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**NOTE OF INTERVIEW – NICK READ**

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**DATE: 8 February 2024**

**Start Time: 10:00am**

**End Time: 13:58pm**

**Investigator:** Marianne Tutin, Devereux Chambers (MT)

**Note Taker:** Alice Defriend, Devereux Chambers (AD)

**Interviewee:** Nick Read, Chief Executive Officer (NR)

**[Introduction]**

**MT** I am an employment law barrister from Devereux Chambers. Alice Defriend is also an employment law barrister from Devereux Chambers. I have been instructed by Pinsent Masons to look into most, though not all, of the concerns raised by Jane-

**NR** Pinsent Masons is who instructed you?

**MT** Yes. I have been instructed to investigate some of the concerns raised by Jane in her Speak Up complaint. She has also made complaints about the circumstances of her departure, which I'm not investigating, other than concerns she has raised about the commissioning of the investigation into her. I'm not investigating matters pertaining to her dismissal.

**NR** I'm not sure she was dismissed.

**MT** It's a neutral word used in employment law.

**NR** I understand that her probation was not extended.

**MT** Yes. Ben Foat is now a witness to the investigation so he is no longer the Commissioning Executive. Karen McEwan has taken his place.

**NR** Would Karen not become a witness? Wouldn't she be an individual to speak to about the way I conduct investigations? I'm a little concerned she wouldn't become a material player. I would have thought at some stage you'll ask me who I think would be able to endorse the way I manage and my style of leadership. I don't mind who you speak to, but I would say every person on the group executive, should be spoken to.

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**MT**            **Thus far I have seen no need for me to speak to Karen. If I think it's necessary I will look into it, or indeed if I need to speak to Amanda or Lorna, I can think about that and we can substitute if required. It's not a bar.**

**I'm going to be preparing a report in which I will make findings of fact and any recommendations as deemed appropriate by me in respect of any identified breaches of POL policies and procedures. That report will be going to be Amanda and Lorna.**

**NR**            **What?**

**MT**            **The Investigation Steering Group, Amanda Burton and Lorna Gratton.**

**NR**            **Just the two of them?**

**MT**            **Yes.**

**NR**            **You're probably gauging that I'm not very familiar with the process. I would like you to note from my manner, I'm not aware of some of these terms.**

**MT**            **Sorry, I thought you were more well-versed.**

**NR**            **I've only seen your letters from October and January about it.**

**MT**            **It is going to be a matter for Amanda and Lorna to decide what further action, if any, to take. This process is confidential, I would like you to keep what we discuss confidential. If you want to go away to find a certain document and need any assistance with that, I am content with that.**

**NR**            **I'm assuming that may well be case, I haven't got papers or what you've got.**

**MT**            **I'm content for you to speak to whoever is well-suited if you need assistance with finding documents. I understand as well that you have legal advice from Merrill April. I have no issue with you speaking to her about the contents of our discussion.**

**As I proposed by email, I've brought along key documents in a bundle for you. I'm still receiving documents from POL. There are areas where I have blanks in my knowledge, so it may be the case that I can't present you with key documents yet.**

**NR**            **Why have you not been able to get them? Do they exist?**

**MT**            **It's a question of establishing if they exist and searching through the documents is taking some time. I have members of the Speak Up team assisting me in terms of documents requests. Sometimes I'm unaware if a document exists until I've spoken to a witness, I then initiate a search for those documents and then additional documents are found, which I may need to speak to a witness about.**

**NR**            **How long will this process take? What's your sense? Presumably you have some documents?**

**MT**            **I do. I'm coming close to the end of the process, but that depends on the outstanding document requests, including what they might show, as well as the answers you give me.**

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- NR Are the documents you are waiting for critical to this meeting in the sense that, would it be worth waiting until you have all the documents until we have this meeting? I mentioned I'm cognisant of time. If you haven't got the documents why are we having this meeting?
- MT **I understand and have already considered the point. The difficulty is I have to balance that against the need to bring this investigation to a close as quickly as I can. Amanda and Lorna would like this to be concluded as soon as possible. There is enough for us to discuss, such that we can make a start.**
- NR What you laid out in your questions of 10 January?
- MT **Yes. I have the key documents here for you, you can take those away to have a look and I can also send you an electronic version. If you want to spend time looking through emails, notes, etc please do. I think it is likely I will need to speak you again on Tuesday due to volume. I appreciate that's only in a few days. If you need more time to go away, do any research, speak to your lawyer, do let me know. As I said in my email, I also have no problem with you sending documents to me after we've spoken.**
- NR I do feel on the backfoot in the sense that no one has given me documents to read and prepare.
- MT **This is not a memory test.**
- NR Hence my question which was, being candid, I'm probably one of the most talked about individuals in the country at the moment. I'm very cognisant that whatever goes on in this meeting I feel a necessity to be prepared, because I'm such a public individual. I hope the nature of this investigation reflects that. Am I making sense?
- MT **Yes. But this is a different process than, say, preparing for a Select Committee hearing or a public inquiry.**
- NR Describe what you mean by that.
- MT **This process is a lot more informal. It is more of an ongoing dialogue between us. If you want a chance to look at the documents after we've spoken, refresh your memory, and add to or amend the answers you give me, feel free to do so. As I said, this is not a memory test.**
- NR It was over a year ago, which I know sounds odd. I've looked at witnesses in the public inquiry trying to remember things from 10-15 years ago, I thought how is that possible, it seems deeply challenging. From a memory perspective, I find it alarming, I couldn't remember in certain ways.
- MT **Understood. If you want to suggest people for me to speak to insofar as I haven't already spoken to them, feel free to do so.**
- NR I will do.
- MT **Alice is taking notes of our discussion which I will review later on. I will send them to you and ask you to review them. If you're happy that they reflect our conversation and agree with them, do let me know. If you have suggested**

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**amendments, please do make them which I will review. That's everything by way of introduction.**

NR That's fine.

MT **What I propose to do is to take various allegations set out in my invitation letter in chronological order. First, there are questions around issues of pay, I will deal with the pay matters together. Then we will try to deal with things more chronologically, i.e. dealing with Angela Williams, Ben Foat, the recruitment of others, and other matters.**

**In terms of pay, let's go back to the beginning when you joined the organisation in 2019. I can see your starting salary remained for some time, which was £415,000 in base pay?**

NR Base cash, not salary. That includes pension contributions and benefits. I was offered during the interview process a particular salary. I was informed 2 days before I joined that the Treasury had not signed off the package and that I would be paid less, and I was asked to sign the contract. Things didn't get off to a great start. The cash total was £415,000.

MT **That included £85,000 for car allowance, benefits etc?**

NR It was £320,000 for base cash, plus £15,000, plus £80,000.

MT **I should have said in the introduction, this investigation is confidential. I'm probably not going to be appending the notes of my discussions to my report because I want people to be able to feel free to tell me what they want. However, I can't guarantee that the notes of my discussions won't be circulated more widely outside of Amanda and Lorna.**

NR Why do you say that?

MT **I'm not involved in this process as it would be a conflict, but I am aware that Jane has brought a claim in the Employment Tribunal. I understand you're an individual named respondent to the claim.**

NR I received something called an ET3 in my inbox last night.

MT **That's the defence to the claim. I'm not in any way involved in the process.**

NR It's interesting. Because of the lack engagement by the organisation, I didn't understand the relationship between this investigation and the ET3. It was only last night someone said it was the Speak Up complaint by Jane, part of the Employment Tribunal process she wants to take us through. The Speak Up started after negotiations around her departure.

MT **My understanding is that there's a lot of overlap between the allegations. I believe one of my colleagues will be representing POL, subject to confirmation, but we do not discuss the matter in chambers. The reason I say this is because the notes of discussions may become disclosable in those proceedings. That's why I can't guarantee that the notes won't be seen by anyone else. However, for my purpose of the investigation, they shouldn't be seen by anyone else.**



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**Going back to your pay when you commenced, I've seen from the Annual Reports that Paula Vennell's salary was about £250,000, which is quite a bit lower than your starting salary. Was she entitled to participate in benefit schemes?**

NR The way the Treasury wanted to proceed, the on-target earnings for me and Paula were to be the same. That total was £664,000, which was a combination of salary, LTIP, STIP and pension etc. The cash total of the on-target earnings were the same for both of us. That was the discussion.

MT **Your contract of employment is the standard POL contract, which includes a clause saying your salary is subject to annual review. There's no guarantee of an uplift. But when you started, was there any indication from BEIS as to when they would consider any uplift?**

NR Not at all, there was no conversation about it, other than a yearly review.

MT **I've seen reference to correspondence between Tim Parker, Paul Scully and Kwasi Kwarteng suggesting increases to your salary were requested, although I haven't yet seen that correspondence. I have however seen correspondence between Henry and Grant Shapps towards the end of 2022 and in early 2023.**

NR December 2022?

MT **Around then, but I've not seen the earlier correspondence referenced. Was that correspondence the first time POL asked the government to consider an increase to your salary?**

NR I would have thought so. I know Tim wrote to Kwasi. His view of the world was that I had not received a pay rise in 2 years, it was awkward, every other person in the organisation was getting a yearly increase. His view was they were starting to abuse my goodwill, it felt unfair. He engaged with Paul Scully and Kwasi.

MT **They declined the pay increase, is that right?**

NR Yes.

MT **I want to understand more about the governance process. I've seen the Articles of Association states that prior written consent from the Secretary of State is needed for any material change to the remuneration of a company director, is that right?**

NR Yes, we are Secretary of State appointments, as a consequence the Secretary of State determines our pay and rations, that's my understanding.

MT **It might be a matter you leave for-**

NR It's not really a matter for me, I don't want to opine or hypothesise on something I'm not 100% close to.

MT **My understanding is that it is an obligation derived from the Articles of Association. The requirement for shareholder approval is also referenced in**

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**the Framework Document, although I understand POL considers it is not legally binding, it's something POL has to have due regard to, is that right?**

NR Yes.

**MT I've not seen any references in POL documents to this, but in government guidance, namely the Senior Pay Rules, the Chief Secretary to the Treasury has to approve remuneration packages above £150,000 and it is a ministerial appointment, is that right?**

NR I don't believe, and you will have to check with the RemCo Chair, we have an exemption as a commercial organisation from certain obligations on arm's length bodies. Whether it's custom and practice or official, I don't know. You would have to speak to the UKGI representative, Lorna, although her predecessor is probably best to speak to, Tom Cooper.

**MT And Roshana?**

NR She's not in role, she was in role for 11 months. And you can speak to Lisa Harrington, the Chair of RemCo. You have probably worked out that this is not the most straightforward remuneration committee. If it helps to give an example of how the process works, I'm not a member of RemCo, I don't set my own pay and reward. RemCo effectively, upon which sits UKGI, recommends to the Secretary of State what my pay and reward should look like. As I understand it, they have discussions, I'm not privy to that; the independent advisors, Willis Towers Watson, opine on it and check it. It goes to UKGI to sign off, then to the Secretary of State to endorse. Any enrolment in every single scheme, every pay-out in every single scheme and changes to base pay. It's very structured and convoluted and inefficient, but it is what it is. As one of the very few commercial arm's length bodies, we have an extremely different relationship. We're not paid as civil servants, there's a commercial market, they have to pay commercial rates. That's what drives this attention.

**MT I understand you're the Accounting Officer for POL. Is the Managing Public Money guide something you're bound by or required to have due regard to?**

NR Due regard.

