

**From:** Creswell, Carl (Better Regulation Executive) [GRO]  
**Sent:** Thur 16/05/2019 4:13:09 PM (UTC)  
**To:** Aldred, Tom - UKGI [GRO]; Beal, Eleanor (Advanced Manufacturing and Services) [GRO]; Cooper, Tom - UKGI [GRO]  
**Subject:** RE: Note from Tom to Kelly

Thanks, Tom – happy to talk about it next week, if you're comfortable waiting.

Of course do feel free to ignore my suggestions if you don't think they're right! I am still pretty new to the relationship, so just giving my view based on instinct and gut-feeling rather than any knowledge about what has happened. I'm sure we can convince her that the UKGI and BEIS combo have her interests at heart and will help get POL through the current challenging phase!

Carl.



Carl Creswell  
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**From:** Aldred, Tom - UKGI [GRO]  
**Sent:** 16 May 2019 16:50  
**To:** Creswell, Carl (Better Regulation Executive) [GRO]; Beal, Eleanor (Advanced Manufacturing and Services) [GRO]; Cooper, Tom - UKGI [GRO]  
**Subject:** RE: Note from Tom to Kelly

Carl

Thanks for these suggestions. I'm sure Tom C will have a view on these. He's away till next week so it might be that we would be better to discuss then – although this would mean missing the Tuesday box.

For my own part, although she didn't say explicitly that she had concerns with the leadership, I thought it came across pretty strongly in her remarks, and in her questions about how we appoint the board and her desire to attend. While I'm tempted to hope it blows over, on balance I'm more attracted to addressing it head on. If she really doesn't have confidence in the leadership this has the ability to make everything else a lot more difficult. And we need to understand what's driving her concern.

Tom

Tom Aldred, Post Office Shareholder Team, UKGI [GRO]

**From:** Creswell, Carl (Better Regulation Executive) [GRO]  
**Sent:** 16 May 2019 16:33  
**To:** Aldred, Tom - UKGI [GRO]; Beal, Eleanor (Advanced Manufacturing and Services) [GRO]; Cooper, Tom - UKGI [GRO]  
**Subject:** RE: Note from Tom to Kelly

Hi Tom,

Thanks for sharing this with us. I've set out my thoughts below, in the spirit of trying to help you land your messages well!

The tone feels a bit defensive to me, so I've suggested some changes below. Kelly seemed to partly be sparking because she thought that she was hearing something different yesterday (decision by consensus) compared with what she heard during the recent phone call (coup). I explained that you had meant 'coup' in the sense of a victory for common sense, but she still seemed concerned. So my advice would be to emphasise that we have got to a better place, give the details of what happened and explain that you're going to be keeping a close eye on them going forward.

I also think it would be best to leave out the reference to the leadership of the company. Strictly speaking, she didn't raise it with us in those terms last night – what she said was that she remains nervous about the POL approach. I also think Kelly is unlikely to want to discuss it at this stage. I feel that we've made some good progress this week, including Tom helpfully securing that offer for Kelly to meet the Board, so I personally feel it would be best to let that lie for now. When I saw her for a retail meeting this morning, she seemed much more relaxed about the meeting and said it's one of those things that we'll need to keep working on.

I've suggested some tweaks to give effect to that below.

Happy to chat about it if helpful!

Carl.



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**From:** Aldred, Tom - UKGI { **GRO** }  
**Sent:** 16 May 2019 14:15  
**To:** Beal, Eleanor (Advanced Manufacturing and Services) { **GRO** }; Creswell, Carl (Better Regulation Executive) { **GRO** }; Cooper, Tom - UKGI { **GRO** }  
**Subject:** Note from Tom to Kelly

Eleanor, Carl

As discussed, Tom has shared a draft note to go to Kelly, which I've pasted below. What do you think? Jess has confirmed that she'd be happy to pass to Kelly as an email rather than a sub.

\*/\*\*/

I gather you mentioned a couple of things to the team after the meeting with POL yesterday. One being what happened at the Board in relation to the legal advice. The other that you're concerned about the company's approach to forecasting the potential size of liability leadership at the company.

## Litigation

On the legal front, I think we have reached a sensible position, with POL changing its legal advisors and seeking a more conciliatory approach. ~~can say~~ Like you, I have been concerned about their approach that ~~my concerns about how it was being handled go back to last summer.~~ I wasn't happy with the meeting the

company had with you and Alex last October. This was followed up by a very critical ruling from the judge a few months later following which I spoke to Tim and Paula to say that I felt there needed to be a major change of approach. Our interaction to the legal team at POL wasn't limited to the litigation - in general we found the chief counsel wasn't easy to deal with and I had passed feedback to the management and Tim on various occasions.

Things came to a head after the common issues judgement when it became totally clear - I think to everyone on the Board - that there needed to be a change of personnel. This led to Jane MacLeod - Chief Counsel - leaving the Company.

Following your questions about what happened, I wanted to confirm that - because there was little time to make the change it ~~was~~ wasn't discussed in a full Board meeting. The process was handled by Tim, Al and me with Tim speaking bilaterally to the rest of the Board to agree the decision. I don't believe the decision itself was in any way controversial.

*[DO YOU NEED TO SAY THIS? This is my perspective of what happened. Of course I can't speak to what other conversations took place between other Board members and the Board and management.*

*As a NED I can only influence things and I'm learning that usually the same point needs to be repeated several times before it lands. I'm also not always right either. ??]*

So overall I'm glad the changes have been made and I think we should be satisfied with them for now. We are seeing a change of approach as a result. I only wish it had happened several months ago - before the Common Issues trial.

I am also clear that we are going to need to keep a close eye on POL's approach over the weeks ahead. Following your comments yesterday, we will be talking to them about what more they could do to quantify the potential financial exposure from the legal cases.

## Leadership

~~It's very important for me to understand what's on your mind here. Could we discuss face to face?~~

Tom

Tom Aldred | Executive Director  
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**GRO**

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