverage and interest we see in the next couple of months.

As such, we propose splitting the project into two phases. The first phase will cover the initial eight weeks of activity, including the preparation and the first trial. **We can deliver phase one of this work at a cost of £35,000 + VAT per calendar month, for two months.** We suggest that the contract starts on the 15th October 2018. This price reflects the senior time dedicated to the account, given its prominence and the degree of expertise required.

For phase two, we review the reaction to the first trial in December and determine what level of support is required to manage the communication around both the first judgement and the second court case.