**MT If you were to fail to have due regard to the standards expected of the Accounting Officer, what would the consequences be?**

NR I don't know, it hasn't happened in my 5 years here but it's taken seriously. I've never fallen foul of it, so I don't know.

**MT I would like to hand you these documents. About half of this is RemCo papers and correspondence, so it's not as long as it looks, there are only short excerpts I need to take you to.**

**The first thing to look at is a paper provided for the 5 July 2022 RemCo meeting, at page 2. You mentioned you're not member of RemCo but you do attend meetings?**

NR I do.

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- MT** Do you get papers for those meetings provided to you?
- NR** Not all of them.
- MT** In terms of this paper, this is a document put forward by Angela Williams regarding proposals for STIPs and LTIPs. In the top right-hand corner, you're listed as a sponsor of the paper. What does sponsor mean?
- NR** Line manager. Not the owner, architect, writer. Simmons and Simmons did a review, so did Amanda Burton. This was a point of note. I was very explicit in meetings saying I'm not the author, the way things are constructed, the word sponsor, I particularly think, especially with meetings I'm not an attendee of, are misleading. I have to say I do struggle with the way these are constructed. I made that point with the Simmons review and Amanda's review.
- MT** Did you approve the content of the paper?
- NR** No, it was not for me to approve, things involving my pay are not for me to approve, that's not possible.
- MT** What I've gleaned from this document and the minutes of the 5 July meeting is that for the financial year 2021-22, STIPs for eligible GE members were based on company metrics with an 80% weighting and individual metrics with a 20% weighting. Angela was proposing a multiplier based on performance which should apply to the entire STIP, not just the 20% weighting. Where a person scores 4 or more, the multiplier takes effect. Is that correct?
- NR** Correct.
- MT** That's not a matter that would just affect you?
- NR** Yes it was anyone who got a score of 4-5.
- MT** Did you have any discussion with Angela about the proposal prior to the 5 July meeting?
- NR** I don't know. I don't know where the genesis of the multiplier came from. I know on 5 and 26 July they discussed the multiplier, how it would work. I wasn't privy to that, I knew it would impact me, but I was not privy to those two meetings. I didn't know where they finally landed until after the meetings, but I was aware there was going to be a debate.
- MT** Do you know what the shareholder signed off in terms of the approach to the multiplier?
- NR** No, it would have been a RemCo Chair or HR Director decision.
- MT** Do you know what was accrued in the bonus accrual pot?
- NR** No, that's not my sort of area to be honest.
- MT** The minutes start at page 6. You are listed as an attendee of this meeting, although it looks like you weren't present for certain sections. Under 2, the first sentence, it says the Chair requested the committee to consider the recommended award. It looks like there's discussion about whether they

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were going to give you a 4 or a 5 rating. Over the page we can see in the second paragraph, they resolve to approve an exceptional rating.

NR It was a 5.

MT Yes. In the paragraph underneath, you're requested to be invited to join the meeting and it appears you joined the meeting. Under section 4, there's a discussion about Angela's proposal regarding the bonus multiplier. If you want to take some time to read the very lengthy paragraphs please do, or take time to read them afterwards. In summary, there was a discussion about whether the multiplier should apply to the whole of the STIP or just the personal element. Angela said the scheme rules were unclear in terms of what had been approved. Tom Cooper was reluctant to apply the multiplier to the whole of the STIP, he said it was not clearly set out in correspondence to the government. The outcome was that the Rewards Director was asked to go away, look at how the multiplier had been applied historically, so RemCo could understand that approach and decide whether shareholder approval was required. Do you recall that debate?

NR No I don't recall, I don't know if I was at it. Does it imply I was?

MT There's no suggestion of you chipping in, but as I mentioned-

NR It looks like I could be there. I don't recall being there, you would have to check with Tom. I'd have been deeply uncomfortable. Would I have been told if I got 4-5? Did I know at that stage? It's probably unlikely I think. If they were determining it I can't imagine walking in. It's unlikely I knew. Sorry I'm speculating, that's not very helpful.

MT Were you aware it was unclear if the approach of applying the multiplier to the whole of the STIP had been approved or not?

NR I don't recall it being an issue particularly. I'm trying to think, I don't really remember. I don't remember whether it was something I was to get involved in. This is where the division of labour and ownership structure is problematic. This is Angela's, Lisa's, RemCo's issue. I'm nonplussed on how to help you.

MT I'm still waiting for documents, particularly correspondence around these RemCo meetings which may assist.

NR Who's helping you? Speak Up?

MT Yes. One of the difficulties is that it's not like litigation where one side says "provide us these documents". I'm adopting an inquisitorial approach, not adversarial, so I need the team to look widely, which does slow down the process.

Moving onto the RemCo meeting on 26 July 2022, there is a paper prepared for it on page 19. Here more detail is set out regarding the history of the multiplier. At page 20, in the two paragraphs under the table, the paper presents three scenarios: 1) apply the multiplier to the individual element with the 20% weighting; 2) apply the multiplier to the whole award; 3) apply

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**it to everything but trim the multiplier. Did you know those three options were suggested?**

NR I can't remember to be fair. I remember the first one certainly, it makes logical sense, the three of them do. I didn't know the cost driver was so prevalent.

MT **At page 22, there's discussion about the history/past practice here. The table sets out past practice and refers to no short-term incentive payment being made in 2021. Under the table it sets out the changes made. At the bottom it says "With regard to the BEIS letter issued on 12 October 2021, there are company measures in the plan accounting for 80% of plan payment, comprising both financial and Postmaster-centric measures. The remaining 20% is on personal performance... The explicit intent for the personal element to drive overall payment outturn was not included in the letter and therefore the sentence is ambiguous on intent." My understanding is that Angela Williams based the multiplier approach on that one sentence in the BEIS letter. That seems to be doing a lot of heavy lifting?**

NR It's quite complicated to understand. What is she saying there?

MT **As far as I can tell, the sentence to BEIS, which was apparently signed off, was the entire basis she said approval had been obtained for her approach to the multiplier.**

NR That's interesting. Did I attend this meeting? I think I might have been on holiday.

MT **You didn't. In the table on page 24, we see the potential outcomes. In terms of your pay, there's a difference between £138,000 and £189,000 in terms of payments. They land on option 2, namely £164,000. Going onto the actual meeting itself, the minutes are at page 26. I'll summarise them for you but if you want to take them away and read them, please do. In this meeting there was quite a robust discussion between Angela and Tom about the-**

NR The multiplier?

MT **The justification for the multiplier. Ultimately, there was acceptance that Angela's approach was not communicated clearly to the shareholder. As a compromise it was agreed that the recommendation to be proposed to the shareholder was to apply the slightly reduced multiplier, i.e. the trimmed approach, to the whole element.**

NR 1.3x? Interesting.

MT **We can see that resolution at page 29, it's (iv), "recommendation to shareholder for STIP".**

NR So Angela or the Chair of RemCo will write to the shareholder?

MT **Perhaps. I appreciate you say you were on holiday at this date, but can you recall if you were updated on the outcome of the meeting?**

NR I probably would have been when I got back, I assume. I don't know what I would have been updated on, things pertaining to me. I don't know if the Chair



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would have, I assume this. But notoriously the Chair was on holiday throughout August. I don't know. Sorry I'm not very helpful here.

**MT Did you ever receive minutes of RemCo meetings?**

NR I don't receive them, I'm not a member of the committee.

**MT I've seen your payslips, you were paid the 2021-22 STIP in August 2022?**

NR Yes, like everyone else.

**MT When did you first learn you would or you had received the 21/22 STIP?**

NR I assume I was told before I received it. I don't recall getting a letter, that's normal practice, I would assume someone wrote to me saying this is what you're getting and why. It may have been an email from the Chairman after the July meeting confirming my pay grade.

**MT When you received the pay into your account in August, did you know if shareholder approval had been requested and obtained?**

NR No, nor would I, it's not my job to request approval from the shareholder, that's Angela and the Chair's job. Why would I question whether the shareholder signed this off, given there were two individuals involved, me and AI? The shareholder sits on the RemCo SteerCo anyway. For me whether there's sign off or not, it's not an issue for me to consider. It does go back to this Accounting Officer principle, but I wasn't privy to these debates about me, it seems a bit circular.

**MT On the basis that written consent was needed from the shareholder for these changes, I've seen a debate within RemCo as to whether approval is always required for STIPs, given outturns are unknown when approval is first given or-**

NR Payment is made?

**MT Or if approval is needed only for the design and structure of the STIP itself.**

NR I thought it had to be signed off at the start and end. You're saying is it custom and practice that the shareholder sits on the SteerCo of RemCo?

**MT That's moot to some extent. If you read the 26 July minutes, they record clearly that shareholder approval was not given for this multiplier approach and we need to go back.**

NR Which is entirely reasonable. Whether they did, who's accountable. Is it the shareholder who sits on RemCo, the Chair, would they have written or spoken?

**MT It sounds like either there might have been an assumption that shareholder approval was obtained or-**

NR It wouldn't have occurred to me I should be checking whether approval was obtained, that's not my job.

**MT It does take a long time for government approval to be obtained.**

NR Yes, but when they want to get stuff done, it gets done.

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- MT Did you think it was a suspiciously short time to request and obtain approval between the RemCo meeting in July when this is being discussed and payment being made to you?**
- NR It didn't occur to me.
- MT Stepping away from what happened in July and August 2022, as a matter of custom and practice, are you normally informed of shareholder approval for STIPs?**
- NR I am now. At the time all of the shenanigans around the Simmons review and Amanda's review, they got obsessed by it. The fact it takes months to get enrolled on schemes, there was a heightened sensitivity. My experience in the last year has been horrendous, it's just a process of trying to get proper accountability at RemCo for actions taken. I took the rap frankly at the Select Committee for failings of governance at RemCo. I was deeply frustrated by that. Sorry I'm going off on one now. I think they are linked.
- MT Were the same people involved?**
- NR If sitting in your shoes, there's going to be a set of recommendations. Clearly this process is inappropriate. RemCo doesn't have the authority to make decisions and act on them, if that makes sense. From a governance perspective, there needs to be a review of this mechanism. It clearly isn't working. Talking about the events before last year. My sense of these things is we get caught up in the process and lack judgement quite often. I think RemCo has fallen into that trap a bit.
- MT In terms of changes made, I've seen an email Ian Rudkin sent you last December saying there was shareholder approval of STIPs and LTIPs. Prior to 2022, did you receive any emails or confirmation of approval, or is this a new change?**
- NR I think it's a new change, people are taking it more seriously. In that email it was 17 months from the initiation of the scheme, it was an absolute shambles. Given that for the whole period of the scheme – I wasn't enrolled in the scheme. The scheme started and concluded before I was enrolled and eventually resolved 18 months on.
- MT We then discover after the payment is made to you that shareholder approval was not obtained, is that right?**
- NR Yes, I was alerted to the fact that shareholder approval was not obtained, I assumed Angela told me. Or did the RemCo Chair? There was a lot of "Don't worry, it's all in flight. We have had this conversation at RemCo, there's nothing to worry about, nothing to see here."
- MT What was your understanding of what had gone wrong?**
- NR Clearly someone hadn't written to the shareholder. I don't think I particularly considered it, maybe I'm too trusting, but ultimately this is not my accountability. They told me there was nothing to see here, don't worry about it. I think a retrospective decision was required. It didn't cross my mind that

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this was a massive gargantuan failure. What did pass my mind was that the process had broken down and who's accountable?

**MT Did you make enquiries as to what was accountable?**

NR The reassurance I had from Angela was that it was now inflow, the process was being followed, retrospective approval was sought and achieved. I can't tell you the timeline.

