

From: Tony Marsh[CN=Tony Marsh/OU=e/O=POSTOFFICE]
Sent: Fri 17/10/2003 9:59:31 AM (UTC)
To: Adrian Morris[GRO]; Alan Parkinson[GRO]; Alan Stuart[GRO]; Alex McKenzie[GRO]; Alison Edwards[a[GRO]; Allan Stevens[GRO]; Allison Drake[GRO]; Amanda Wright[GRO]; Andrew J Scott[GRO]; Andy Bowman[a[GRO]; Andy Hayward[GRO]; Audrey Lindley[a[GRO]; Bob Billy Sodden[GRO]; Bob A Parker[GRO]; Bob Davies[GRO]; Bob M Brown[GRO]; Brendan Palmer[GRO]; Brian Sharkey[GRO]; Cathy Thomas[GRO]; Charles Leighton[GRO]; Chris M Lawrence[GRO]; Chris Wisken[GRO]; Christina Wood[GRO]; Christopher G Knight[GRO]; Christopher Taylor[GRO]; Colin Moore[c[GRO]; Colin Price[c[GRO]; Craig Chase[GRO]; Craig Thompson[c[GRO]; Cris Thomas[GRO]; Danny Adnath[c[GRO]; Darryl Owen[c[GRO]; Dave Pardoe[GRO]; Dave Posnett[GRO]; Dave Rodericks[GRO]; Dave Unitt[GRO]; David Patrick[c[GRO]; Debbie Bradley[GRO]; Debbie Hutton[GRO]; Debbie Wardle[c[GRO]; Deborah M Bennett[c[GRO]; Derek Edmunds[GRO]; Diane Matthews[GRO]; Donna Hunt[c[GRO]; Douglas Heed[GRO]; Duncan McFadyen[GRO]; Eddie Richards[GRO]; Eileen Edginton[GRO]; Gary R Thomas[GRO]; Ged Harbinson[GRO]; Geoff Hall[GRO]; Glen Morris[GRO]; Glyn Burrows[GRO]; Graham Brander[c[GRO]; Graham C Ward[GRO]; Graham R Foster[GRO]; Helen Dickinson[GRO]; Helen Hollingworth[h[GRO]; Ian J Smith[GRO]; Ian Lyons[GRO]; Jane Pauley[GRO]; Janet Burns[GRO]; Janet Holding[GRO]; Jason G Collins[GRO]; Jay Ramrattan[GRO]; Jean Williams[GRO]; Jeff Roper[GRO]; Jill Southern[GRO]; Jim P Walker[GRO]; Joanne Hancock[GRO]; Joe Hoyle[GRO]; John Downie[GRO]; John J Burns[GRO]; John Jenkinson[GRO]; John Longman[GRO]; John McKenny[GRO]; Judith Trotter[GRO]; Judy Balderson[GRO]; Julie Millward[GRO]; Karen Derbe[GRO]; Kathy Glover[GRO]; Katie Jennings[k[GRO]; Keith Noverre[k[GRO]; Keith Skelton[GRO]; Kev Orgill; Kevin Dooner[GRO]; Kevin Patnell[GRO]; Kevin Watkins[GRO]; Kim Corke[GRO]; Laura Summerton[l[GRO]; Laury Callan[GRO]; Len Clay[GRO]; Lester Chine[GRO]; Linda Adshead[GRO]; Linda Andrew[GRO]; Linda Knightley[GRO]; Linda McLaughlin[GRO]; Lisa Allen[GRO]; Liz Doherty[GRO]; Lorraine Stapleton[GRO]; Lynne Eastwood[GRO]; Mal

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Cc: Byron Roberts[GRO]; David W
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Attachment: Security team org v4 due 011203.doc

Dear Colleague

As you will be aware from recent communications from both the Chief Executive, David Mills and the Personnel Director, Ian Anderson, Post Office Ltd must make further headcount reductions to support Royal Mail Group in its drive back to sustainable profitability.

As part of this exercise the Security Team was asked to review its structure and to establish what further savings it could make and what the impact of these would be on its key customers and

stakeholders.

The Security Lead Team and I examined a number of options and came to the conclusion that the structure could be further streamlined in the following ways:

- Collapsing the Risk and Commercial Security function into the Internal and External Crime functions, thus saving a senior manager (BPC8) post.
- Removing the Training & Support Manager role, formerly within the Risk & Commercial Security area, with the remaining functions taking direct responsibility for provision of professional training and liaison with communications, thus saving a CM1 post.
- Amalgamating the Security Investment Manager and External Crime Information Manager's jobs into one, thus saving a CM1 post.
- Removing the Banking Fraud Manager's job from within the Internal Crime function, thus saving one CM2 post.
- Removing the following support jobs
 - External Crime - 1
 - Internal Crime - 2
 - Risk and Commercial Security - 1
 thus saving 4 PO posts.

The collapsing of the Risk and Commercial Security function will also involve the following changes to reporting lines:

- The 2 Commercial Security Managers will become direct reports to the National Internal Crime and Investigations Manager
- The Security Risk Manager will become a direct report to the Physical Security Policy & Standards Manager
- The remaining Postal Officer support from the Risk and Commercial Security function will join the support team under the External Crime Information and Investment Manager

This leaves the Audit and Inspection function and the Money Laundering Team. You will be aware that Post Office Ltd recently enhanced its risk management approach with the recruitment of a Head of Risk and Control, a job based within the Finance Directorate. Audit Managers and Inspectors will know that we have already explored expanding the remit of the Audit & Inspections team to look more closely at accounting systems, processes and compliance. Having held initial meetings with the Head of Risk and Control this is clearly a direction on which he is focussing as well.

It has therefore been agreed that the Audit and Inspection function will separate from Security and will move in its entirety to form part of the new Risk and Control function. Consequently there have been no headcount reductions proposed by Security that would impact on Audit & Inspections, although this must not be taken to mean that there will not be opportunities identified for reductions at some point in the future.

Discussions are also taking place with regard to the Money Laundering Team, which is likely to be transferring from within Security to a position either within the Risk and Control function or within Banking. For the present time the Money Laundering Team will report directly to the National Internal Crime and Investigation Manager.

There is no suggestion that any of the jobs that have been removed were superfluous. Each job added value to the team in its own way and for each one the team will need to be open to exploring different ways of working to absorb the loss. We have calculated however that with the removal of these jobs we can make savings which will not immediately impact on the service that we provide to our customers, primarily the Retail and Cash Logistics front line, Sales and Marketing teams, subpostmasters and branch staff.

The intention is that the job reduction changes and the transfer of Audit & Inspections will take place by 01 December 2003. Discussions are still underway regarding the move of Money Laundering and further details on this will be communicated as soon as possible. An outline organisation chart is associated with this communication that shows the likely structure following the round of reductions and reorganisation.

All those individuals directly affected will already have been made aware of the personal impact of the changes by their managers, any further queries should be addressed to your line manager, functional leader or to myself.

The lead team and I would like to thank all those individuals who are leaving the Security Team, including the whole Audit and Inspections function, for their commitment and dedication whilst we have worked together and wish them all the best for the future in whatever role they next take on for Post Office Ltd or Royal Mail Group.

Best wishes

Tony Marsh