**MT We'll come onto the timing. Did you request any enquiries be made?**

NR That was not my job.

**MT This is one of the areas where I'm awaiting further correspondence. Whose responsibility was it to seek shareholder approval?**

NR The Chair of RemCo.

**MT At page 35, we have here a briefing note Roshana puts together. It seems-**

NR A briefing note for Lisa.

**MT Yes. It seems someone, possibly Roshana, from UKGI, discovers in September that prior approval was not obtained. I haven't included the covering email but in it, Roshana says she spoke to you about this problem. Do you recall any discussion with Roshana?**

NR No I don't.

**MT She provides an executive summary. At paragraph 4 she says this is a failure of required controls, a potential Managing Public Money breach and highlights issues with the accounts. At paragraph 6, she says with respect to the MPM breach, she says the responsibility sits with the Accounting Officer. She considers you are personally responsible, but potentially for actions undertaken by others?**

NR Yes, the problem here is that I'm being held accountable for something I'm not involved in. Reading that now, it's a bit difficult for me to be the Accounting Officer on something that involves me, decisions made about me, in an environment where I'm not attending meetings. It's odd to me, it's an all-encompassing issue.

**MT When I looked at Accounting Officer guidance and the Survival Guide, they set out the standards expected of organisations. Where personal responsibility sits with you, such as governing funds, you must ensure controls are in place to safeguard funds. This may be a matter for Angela or those below her, but do you know if there were any checks in place to ensure shareholder consent had been obtained before payment was made?**

NR I don't know, it was not a CPO issue, it was a RemCo Chair issue. I would expect people to do it.

**MT Do you have any view on Roshana's comments that this is regarded as a potential MPM breach by you as the Accounting Officer?**

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- NR Instinctively no I don't think it is, it's been mischaracterised here, it doesn't reflect the significance that RemCo approved actions in July and someone failed to alert the shareholder. But the shareholder sits on RemCo. It's mischief making. What's the point of having the shareholder sit on RemCo, Roshana was working 5 days a week. It's her job to ensure we're all doing the right thing. I have a bit of a challenge, it goes back to the role of UKGI in this process, what is their role, how are they preparing people for these meetings like Tom Cooper? I think it's a very classic case of UKGI deflecting.
- MT **I've spoken to a member of RemCo and asked them if having a member of UKGI sit on RemCo is sufficient to obtain shareholder approval or whether matters still need to go directly to the shareholder. Their view was that they still have to go to the shareholder.**
- NR Which I think is fine, but if it was thought to be an issue, Tom Cooper as Director of UKGI, surely he would be accountable for it? The mismatch between Tom Cooper and Roshana here needs to be explored. I think the relationship between them was distant. I take a bit of umbrage as to what the role of the shareholder representative on RemCo actually is, if they're not taking ownership for the decisions made and the way things were executed.
- MT **From POL's perspective, I've seen correspondence in terms of the instructions to payroll to pay this sum. It appears Angela was aware (a) shareholder approval had not been obtained at the end of July 2022 and (b) that you were about to be paid the STIP. I don't know if she knew the payment was being made to you without approval, but if you put those two facts together, it seems possible. Did Angela raise any issue about a lack of shareholder approval with you pre-payment?**
- NR No.
- MT **In the paper, paragraph 8 in terms of next steps, Roshana says "POL could seek retrospective approval of this change. However, given previous proposals were rejected this may be difficult."**
- NR [reads out the rest of the paragraph]
- MT **The following paragraph says they can retract the excess bonus too, i.e. the uplifted element. Were there any conversations with you about repayment?**
- NR No.
- MT **At page 38, two letters are sent from Lisa to Sarah Munby. The first seeking retrospective approval. There's not much to take you through.**
- NR It's interesting it was sent to Sarah. Oh, I see it said the Permanent Secretary had to be involved.
- MT **I presume as BEIS Principal Accounting Officer. And then there's a separate letter at page 46, sent a few days later.**
- NR The letter of apology? What was the first one?
- MT **The letter seeking approval.**

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- NR Did they not include retrospective approval in the first letter? Let me read this.  
[reads the letter]
- MT **RemCo took the view, after speaking to Dave Bickerton I understand, that it was best to separate it out into two letters.**
- NR Logical, I suppose.
- MT **There's a short response from Sarah Munby in respect of the apology letter, at page 48. Were you notified of any of this correspondence?**
- NR I don't know, I haven't seen, I didn't recall seeing this letter. I knew they had to apologise; I was told they were asking for retrospective approval. I don't recall seeing this letter.
- MT **Going back to Lisa's letter at page 46, in the third paragraph she says "We're taking steps to ensure any ambiguity about the approval process is removed." Do you have any idea what this is referring to?**
- NR No idea. I don't know who crafted the letter, I don't know who it came from.
- MT **Once you became aware that no shareholder approval had been obtained, did you suggest to anyone in the team "we need to have external controls and checks to ensure this doesn't happen again"?**
- NR I can't evidence it.
- MT **Can you recall suggesting that?**
- NR Not really. This is a RemCo failure, this is where the Accounting Officer vs RemCo problem arises. It seems very self-serving for me to be saying, intruding on a process that clearly impacts me. I found that quite difficult. If I'm honest, I would expect the CPO and Chair of RemCo and shareholder representative to be looking out and after my interests. It's not something I should be getting involved in, it feels deeply inappropriate.
- MT **In the Accounting Officer's guide-**
- NR I think the challenge here is that there is clear conflict between the Accounting Officer and Chief Executive's role. Sitting here listening to you talking about this, I'm feeling quite uncomfortable about it.
- MT **The Managing Public Money guide talks about conflicts. It says there can be no doubt that the Accounting Officer meets the standards described above with undivided loyalties. It suggests ways of dealing with conflicts, by declaring it, arranging someone other than the Accounting Officer to make the decision.**
- NR Did I do that? No.
- MT **If they believe there is a conflict, they can invite the Treasury to appoint an interim Accounting Officer. For serious and lasting conflicts, it suggests resignation. So there is a section about handling conflicts of interests.**



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- NR This is a classic example of where someone from a PLC, commercial background, would not consider the sort of scale of the way it's written. It's the application of how that in practice is played out, that's the problem I have.
- MT **In terms of asking if any steps were taken, I mentioned earlier that Ian Rudkin sent you email in December stating approval had been granted before payment was made.**
- NR I would argue that Amanda, having taken over from Lisa, following the Simmons and Simmons review and Amanda Burton report, this process has gone under a massive amount of scrutiny by Amanda. There was a 3-hour RemCo yesterday, I didn't attend at any stage, there was no concept of what's going on, we're trying to manage conflicts in a different way.
- MT **Would that suggest that someone, I don't know if Ian, took responsibility and said that changes need to be made?**
- NR Yes, clearly.
- MT **But that was something you were not privy to?**
- NR No.
- MT **Jane says Paul Wood resigned over this matter and that Lisa was demanding resignations from either Angela or Paul.**
- NR Really? I can't recall that, I wasn't aware of that.
- MT **I have seen Paul's resignation email. He resigned to Angela on 17 October 2022, it is very brief. It's shortly after this correspondence. The timing is something I'm considering. Do you think it may be related?**
- NR No.
- MT **What occurred with the annual reports and accounts in the end? I believe they couldn't be laid before Parliament until retrospective approval was obtained?**
- NR I don't believe that was the driver for why they were not laid. The annual report and accounts were held up because we needed letters of comfort from the government to support the fact we are a going concern and we have the funding to meet our liabilities for the next 12 months. It was not because of the £30,000.
- MT **This is an area where I'm waiting for documents. I have requested minutes from the audit, risk and compliance committee, where I understand this was discussed. This question is loaded with the benefit of hindsight, but with such hindsight, do you think as the Accounting Officer, it would have been prudent for you to check if prior shareholder approval was obtained before payment was made, or at least once it was received in your account?**
- NR I'm pausing because I would expect controls to be in place, I don't think it's my job to do that. I would expect the CPO and Rewards Director to have fulfilled that.

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**MT** Thank you. Those are all of my questions as to the multiplier.

**-broke at 11:15-**

**-reconvened at 11:22-**

**MT** The next questions I've got are about the allegation Jane has made that you bullied her in messages you sent about your dissatisfaction with your pay. I need to understand the background as to the negotiations or the approaches being made to the government about your pay. When did Henry start as Chair?

**NR** There was an interesting handover period between Angela and Jane where Tim Parker and Angela commissioned and received an independent benchmarking exercise into my pay, it concluded that I was underpaid. I was less than 50% of the median. My recollection is that Tim had written to Kwasi, Henry spoke to Grant Shapps. There was an interesting crossover between the two. It was immensely frustrating, I was cognisant that Angela and Tim had done something, Angela handed over to Jane, Jane took this on as her mission to succeed where Angela had failed.

**MT** Henry described that Jane had "the bit between her teeth" on this issue. Do you agree?

**NR** I would describe it as that Jane was a woman with a mission. She wanted this to work. I fully understand she saw this as an important demonstration of her capability. Henry and Jane formed a partnership as they joined on same day.

**MT** Yes, 1 December.

**NR** There was a natural bond, maybe that's too strong a word. There were a couple of things they wanted to do: 1) replace the UKGI representative; 2) to deal with my pay; 3) Al Cameron, replace the CFO. Those were the things they were mutually aligned on.

**MT** You mentioned Henry spoke to Grant Shapps. I can send you the letter he wrote to him, dated 11 November, about 3 weeks before Henry joins. Henry suggested he was doing preparatory work on the ground before his formal appointment and that he had a discussion with you about whether it was appropriate for him to be starting before he relinquished his appointment as WHSmith Chair. Is it right that he did some preparatory work for two months and then had a hip operation?

**NR** Just before he joined.

**MT** And he was not formally Chairman until December?

**NR** Yes.

**MT** Can you explain to me why is Henry sending a letter to Grant Shapps three weeks before his formal appointment?

**NR** I'm not sure. I was the one who was extremely clear he couldn't join the Post Office Board until 1 December when he relinquished the role of WHSmith Chair. Henry didn't see that conflict. It was very problematic for me, early

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warning signs. I thought it was very interesting. He was not seeing that one of my core contracts with strategic partners is WHSmith. He and his wife are shareholders, it was awkward. We had this to-ing and fro-ing and decided we would wait.

**MT In terms of the pay issue, were you aware that Henry was getting involved before he was formally appointed?**

NR Not to a major extent, we had brief conversations. I was conscious he was not Chair yet, it was the most important time of the year, with the budget and ARA time. He went through a series of meetings with colleagues, he used his time sensibly. He met his Board, he was not taking decisions or chairing the Board, but he was upskilling himself with POL. We put a comprehensive plan together. We wanted him to hit the ground running on 1 December. I was conscious he was getting involved, he was aware this was an issue. Tim Parker said it to him. Tim Parker said, "The last thing I said to Henry was don't lose Nick."

**MT I will provide you with Henry's letter and the response from Kevin Hollinrake.**

NR Grant Shapps didn't reply?

**MT No, but there was a meeting between Henry and Grant Shapps.**

NR There was a meeting?

**MT Yes there was, on 10 January.**

NR I'm certain he met Grant Shapps.

**MT He did. In terms of Henry's letter, he sets out the package that is being suggested for your pay, the justification, and puts forward a proposal of an increase in base salary to £535,800, an increase in the pay-out opportunities for the STIPS, LTIPs, the maximum for the STIP being 90% and 100% for the LTIP.**

NR Was that written in a letter?

**MT Yes, I will provide you with that.**

NR What would the total compensation uplift have been?

**MT £1,125,180. It seems like quite an ambitious request. What is shot through in Henry's letter is your clear unhappiness, or at least Henry's perception of your unhappiness, about your pay.**

NR Frustrating certainly.

**MT I think it goes further though. You were a flight risk at this time, is that fair?**

NR Yes, that's a fair summary.

**MT When Jane starts on 1 December, what discussion did you have with her about attempts to go to the government to increase your pay package?**

NR I wouldn't be surprised if me, Henry and Jane had a discussion. I was frustrated. They wanted me to stay and lead the business, they could see the unfairness in the way the process had been managed. I was slightly marched up the hill

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for the benchmarking exercise. When I took over the job, no one had ever begun to contemplate the notion of running a public inquiry, a compensation scheme, being thrust into the public domain. There was a certain degree of frustration, they were quick to reassure me that this was something they were keen to progress.

**MT One of Jane's allegations is that you'd made clear to her from day 1 that this was the utmost priority, to increase your pay package. Is that right?**

**NR** Anyone would tell you that's simply not true, that's not my style. I would say she had a bit between her teeth on this, she'd convinced herself that this was a measure of success, that she would succeed where Angela hadn't. I could see that. It is not my style to say something of that nature.

**MT Why was Jane keen to outperform Angela?**

**NR** Their competitiveness, I became aware of this in December, the handover hadn't gone as well as it could, I saw it as problematic. Angela left a bit earlier, to stop what was becoming, what I was hearing from their direct reports, a little embarrassing. Both of them were front footed, they clashed, there was no question about that. It was starting to look problematic from a stylistic perspective, both were not at their best.

**MT What discussions did you have with Jane about what her priorities should be?**

**NR** Off the top of my head I can't say what that process looked like. During the interview process, the mechanism I was sticking to, we should look at the job description, I was very clear that the role I needed fulfilling was cultural change in the organisation. The shareholder was not interested in trading profit, commercial activities, they were interested in whether culturally anything like this could happen again. The role for Jane was about what we can do to give the country at large confidence that we had culturally changed to prevent egregious failures in the past. That's where the focus of attention needed to be.

**MT I believe there is correspondence that takes place between you and Jane on around 16 December 2022, although I haven't received it yet. Could you search your emails to see if there was any discussion with her about the approaches made to government and Henry's letter regarding your remuneration package? Jane suggested you indicated to her that the government's refusal to increase your package was "reckless".**

**NR** That's a word I might use, it could easily be correct.

**MT I understand the meeting between Henry and Grant took place on 10 January 2023. Ultimately, it was a no – both in terms of an increase to the package and to retrospective approval of the 2021-22 bonus, as Henry was trying to deal with both matters simultaneously. Can you recall any conversation with Henry after that meeting?**

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NR The way he positioned it was "I'm afraid there was no joy in getting your pay uplift." He said "Dave Bickerton and Charles Donald are willing to have a conversation with you about that." I then had a conversation with those two. The Director General and Chief Executive of UKGI. I know them both, it was very cordial and pleasant. They laid out their circumstances. They were deeply embarrassed about it, uncomfortable with the conversation, they couldn't justify it. It was an awkward conversation that it's a no, but we can't tell you why.

MT **Did they say if there was scope for an increase?**

NR No.

MT **When was that conversation?**

NR Between 10-20 January, certainly early January.

MT **After Grant Shapps says no, it looks like Jane arranges a meeting with Tom Cooper quickly afterwards to see what if anything can be agreed. Were you aware of that?**

NR No.

MT **It looks like there's a discussion between Jane and Tom about whether a secondary proposal can be put forward.**

NR When?

MT **11 January, immediately after, the following day.**

NR I wonder when I saw Bickerton and Donald. He's quite material to the allegation she's making about bullying. After I'd seen those two, it was very obvious to me that Jane's tenacity, I use that word advisedly, was starting to undermine me, it was starting to look embarrassing, this badgering of government. It was obvious they were not going to move, I thought it was concerning. I told her "you need to desist, it's embarrassing, I have credibility with the government which is being undermined by this badgering". I think she found that quite difficult to hear.

MT **I've included in the bundle some Teams messages that passed between you and Jane. They start on page 70. On 13 January, Jane appears to copy and paste to you an email she sends to Henry, Tom and Roshana, explaining what was agreed. She says under 1) No clear decision on approval of the bonus but Roshana will have another run at it to see if they can get retrospective approval. They recognise the latter delay is holding up submission of the ARA. 2) Retention incentive. Tom was using the opportunity to propose a retention payment towards the smaller end of the scale. 3) Pay review: we agreed we'd add in the comment that the CEO will add some percentage increase. It looks like Jane is updating you on what had been suggested. Your response is at the bottom of page 71. Do you want to take some time to read that paragraph?**

NR Yes. [reads message]



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- MT** You say in relatively strident terms that you find the proposal insulting, that it won't work. In the last sentence, you say "The business needs me for the immediate year... if it's not possible, then you, me and Henry need to sit down face to face ahead of the Board meeting for a formal conversation. I can then advise the Board of my intentions." My understanding of what you are suggesting, is "I'm thinking of my next steps and whether I step down from POL." Is that right?
- NR** No, it's more to do with my grievance. My view was my goodwill was being abused, I think I was unfairly treated, not that I was going to leave.
- MT** Were you putting a personal onus on Jane to resolve the situation, failing which you'd resign?
- NR** No, it's not Jane's problem.
- MT** Following this message, there was conversation between you and Henry and Jane, perhaps on a Sunday evening, on 15 January. Do you recall that?
- NR** I don't recall it to be honest. I'm surprised we met on a Sunday.
- MT** It looks like shortly after those messages are exchanged, on 16 January, Jane speaks to Tom again and at this stage it's looking very likely that retrospective approval will finally be coming through. They're now moving towards concrete approval that they will introduce a 5% pay increase.
- NR** Yes, in line with everyone else.
- MT** There was also ongoing discussion about whether there could be any separate retention payment.
- NR** That didn't happen.
- MT** Do you recall Jane updating you on her conversation with Tom around that time?
- NR** No, now that you mention retention bonus, I don't recall that. My immediate recollection I was going to get the 5% pay increase, from July.
- MT** But you're not disputing she raised any discussion of a retention payment, which we see in her Teams message?
- NR** Maybe I need to read those. It looks like she did. The retention bonus never happened. What's the point?
- MT** I want to understand if she updated you on her conversation with Tom?
- NR** I'm sure she would have done.
- MT** At page 73, this moves onto 22 January, which is a Sunday. You send a Teams message saying "this situation has now moved beyond a Sunday evening chat. My patience has expired. There has been no progress since we discussed the matter on 13 January." I asked if Jane had updated you about the conversation with Tom because their discussion fell between 13 and 22 January. You say "You have now forced me to seek advice... I think you and Henry have some thinking to do or, to quote Henry 'we will end up in a real

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**self made mess’.” Your frustration is clear. I don’t want you to tell me about the legal advice you received, but were the options you were considering, namely moving to resignation or about other matters?**

NR No, as I said before I was aggrieved, as opposed to I’m going to walk out. I was aggrieved. It was the mucking around that I found so frustrating.

MT **When you say, “You’ve now forced me to seek advice, which I have done this weekend”, one interpretation could be that you’re putting the onus on Jane that she needs to sort this out, otherwise there will be consequences. Do you agree?**

NR I didn’t see that at all. This was a situation that was generated by the department, she doesn’t control my pay, the Secretary of State does, that’s the frustration.

MT **But Jane could perceive it that you’re pinning matters on her personally?**

NR It was certainly not my intention.

MT **Were you having similar discussions with Henry at this time?**

NR Yes, Henry was fully aware I was frustrated.

MT **Did you make your frustrations as plain to Henry as you did to Jane?**

NR Yes, if you ask Henry, he can very much recall that was the case.

MT **You said, “there’s been no progress since we discussed the matter on 13 January”. What realistically could you expect Jane or someone in the business to achieve within a week?**

NR I imagine she’d said she’d speak to Tom, I wanted that engagement and feedback from Tom. It’s important to recognise the conduit role Tom has in this process. Non-executive directors have resigned after a single term. Lisa and Zarin with one of them concluding that on RemCo “Tom had 10 votes, we have one”. The whole concept of RemCo is that it’s controlled by the shareholder representative, they determine everything. Tom is pivotal to this. He is the individual with whom the shareholder takes their guidance.

MT **I’ve detected some annoyance you had with Tom at the time?**

NR Yes, I think it’s an invidious position. The notion of having a UKGI representative on the Board must be challenged. It’s good to scrutinise as an investor/shareholder, but to have a vote in operations is flawed. Everyone has those thoughts about Tom. I think it’s a difficult job for Tom and for Lorna.

MT **Jane suggested there was then another meeting between the three of you on the Monday after those Teams messages. Jane says in that meeting, you said you were thinking about a formal grievance and a claim for constructive unfair dismissal, is that right?**

NR I certainly said about the grievance, I don’t recall specifically about constructive unfair dismissal, I may have done.

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**MT She said you indicated there had been a casualness or dismissiveness about your expectations being managed regarding pay. Do you recall that?**

NR By that stage I had probably spoken to Charles and David, I was probably reflecting what I perceived to be their casualness of just dismissing my thoughts.

**MT Jane said that Henry asked what it would take to keep you in post and her recollection was that you indicated you wanted a 10% pay rise, do you recall?**

NR I don't recall the specifics of that. I'm surprised, I would have thought by this stage that I'd had the Charles Donald conversation, I thought it was a runaway train that Jane and Henry were getting a bit carried away. I could see things were starting to seep into embarrassment and lacking in credibility because they said no. As that was my concern, I think that probably reinforces the fact, I was stimulated by the job and wanted to do it. But by continuing with this train of engagement, it was going to undermine my ability to do the job properly.

**MT Would Phillipa be able to help with dates of that meeting?**

NR I'm sure.

**MT Do you recall suggesting to Henry and Jane what you wanted?**

NR No, the stuff in December, that was fairly incredulous in terms of what they were proposing. I imagine I would have done a counter-offer, I don't recall the detail. But logically I would have probably said, "Look let's do this properly."

**MT Did you put together any notes following any meeting with lawyers?**

NR I doubt it.

**MT Shortly after this conversation, on around 25 January, Henry has a conversation with David and Charles. Were you aware of that conversation?**

NR I wonder whether that was before or after I did, I assume before.

**MT David and Charles confirm to Henry that they have spoken to the Secretary of State, who will approve the 5% increase and that there was no need to repay the bonus.**

NR Yes, I remember this.

**MT But the Secretary of State was not happy with the retention payment or any increase of variable pay, is that right?**

NR Yes, I remember because it was clear they hadn't spoken to the Secretary of State when they said to Henry that they had. I think my conversation with Charles Donald and David was after that. One of the offers they made to Henry was they would speak to me.

**MT When you were told that information, about the 5% increase, the retrospective approval, how did you feel?**

NR Not great, still frustrated. I didn't think it was appropriate.

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**MT Did you direct your irritation towards Jane?**

**NR** No, they facilitate the process, they're not making the process, they're not the people saying no. They came to this very late, I had no expectation they were going to transform the world. It was about Charles, Tom, David, the Secretary of State.

**MT Discussions then take place about when the pay rise takes effect.**

**NR** There was a retrospective debate.

**MT I've not seen correspondence after January. I have seen the letter from Kevin Hollinrake dated 21 April 2023. He refers to a decision by the Secretary of State, Grant Shapps, in January to retrospectively approval the bonus-**

**NR** Who is the letter to?

**MT Henry. And to approve an increase in base pay from April 2023. It goes on to say that they will approve the request that the pay rise be backdated to 2022. It says "I'm clear this replaces, and is not in addition to, the 2023 pay rise and no further pay rise for 2023-24 will be considered."**

**NR** I remember that there would be no quid pro quo increase.

**MT It then says going forward, appropriate steps need to be taken to ensure there is no further miscommunication regarding pay requests and approvals.**

**NR** What do they mean by that?

**MT That's my questions. What pay requests is he referring to?**

**NR** I don't know. What did you interpret it as?

**MT Possibly that an agreement had been reached for the pay increase to take effect from 2023, the government said it was fine and resolved, then RemCo come back and said can it be backdated to 2022. Is there miscommunication or unhappiness about backdating?**

**NR** I don't know, I can't answer that.

**MT Did anyone inform you about Kevin Hollinrake's letter? Or is it best for me to provide that to you first?**

**NR** Yes, provide that to me.

**MT Did you exchange any WhatsApp or text messages with Jane about pay?**

**NR** Teams messages, I think you've got them here. I don't think we used WhatsApp or anything like that.

**MT Is that a matter you could check at all? Jane indicated that there were several messages. I think there's been reluctance from the business to ask you for them.**

**NR** Has she not provided them with you?

**MT No, just a few screenshots. Would you be able to check on your phone? Between December 2022 to April 2023 regarding the issue of pay. Unless**

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**there's anything else you want to show me. Those were all the questions I want to ask you regarding the allegation that you bullied her. We will move forward in chronology. Jane says that you held her personally responsible for not achieving the remuneration package you wanted and you then started to become distant and ignore her and her work from the end of January.**

NR The end of January 2023?

MT **Yes.**

NR Can she evidence that?

MT **Do you have any comments about that allegation?**

NR I think it's deeply unfair. It's not my style. You could speak to Philippa, Liz, anyone in the organisation, that's not the way I operate. I would say that there are examples of me speaking to people in the leadership team, me visibly endorsing her agenda, her work. I think it's a strange characterisation.

MT **In terms of specifics, I suspect this will be better dealt with by giving you a chance to do some homework. She says there are 12 emails that she sent you that you didn't acknowledge or deal with substantively, as an example of you ignoring her.**

NR I get millions of emails.

MT **I have included the emails in that pack. They start from page 85. We can go through them now or I can give you time to review them.**

NR I don't think we should go through them now.

MT **She says there was either no acknowledgment at all of her emails, or very artificial acknowledgment and no actual discussion of the points she was raising. I want to understand, whether you did respond or not, maybe not by email but in a meeting?**

NR I talk to people, I engage with people, people come and speak to me. Do I wait for emails when someone sits 20 yards away? She was in the other office, 20 yards away.

MT **Did she come in every day?**

NR No not every day, probably 3-4 days a week.

MT **To the best of my ability, I'm trying to work out if you provided any substantive response. And if you didn't, what was the reason for that?**

NR I think it's a better use of our time for me to go away and look and come back to you on that.

MT **There were other aspects where she says she was ignored in a different way, not just in emails. She gave a few examples. Firstly, a culture club meeting in February 2023, do you recall that?**

NR I do remember Sonija Silkerbhul ran a Culture Club, it was a grouping, Sonija had collected individuals around the organisation, sort of a focus group.



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- MT** Jane suggested she didn't attend because it was being run by colleagues that had complained about her. It was just after **GRO** email and the complaints that flowed from that. She says you attended, is that right?
- NR** I could easily have done.
- MT** And that after the meeting you sent her a list of actions. I haven't got the documents in respect of this, I'm still waiting for them. Janes says you demonstrated a lack of respect for her by providing her with a list of actions when she hadn't attended the meeting. What do you say to that? I appreciate that may be difficult to answer without any documents.
- NR** With no emails, it's pretty unsubstantiated. After **GRO** resigned, there were three Speak Ups, two individuals came to see me as well to talk about it. Six individuals had made formal complaints to me about her. I think in itself that's unusual. Her accusation or the allegation about the culture club is that I sent a list of things to do?
- MT** Which she says was disrespectful when she hadn't been allowed to attend.
- NR** Who didn't allow her to attend? Given her direct report organised it, it seems like a leadership issue. This was in February, before she went off in March with mental health issues.
- MT** I thought it was later in May?
- NR** She had holidays and was off sporadically before the leadership conference, she was absent for 6 weeks before that which was troubling because we were about to have the colleague conference.
- MT** We'll come back to that.
- NR** It was very difficult, in terms of her levels of engagement, her ownership of the content, and then turning up, missing practices, and turning up on the day to present, it was really tricky
- MT** You may not be able to comment on it unless and until I have the emails.
- NR** It seems unusual for a senior CPO to suggest she can't attend a meeting with her direct reports and I've sent documentation following a meeting and she says that's disrespectful. The culture club as a name used to really irritate me. Sonja was Austrian, I was worried that the notion of culture club was, they were a pop group. It was a strange name for an internal focus group. Sonja was very clear that this group would help her shape and determine underlying cultural challenges. She invited me to come, I went, it's peculiar that as the single most important thing I wanted Jane to deliver, that she didn't attend that meeting.
- MT** The next allegation of you ignoring and marginalising her is that she says she wasn't added to the WhatsApp GE group for several months. Is there such a group?
- NR** The last time I sent a WhatsApp GE message was 6 months ago. It was established by Philippa, it was not really used, I don't know whether she was

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added or not added. It was not a tool we used to manage business. It was a Covid tool, we didn't use it after that.

**MT Did Philippa administer it?**

NR She set it up.

**MT Was there any conscious decision not to add Jane until March?**

NR No. It was a tool used during Covid, we didn't use it after that.

**MT Jane then says there was a Women in Leadership meeting which you attended. She alleges you deliberately excluded her from that meeting. What do you say to that?**

NR The clue is in the name. I would have been invited by Affinity Partnership to speak to it. We have four networks in the EDI space, Affinity Network which looks after gender, female, it's a brilliantly run network. We have the BU network, for disability and mental health. We have the complexions network, for race. The prism network, the LGBT+ group. The Affinity Network is the most brilliantly run group.

**MT Who runs it?**

NR The sponsor is Chrysanthi Pispinis who sits on it. I don't remember it, you might want to ask her.

**MT What is the Top 100 leadership meeting?**

NR The SLG.

**MT Jane says there was a meeting on 17 April 2023. She says she asked you to chair the meeting but sensed a reluctance by you to do so. She says she asked you in front of everyone attending, "is this why you have been ignoring me?", and that you replied "you'll get used to it". Do you have any comments?**

NR What an extraordinary sequence of claims. Anyone who knows me knows I lead from the front. At the SLG meeting I do three things. It's with the Top 100 in the organisation, it's there to deliver the yearly plan, the organisation culture, it's the delivery vehicle for me to cascade. It's a hugely important meeting, and it's one I owned. I must remain calm, I find that type of allegation frustrating. Visible leadership is what I do, it's how I engage, how I lead. It's an odd accusation.

**MT She says she asked you "why have you been ignoring me?", did she say that?**

NR The group has nothing to do with her, it's my group so I can talk to the leadership team.

**MT She says your response was "you'll get used to it", i.e. you acknowledged you were ignoring her. Do you recall Jane raising with you that she felt you were ignoring her?**

NR No, I find that allegation deeply offensive.

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**MT** The final example she provides is she says that, I'm not sure if this is same meeting or at a different SLG meeting in April-

**NR** Was it before the conference or afterwards?

**MT** It's not clear. She says there was a discussion about negotiations with the CWU at the time. She says you insinuated that they had softened their approach and there was potential room for negotiations to start or carry on. Jane says actually she'd been told that the CWU were planning industrial action and felt that your comments were either ignoring or undermining her. What do you say to that?

**NR** I would have a completely different view on that. She did a great job with negotiations with the CWU. I gave her the kudos, credence, credibility. The CWU negotiations this time last year were a huge success. I was absolutely delighted with the 2-year deal. I'm aware that came from a combination with the legal and HR team. I don't recall that, that's simply not true.

**MT** Those were all the allegations I want to put to you on this point.

-break at 12:19-

-reconvened at 12:23-

**MT** One last question in terms of the allegation that you ignored Jane. How, generally, would you characterise your relationship with Jane before the end?

**NR** I would say between December to February, I would characterise it as pretty good. I don't know if that's how she construed it. I wanted her to succeed, it was important. She was the fourth CPO I'd had in the organisation. When I'd joined the outgoing CPO had already resigned and left three months after I joined. I promoted Lisa Cherry who was great but went on maternity leave. Angela stepped in. Then Jane was the fourth. It was really important to get it right and for it to work. On reflection, the first three weeks were peculiar, her arriving in the business. She was a lady in a hurry. When I reflect on it now, I tried to back her as much as I could visibly, it was really important to do that. Angela was popular. Jane wanted to establish herself.

I think one of the challenges she had, having created an environment where three of the senior team left and she was bringing in three of her own quickly, it was quite destabilising. Those three are still here, they're still working with us. The appointing and losing people, she went to action before she listened. It was always a very dangerous place to be. She wasn't great at listening. When you come from the rough and tumble of the PLC commercial world, to a government organisation, the change is very significant. The adjustment is important. By the end of the third month, I was acutely conscious, we'd had a number of grievances that this was going to be difficult. I asked someone to come in and lead cultural change. By that stage there had been six formal grievances in less than three months. It was strange for a CPO. That's contrasted with Karen's arrival. She's 4-5 months in. It would be interesting for you to speak to her of how she's gone about things. Between December and

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February, I was very keen for her to work and succeed and be visibly seen to be supporting her. I think I became more circumspect once the six allegations came on my desk, I realised it was hugely problematic to invite this individual to lead public change. I became more circumspect from March-April, then she was absent. It was difficult I think.

**MT I want to ask you about this today, rather than on Tuesday. With respect to the allegations Jane makes against Henry, you're not directly involved but I need to explore them with you. The allegation is that at a meeting with Green Park on 25 January 2023, for the recruitment of the independent NED role, she alleges Henry referred to women as "pains in the arse", that he said about one candidate "She doesn't look coloured, where does she come from?", and that he referred to the younger female candidates as "girls" and older female candidates as "ladies".**

**NR** I don't think I was at that meeting.

**MT You weren't. Jane says she raised concerns about Henry's language at the meeting with you almost immediately afterwards, do you recall that?**

**NR** I don't recall this. I don't recall this meeting or any conversation after.

**MT Did she ever raise any concerns with you generally about Henry's behaviour?**

**NR** Again I can't recall a specific allegation about him. Every Chairman, every senior individual, people talk about. But I don't recall anything specific.

**MT Did she have any discussions with you where she suggested his behaviour had crossed a line when talking to someone else?**

**NR** I don't recall that. No one from the executive came to me about it. I can't opine on that.

**MT Did Jane come to you and suggest there needed to be EDI training for NEDs?**

**NR** I think she did, I can't be specific but I think she did. That was very topical for us all this time last year. It's a core part of the cultural change. I would very well imagine, we were very sensitive this time last year of inclusiveness of the board. I find myself increasingly leading the business, we had this board, it was almost advisory rather than providing leadership, I'm choosing my words carefully here. As we went through spring into summer, I was the leader.

**MT Why was the matter of EDI training topical?**

**NR** We were building a cultural plan we were going to put in place. It was a key component. We had a summit in August. We wanted to be clear on goals we were going to set across the organisation. I was asking this time last year for a set of metrics, a way to measure, a set of actions, part of those was EDI training, workshops. I wanted the Board to be seen to be owning it and a part of this.

**MT I appreciate that last year issues came to light in terms of the racist profiling of Postmasters?**

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- NR That wasn't the trigger, that's concluding in the next couple of weeks. It's a really interesting area. It's not been used in the organisation since 2013, but that's not the point.
- MT **It's a difficult question to ask you, but you're not the only person I've put this to. Have you heard Henry use language considered old-fashioned or insensitive to describe women or people from BAME backgrounds?**
- NR No I didn't. He's old school. But I've never heard that, no racist slurs or anything of that nature.
- MT **Have you ever heard Henry use language where you thought "I wouldn't use that expression"?**
- NR Yes. I just think he's of a different generation. I don't think there was terminology that was sexist or racist. He was just different in the way he was from a different generation. Old-fashioned as opposed to inappropriate. I'm trying to think of how to illustrate that.
- MT **Was it an impression you built up of him?**
- NR It was more of an impression than a specific incident. An inability to use technology. It's not a fair characterisation from me. He was a lot older.
- MT **I need to discuss the circumstances surrounding Henry's dismissal from his appointment in light of information that has been shared with me. What's your understanding as to the factors before the Secretary of State in terms of reaching her decision to dismiss Henry?**
- NR I've only had conversations with Ben Tidswell who I know wrote to the Secretary of State the Monday before last, 14-16 days ago. There were a number of allegations. There was the Project Pineapple allegation. Which I think was an important part of this conversation to say the least. There was behaviour towards Amanda Burton in terms of aggressive behaviour, I think that was the way Ben described it to me.
- MT **Do you know what that behaviour towards Amanda was about?**
- NR It's hearsay. The way it was described was she was pulled out of a meeting and he was rude to her on the phone. I wasn't there, I'm merely playing back what I heard.
- MT **In terms of why he was annoyed, was it about this investigation?**
- NR It was about the investigation, there is confusion about whether it was Speak Up or the Employment Tribunal litigation. But I absolutely agree it was an inappropriate attempt to circumvent this process. If you're going to ask me, I'll pre-empt it, I had this conversation with the department this morning. It was an appalling appointment, misguided, he was the wrong individual at this time. The manner he was dismissed was equally awful. We had to change, the Chairmanship of the business had to change.



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**MT** I'm particularly interested in the extent to which Henry tried to disrupt or prevent the investigation from proceeding because he didn't want me to make findings of fact about him. Is that the impression you got from him?

**NR** No, it's an interesting question though.

**MT** Did he ever raise with you his desire for the investigation not to proceed?

**NR** He talked about "this is bloody ridiculous you've got so much on", that type of language, in a sort of rant.

**MT** Do you think Henry was able to identify whether he had a conflict of interest?

**NR** I don't know, I'm not sure I can answer that.

**MT** You've mentioned through hearsay-

**NR** I know the reasons why the Secretary of State did what she did, I hope I've conveyed that in a way which is consistent with what other people have said.

**MT** Are you aware of Henry having conversations with Ben Foat, Karen or Lorna about this investigation and whether it should proceed?

**NR** No, he ranted to me. I think he might have said to Ben on reflection. I think Ben said to me that Henry was very agitated about the investigation, I don't know if he spoke to Karen. Certainly Ben, I don't know about Karen.

**MT** Did Ben Foat come to you about the discussion he had with Henry about the investigation?

**NR** No, he did raise that it was a concern for the Chairman and obviously I was conflicted, and that he'd raised it with Ben Tidswell. He informed me of what he'd done.

**MT** Let's discuss Angela Williams. She's recruited as maternity leave cover for Lisa Cherry, starting on 19 April 2021. Her contract of employment says her term is initially fixed until April 2022?

**NR** Yes, it was a fixed-term contract.

**MT** But on 1 June 2021, her role was extended to 31 August 2022. Why was that?

**NR** The indication from Angela was that Lisa was not coming back.

**MT** At all or that she was extending her leave?

**NR** Extending her maternity leave.

**MT** There's an email in the bundle of documents where you provide everyone with an update, at page 51. The email you send to Lisa Harrington is giving an update on the situation. You say at this stage "Angela formally leaves us at the end of April". You were writing this in April 2022. Why did you say this when the contract was already extended to the end of August 2022?

**NR** I don't know.

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- MT** It says Lisa has signposted that she doesn't intend to return. It says "It's not my intention to recruit an interim HR director, as there is too much turnover, and Angela has agreed to stay on for 3-4 months."
- NR** Was the process for permanent recruitment underway at this stage?
- MT** I think that came a bit later. It appears you didn't want to go through the hassle of interim recruitment, given the high turnover?
- NR** I didn't want to have a short-term external recruit nor an internal permanent recruitment. I thought the department has had enough upset as it is, let's not go for a short-term recruit. I wanted to make sure we continued with activities and actions around Angela, it had been a good year. It seemed like the most pragmatic solution was for her to stay in her capacity. It was not ideal, but it was a pragmatic solution in light of the fact that we had had 3 CPOs already.
- MT** Why did Angela agree to continue but on a part-time basis?
- NR** She was going to take on a new job, she would fulfil the role prior to taking on new role, there would be a period of crossover while she was in the new role, that was sort of the logic for doing so. I don't know how long we thought the role going to last, we clearly thought we would have someone in post much quicker than they were. It was a precarious position, she had a part-time job, we wanted continuity. It was not ideal, I was not wanting to operate in that kind of way. But it seemed the pragmatic way to ensure continuity.
- MT** Was her other role in an organisation called Corsearch?
- NR** I don't know. You must know it is, I don't know.
- MT** That's the information I have.
- NR** It doesn't ring a bell. She went to a private equity-backed education business.
- MT** Is your understanding that her outside role was being conducted on a full-time or part-time basis?
- NR** I don't know.
- MT** Angela's contract included a standard clause saying she was required to devote her full time and attention to the Post Office's business. If she's undertaking a full-time role elsewhere, did you have concerns about whether she could devote her full time to the business?
- NR** Yes. The reassurance she gave me was that it was an American business, her work didn't start until 2pm, so she had the mornings to do work for us.
- MT** Is there likely to be email correspondence between you and Angela about that?
- NR** I don't know, there might be, I can find them.
- MT** Did you have a meeting about the suggestion?
- NR** Yes, we would have discussed this.
- MT** Was it by mutual consent or did one of you propose this?

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- NR I think Angela proposed it.
- MT **We can see Lisa's response. She says "there's a lot going on for the GE, I'm supportive of your valuation of Angela. She's indeed a pleasure to work with. My only question regarding your update is whether we have/can commence a CHRO search. It would be a risk to carry that out without a HR leader. I don't want to initiate a public search until Lisa Cherry has formally resigned." Was your understanding that Lisa said full steam ahead with the proposal?**
- NR Yes.
- MT **Was this a matter for which you needed approval from the RemCo Chair?**
- NR No.
- MT **Did you have any discussion about Angela's contract on a part-time basis at any e.g. RemCo meetings?**
- NR Not that I'm aware, I don't think so.
- MT **I want to understand the proposals regarding her salary. When undertaking a full-time role, her salary was £280,000. We have the amendments to her contract at page 53. It was agreed she'd be working 16-18 hours, equivalent to two working days. If you pro-rate her previous pay, that is equivalent to £112,000. Instead, she's getting paid £168,000. That's quite a sizeable increase from her pro-rated pay. In other terms, the FTE of her new pay is £420,000. Was there any reason for such an increase?**
- NR That doesn't seem to make sense does it. I'll have to take that away.
- MT **Are you aware if RemCo had any oversight of her salary?**
- NR I'm not sure, I don't know.
- MT **This may/may not account for the change. I've seen correspondence from Paul Wood at page 55. For context, this is after Paul has resigned but before he's left POL. He says at the top "I'm not sure if this information is actionable...in actuality the rate agreed and already being paid already takes into account the bonus and LTIP, i.e. it's baked into an annual equivalent of £420k per annum." If Paul is right, why would you do that?**
- NR I agree, I don't understand that. I think we'd have to ask Paul.
- MT **If you go back to the offer on page 53, the bottom three bullet points, it says Angela will no longer be eligible for the 2022-23 STIP, but will be for the 2021-22 STIP. It's similar for the LTIP. I'd be grateful if you can ascertain if there is any particular reason why her pay was structured in this way. As far as I've seen so far, it was you that was negotiating with Angela.**
- NR Yes.
- MT **The other allegation Jane raises about Angela is that she says you approved her good leaver status, contrary to the scheme rules for the LTIP.**
- NR She wasn't involved in the scheme, that's sort of irrelevant isn't it?

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- MT** My understanding of the LTIP rules in place at the time Angela left was that someone leaving upon expiry of a fixed-term contract could be regarded as a good leaver, is that right?
- NR** It was custom and practice.
- MT** And that has since changed?
- NR** Yes, most definitely.
- MT** I understand that as of April 2023 people on fixed-term contracts are no longer regarded as good leavers?
- NR** Yes, the rule changed.
- MT** Jane contends Lisa Harrington indicated in March 2023 that Angela should not be receiving any ongoing bonus, any LTIP. Jane thought there was a conversation between you and Lisa about Angela's entitlement to LTIP, do you recall this?
- NR** I don't recall it. Lisa said it to Jane?
- MT** Yes, so Jane says.
- NR** I don't recall that conversation. That may or may not have been the case, I can't comment on it. I don't recall her having a conversation with Angela in March last year.
- MT** Those were the questions I have regarding Angela. I'll ask questions about Ben Cooke now. Jane alleges Ben, who was Branch and Digital Engineering Director, moved from permanent employment to a temporary contractor, contrary to POL's Recruitment and Onboarding policy. The policy suggests POL won't re-employ or re-engage as a contractor anyone who has left the organisation for misconduct, redundancy, under a settlement agreement, retirement or ill health, unless in exceptional circumstances. Exceptional circumstances can be signed off for re-employment, provided the individual is not drawing down an enhanced pension, and is fit to work.
- I've seen a settlement agreement entered into between POL and Ben Cooke regarding the termination of his employment for which he appears to receive compensation.
- NR** This was signed off by Jane?
- MT** Yes. At page 59, there's an email chain between Zdravko Mladenov, Angela, you, Lee Kelly and Jane was later brought in. Looking at the email on 2 November 2022, it refers to what's been negotiated subject to your and Angela's approval.
- NR** Presumably Angela will play the role of CPO and decide whether this was the appropriate course of action?
- MT** There seems to be a dispute about whether Ben Cooke was made redundant. Zdravko says "for the avoidance of doubt and for the audit trail, I don't believe he has been made redundant or constructively dismissed."

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- NR To be fair, this is in the weeds type stuff. I get copied in because it covers people's arses. It's not really work for me if I'm brutally honest, I'm a bit above this day-to-day stuff.
- MT **In the email in the top half of the page, first paragraph, he then changes his tune and says "I believe there is no issue with switch to contractor...As such this makes the redundancy genuine in the eyes of HMRC." Did you understand Ben Cooke was leaving as an employee having been made redundant and was returning as a contractor?**
- NR This is so beneath my role, I don't reply because I left it with Angela, Lee Kelly and others for them to decide. I would expect the CPO to ensure that policies are appropriately determined. As group CEO I'm a bit beyond managing these types of things.
- MT **Whose responsibility was it to sign this off?**
- NR The CPO. I don't think Zdravko is a specialist in this.
- MT **At page 58, Zdravko sends an email in April 2023, Jane is included. He says "Nick, as you recall Ben had a questionable redundancy claim...He converted short-term to a contractor in order for us not to lose his tremendous knowledge." It looks like there's been a breach of the policy in that Ben left under a settlement agreement or redundancy and then was re-engaged?**
- NR That could be the case, I'm not close enough to the detail. Nicola Merritt will help, she's HR Director of IT.
- MT **The People Director can authorise the re-engagement.**
- There are Teams messages between you and Jane on the topic, at page 79. These are Teams messages between you and Jane on 2 February, she says "just checking you're aware of Ben's settlement agreement..." You say, "Zdravko mentioned this yesterday, to be honest he didn't share numbers and I didn't digest/challenge the approach."**
- NR It looks to me like I wasn't aware.
- MT **Did you understand Zdravko had asked you for sign off?**
- NR No, it was not for me to sign off.
- MT **Ben was on a salary, I think about £120,000 before he left, which is very roughly a daily rate of £550. He's now coming back as a contractor on £1,500 per day, equivalent to a salary of £360,000.**
- NR That seems an enormous sum of money.
- MT **Do you know who was setting the sums for his return?**
- NR Zdravko and Nicola I would assume, or the talent director or reward director. Someone who reports to the CPO.
- MT **Does this give you any concerns, particularly as the Accounting Officer responsible for ensuring value for money?**



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- NR This sounds peculiar, I agree.
- MT **I might take that up with Nicola. At page 74, this is a Teams message with Jane (the date is in an American format) on 1 February. Jane says here “I will keep you posted on the policies and will await return from holiday for sign off. But contractor engagement is becoming weary.” She goes on to discuss Sonal issues. What or who is Sonal?**
- NR I don’t know what Sonal is. Zdravko seems to want me to solve the Sonal issue. Let me think about it. Does she reply to it? Yes she calls it Sonal too. There is obviously a Sonal, whatever that is it. It might be like Morsons or someone, a contracting organisation. We have a contractor IR35 type issue, we have a blanket firm that we contract through for individuals to join.
- MT **An umbrella agency?**
- NR It may well be that.
- MT **Did you have any discussion with Jane around this time about “flipping” employees to contractors?**
- NR Being candid, I recall at the time this was a bone of contention between Zdravko and Jane on the speed of recruitment and how individuals could be recruited. I didn’t get into the detail. It was about contractors versus permanent employees, recruitment policies, I knew it was something that frustrated them both.
- MT **Thank you. We’ve still got left to discuss the allegations of recruitment of the four GE members. Let’s start with Ben Foat.**
- NR Who was already in post before I joined the organisation. Then there was Zdravko who was working for McKinsey as part of their overall strategy team in 2020. He was part of the McKinsey strategy team, we spent hours with NomCo and RemCo. It was very specific, the individual has been working for over a year, let’s see if we can get him over the line. I knew we had to compete with McKinsey’s salary. Richard Taylor was recruited through a fair process through Ridgeway. Martin Roberts was recruited through Korn Ferry, which was also a fair recruitment process. I think Lisa Cherry ran the Richard one. Lisa and/or Angela ran the Martin one. It’s a rather strange allegation.
- MT **It’s not linked directly to Jane’s gender discrimination accusations, but she’s saying you were running an old boy’s network. In terms of Zdravko, I’d understood he was recruited internally?**
- NR No, he was working for McKinsey, he was recruited from there, he worked for Jeff Smyth. It was something Tom, Lisa Harrington were very excited about that we could attract a McKinsey partner.
- MT **Were any head-hunters involved in that process?**
- NR I don’t think so. We negotiated with McKinsey, they were working on our strategy with us. I had conversations with McKinsey, we wanted to keep them

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onside as well. Did we advertise internally? I can't remember the specifics of how it happened but those were the mechanics.

**MT Richard and Martin were both external, you said?**

NR Yes, through Ridgeway and Korn Ferry.

**MT Had you worked with Martin or Richard before they came to POL?**

NR No.

**MT Did you know them socially?**

NR No not at all.

**MT Were you involved in the interview panels of any of those three?**

NR Yes, they would be working for me.

**MT Was anyone else sat on the interview panel?**

NR The CPO would have been on both. As part of the process it would have been they were interviewed by UKGI, two if not at least three Board members, at least two members of the GE. That was six to seven interviewers for each, and me and the CPO would decide from there where we should go.

**MT I may come back to you on this allegation once I've received further documents on this matter. Jane alleges you instructed her not to formally investigate [GRO] behaviour at a function on around 3 March with Fenchurch Partners. You, [GRO] and Owen attended the dinner. What's your recollection of [GRO] behaviour at that dinner?**

NR There's a file note Owen Woodley wrote about the event, I'm happy for you to see that and speak with Owen.

**MT Is Owen still in the business?**

NR Yes he's deputy CEO. He's stepping down on 31 August. It would be good for you to speak to him. [GRO] stopped listening as the dinner went on, he let himself down. In line with the disciplinary process, it was logical that Owen as his line manager should have a conversation with him, he might need a bit of coaching, think about what went wrong, let's have a conversation about it. The notion of a formal process by someone not at the dinner seemed inappropriate. It was my call, my decision. I'm happy for you to speak to Owen, Fenchurch Partners, see the file note.

**MT What was [GRO] behaviour like at the dinner?**

NR He stopped listening, he was belligerent. These are our advisers, it was not a formal disciplinary process, it was an important meeting. It was not right for me to intervene. It was right for Owen to speak to him the next day, he got a humble apology from [GRO] who recognised he had overstepped the mark, he had been overly forthright.

**MT Because he had too much to drink?**

NR It could have been, I was not watching what he'd drank.

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- MT Did he seem drunk?**
- NR** No, just too belligerent.
- MT With the advisors?**
- NR** Yes, they're our financial advisors.
- MT Jane says you told her that [GRO] had been extremely drunk the night before, did you say that?**
- NR** No, I didn't say that.
- MT And that you had left early because you were angry with his behaviour?**
- NR** No, I left at about 10-10:30pm, it was time for me to do so. The advisors had worked on a deal with us, we invited them to dinner to be updated on progress, to get to know the two advisors who had worked on the deal.
- MT Before you left, did you ask Owen to keep an eye on [GRO]?**
- NR** No, I didn't think so.
- MT Jane says a client advisor emailed you at 1am to complain about [GRO] conduct, is that right?**
- NR** We can find out. I don't remember Fenchurch emailing in the middle of the night, I spoke to them afterwards. They were of the opinion that [GRO] had been more vociferous than he might have been. It was an embarrassing situation. The inference is blown out of proportion that it was inappropriate for Owen to speak as a line manager. It was fully recognised by [GRO] that he'd been too loud.
- MT Jane says when Owen and [GRO] had a conversation the next day, [GRO] was very remorseful as he felt he was going to be sacked, is that right?**
- NR** You would have to ask [GRO] but I don't believe that to be the case.
- MT At page 83 there's a Teams message, it says "Just thinking about [GRO] behaviour. I know Owen dealt with it informally. It would have been reported to me for me to handle, formally investigate. It worries me culturally that we have not dealt with this openly...Owen is clearly too close to [GRO] as he should have raised this with me." We see your response at page 81, "No, I don't think it needs that response, this was just disappointing and belligerent behaviour... it wasn't a formal disciplinary issue" Jane says "Ok, it is highly unusual and not great for a senior leader." If an employee is drunk at work, is that a matter that might be a misconduct issue?**
- NR** Yes, I would have thought so.
- MT But what distinguishes this incident in your mind is that it didn't take place at work?**
- NR** It was not at work and I didn't say he was drunk.
- MT Was there any further conversation with Jane about [GRO] after she says "let's park it"?**
- NR** I don't know.

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- MT** Jane also alleges you decided you didn't want to pursue an investigation into the matter because you were close with [GRO]. What do you say to that?
- NR** No, I'm no closer with him than with anyone else. [GRO]  
[GRO] I happen to see him. I haven't seen him in nine months. Our paths cross occasionally.
- MT** How frequently do your paths cross?
- NR** In the three years I've known [GRO] I've never stepped foot in his house. I've invited him to a drinks party in my house. That's about it.
- MT** Do you have any response to the allegation that you didn't pursue an investigation because of your relationship?
- NR** It's simply not true. I treat [GRO] no differently than I do anyone else and you can ask anyone in this organisation. I find that a bit offensive as a statement.
- MT** Jane also suggests you wanted to avoid an investigation into [GRO] because you feared things might come out of woodwork, what do you say to that?
- NR** Is she implying that something else happened to me?
- MT** She's implying that [GRO] was protected-
- NR** It's an extraordinary allegation.
- MT** Those are all the questions I have regarding [GRO]. If you're happy to continue, let's deal with the letter to the Board. Jane says she sent a letter to Henry on 24 May 2023. In that letter she complains she felt she was subject to the investigation, Project RoseOne, because of issues she said she highlighted to the organisation, i.e. whistleblowing. She said that was a complaint she made to you previously, do you recall that?
- NR** No.
- MT** She says you told her to speak to Amanda Burton. Do you recall that?
- NR** I may have said that, Amanda is Speak Up champion, she's the logical route for her to go through.
- MT** Can you directly recall saying to Jane "speak to Amanda instead of me"?
- NR** I don't directly recall it, but if she said she had a Speak Up issue I would have told her that's where you go.
- MT** Back to the gender discrimination allegations, in terms of the different points, we've already dealt with two aspects of them, i.e. alleged bullying and ignoring her. Another aspect is that she says you patronised her and showed a lack of respect by assigning male GE members to work alongside her.
- NR** What does she mean by that?
- MT** She gives two examples: 1) The Post Office conference on or around 25 April 2023. She says you weren't happy with Richard Taylor in his role, you wanted him to leave the business because you didn't feel he was creative and he was

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**too slow in forming ideas. She says you promised her she would subsume the internal communications role, is that right?**

NR Richard was responsible for the conference and internal communications. We had a conversation where we could imagine postmaster communications being returned to retail, internal communications being returned to HR.

**MT Jane's understanding was she would be heavily involved in preparation for the conference, as she wanted to drive through cultural change, taking on the internal communications role. What do you say to that?**

NR The conference was run entirely by Richard, I would expect him to work with HR because it was the colleague conference. The mechanics and structure and the way the conference works was entirely Richard's responsibility. Would I have expected Jane to be engaging with Richard in the construction of the conference? Absolutely I would.

**MT You mentioned earlier she was absent prior to the conference, but then turned up at the conference?**

NR Philippa is better placed to explain. My recollection was that there was a combination of her being off, prepping for the Speak Up investigations, being off on holiday. There was an absolute disconnect in the three weeks before the conference, it was alarming. Owen had to step up, take on her slides, prepare the speech. She turned up the night before, it was too late to do a practice. She had breakfast with me and Henry, we had a practice. It was as you would expect from someone who hasn't prepped, done slides, shaped the culture.

**MT Jane says she asked you to spend more time with her in helping her to prepare and that you chose not to and spent more time with Richard?**

NR I'm front and centre for the colleague conference. Richard spends time helping me with my speech, my slides. Jane's absence made it more pressing for me to be more present and be all over the detail. Had she been more present it would be different, she was absent. The content of the conference had not been developed, presumably because of the investigation. I need to be sort of understanding but the bottom line was that Jane didn't engage in the conference, it was deeply disappointing.

**MT Jane says you assigned Tim McInnes to work with her, is that right?**

NR I don't recall, it's strange to say "assign". If someone had to step up to do the slides, Tim is Strategic Director, it's not surprising. You'd have to speak to Tim.

**MT Did you consider that Jane was unable to prep for the conference properly?**

NR I did.

**MT And your view is that's because she'd been largely absent for some time, rather than she was incapable of doing so?**

NR The content was poor, it was very poor. What was worrying for me was that she hadn't produced content I could sign off and buy into. We were getting closer to the conference. The material was brand new, was not prepped for



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the executive or the Board, it was produced in a pretty ad hoc way. It was pretty problematic. She did a slideshow, a speech presumably went with it. You could probably get a copy of the conference.

**MT That might be a matter I come back to you about. Another example she gave is in the bundle. You forwarded an email to Jane and Ben Foat on 11 April about something which she says was strictly a people and talent matter, at page 109. The email you forward is on page 111, from BEIS Partnerships. If you go back to page 110, you forward this to Jane and Ben, you say “do you want to give this some thought?”. Why did you forward this to Jane and Ben?**

**NR** As we’re an arms’ length body, it was of general counsel interest, it related to the articles of association, and it was developmental so I sent it to the HR director. How bizarre.

**MT Did you receive any complaints from Jane to say “this is ridiculous, why are sending this to Ben, why not just to me?”**

**NR** This is so peculiar, it seems very odd to me. It’s such an innocuous document, a totally innocuous document. What are they saying, they want to review arms’ length bodies. You would pick someone from the Legal team, you would speak to the CPO to see if someone would benefit from interaction from government, to help shape the role they do, the Strategy Director for example, someone interfacing with government. Or something that’s very legal, someone with a legal brain who would shape looking at the answers. It looks entirely logical for me to speak to Ben and Jane about who would be appropriate. I would expect them as colleagues to work together.

**MT Another aspect of her complaint of gender discrimination is that she says she was treated differently to Al Cameron in that an external investigation was commissioned for her, but not for him. I know [GRO] makes a complaint to you and Ben Foat on 23 February 2023. I have included that at page 62. What happens next after you get this email from [GRO]?**

**NR** The issue for me on why we went independent, it was brought to my notice that we had six individual complaints, two personal to me, one by [GRO] one by the [GRO] saying they felt too intimidated to put in a formal Speak Up complaint in case this became public to Jane, this is dangerous when some of this stuff comes back, these individuals came to see me anonymously. They said they wanted to put in a formal allegation/grievance against Jane, but they felt intimidated that she would get to see it if she stayed in the organisation. I said to Ben Foat “we need to understand what is going on here, we need to have a completely unconflicted external investigation into the allegations made, and the situation I find myself in, which is potentially completely untenable in that we have a CPO to change the culture, but six allegations within three months and who has caused chaos wherever she has gone”. It was really problematic for me because at that stage we were expecting to go to public inquiry. I thought this was an untenable situation, we need to make sure we have belt and braces on this and deal with it in a formal and appropriate way. Whereas I have Al Cameron, seven years as an ED on the main Board, one

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allegation. The circumstances are so different. I'm not sure I can illustrate it any more bluntly than that.

**MT** It looks like at some stage you had oversight of the complaint and investigation process. You were identified as a material witness, Ben Tidswell stepped in. Before you came out of the oversight role, had the decision already been made that there would be an investigation? Was the ball rolling?

**NR** I don't know. It's a really good question. I think from a Speak Up perspective there must have been three Speak Up issues which Amanda, was she in the organisation by then?

**MT** No.

**NR** I wonder if the Speak Up champion initiated it or I initiated it. I think Ben and I decided on the right course of action. Ben Foat as general counsel, he oversees the team that looks after Speak Up or whistleblowing. I think you have to probe a bit further.

**MT** In terms of the decision as to whether there should be an investigation for a Speak Up complaint, is that a decision for the Speak Up team?

**NR** I wouldn't have any influence on that.

**MT** I understand that both Bens and JB were involved in the decision to appoint an external investigator. But had a decision already been taken that there would be an investigation?

**NR** I don't know. What determines an external investigator? Why in this situation do we have the external investigation of the CEO or Chairman rather than an internal investigator?

**MT** I can't comment on the specifics in this case, but generally external counsel are brought in where there may be a conflict of interest for the organisation, or getting someone independent will be helpful.

**NR** Which in the circumstances we felt was the most appropriate course of action, given my proximity to the individual.

**MT** Can you recall any conversation with JB, Ben Foat or Ben Tidswell about whether there should be an external investigation?

**NR** I can't pinpoint a specific conversation.

**MT** With Al Cameron, I've seen reference to two formal complaints. One by Alastair Roman in March 2020, and one by Nivan Batra, is that right?

**NR** Yes, there were two.

**MT** I think those were the only formal grievances?

**NR** Yes, correct.

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- MT Both matters were investigated internally under the grievance procedure, the first by Jackie Newton and the second by Owen Woodley. Are you able to comment on why they were conducted internally?**
- NR** Yes, I don't think there was any need to go externally for both of those two, it doesn't make sense to me. The decision-making was done by the Speak Up team or it was within Ben's arena. I didn't have an influence on that. I'm assuming it wasn't deemed that there would be a conflict and that people were able to conduct that in an appropriate way. Is that fair?
- MT I'm still establishing why the external investigator was brought in regarding Jane on Project RoseOne. Jane says in addition to formal complaints, numerous women have informally complained about Al Cameron. Are you aware of any informal complaints?**
- NR** One I am aware of, which was one of his direct reports, who has subsequently left the business.
- MT Is that GRO ?**
- NR** Yes. He contested that strongly.
- MT Was that investigated?**
- NR** I think she raised the complaints as part of her exit. My recollection was that we came to settlement with GRO she left our business and I don't think her complaints were substantiated but there was certainly opportunity for me to speak to Al about it.
- MT So were they considered?**
- NR** I'm fairly certain they were considered.
- MT I've seen there was a lot of communications between you and Jane in February and March 2023 about Project Sycamore in terms how Al could exit the business. What were the reasons for wanting Al to leave the business? Was it related to any complaints made about him or other matters?**
- NR** Other matters, there was no specific complaint about him that was the catalyst. Al Cameron's situation had been running for three years. The first time I identified that culturally and behaviourally he was not the right fit for the organisation was back in February 2020.
- MT Why didn't those proposals progress?**
- NR** He's been on sick leave since March-April 2023. He didn't come to the colleague conference, it must be since at least April 2023. It will be 12 months quite soon. He's sent sick notes in the same way he would do, he's got an occupational health visit this week I believe. It's hugely problematic. I think the government were, and this is where the Secretary of State appointment to these types of activity, they prevented us from being able to settle and allow him to leave the organisation. They gave me permission to do so but withdrew. I had a conversation with him broadly on lines of "we would like to come to an agreement about you leaving the business and move on". The government

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withdrew the financial offer, I had to withdraw it against Al and he invoked a formal grievance against me that I had not followed the correct process, which was difficult for me given the government had allowed me to enter into that conversation with him but then withdrew funding, they got cold feet. I worked with the individual for two years, he was my right hand man, which was challenging from a trust and integrity perspective.

**MT In terms of earlier concerns you'd raised, you mentioned early 2020. I've seen reference in RemCo minutes to a proposed exit in early 2021, is that right?**

**NR** 2021 was when I'd said to the current Chair and Tom Cooper that the decision will not move on until we've invited him to leave, it took them year to come up with a package and ten days to remove it.

**MT Did you hold Jane to a higher standard than Al Cameron?**

**NR** No.

**MT I've seen reference in the NomCo minutes when confirmation is given to not extend Jane's probationary period. Lorna queried this point at the time, namely whether you were more lenient towards Al than Jane? Do you recall that point being raised?**

**NR** I don't recall that. No.

**MT What, if any, training have you undertaken with POL as to the Dignity at Work policy, or in respect of e.g. EDI or unconscious bias?**

**NR** I've done all three. Both in terms of online and face-to-face training.

**MT I have asked for your training records, which I haven't received yet. In the 2023 Annual Report, it outlined the makeup of gender and ethnicity of the GE. I understand that two women are in the GE team?**

**NR** It's three out of six.

**MT Is everyone in the GE team white?**

**NR** Yes.

**MT Have there been any discussions at Board or GE level about whether efforts to increase diversity at GE level should be made?**

**NR** Yes.

**MT Regularly?**

**NR** Not regularly. We don't have flexibility to change our colleagues as other companies do. 50% of the leadership are women, 3/6. It's more ethnicity and race that is our challenge. How do we better mirror the population we serve, postmasters. That's a long-term development opportunity as a business. We're all acutely conscious of it, it's difficult to facilitate movement like that in a government-organised business.

**MT Have there been any steps in respect of widening the pool of potential leaders?**

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- NR Absolutely. We had an EDI summit recently where we spoke about using Green Park, different recruiters so we got specific shortlists that would help us to try and change the race, ethnicity and gender mix of the leadership team.
- MT **I understand that there was an employee survey in October 2022. Is that annual?**
- NR Yes.
- MT **The October 2022 survey revealed feedback about lack of diversity and jobs for boys, is that right?**
- NR Certainly lack of diversity, not so much jobs for boys. That was the GE. One of reasons I changed the group of executives is I was trying to respond to feedback about the construct, makeup and decision-making of the GE. I had eleven direct reports, they were not reflective of our business. I was trying to change the nature of that organisation. With Green Park's help, we're changing the operating model, changing decision-making. We created a new group of twenty-three. A new executive group of the ones I've described. We're trying to do practical as well as symbolic change.
- MT **I've heard there's been a lot of change in the GE recently. I understand that linked to the employee survey there was a meeting with the Institute of British Ethics?**
- NR Yes.
- MT **Do they run the survey?**
- NR No, we instituted a governance review with Grant Thornton, it's in flight at the moment, we have an ethics review with the race issue, we want to bring all three together to get better guidance on how to move the culture forward. We're using Ethica, the business doing the ethics review we're conducting. Grant Thornton is doing the governance review, that will conclude at the end of this month. I promoted Chrysanthy to Chief of Staff to help us with the operating model to try and address the underlying issues in the colleague survey.
- MT **Did you hold Jane to a higher standard because she is a woman?**
- NR Not at all.
- MT **Thank you. I will have to come back at another stage. I can see the merit that that shouldn't be on Tuesday. Given that I'm awaiting a lot of documents, it may be helpful to speak once we have those and you might want more time to review the documents I've provided.**
- NR Why don't you send me a note of what you need from me?
- MT **I can do that once I've reviewed the notes of the meeting. It might take a few days to send through the notes.**
- NR I'm on half-term holiday. I'm going on Wednesday. I'll be back at the end of the month.



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**MT I'm having an update call with Amanda and Lorna, I will explain the situation about not having all of the documents and liaising with you. If anything comes to mind that you wish you'd said please do say so. I'll be using the notes of this meeting as an aide memoire. Do you have any questions about what we've discussed about this process?**

**NR** Not immediately. To make sure this is as balanced as this can be, I'd be very keen for you to speak to people in the organisation, about the allegations about sexism, jobs for boys, I find that concerning and deeply unfounded. It's important you speak to people in the organisation, there are six members of the GE, Liz and Phillipa as people who worked with me and Jane. I think Karen is probably the most important person to meet to get a sense of my leadership and style and how I've run the business.

**MT The period of time and the specific allegations Jane raises are most relevant. This is not general inquiry of your leadership. If I don't speak to people, it might be because I don't deem it relevant to the allegations I need to consider. I will think about that further, especially with Karen.**

**Thank you for your assistance.**

**[Ends]**

Signed (Interviewee)	
Dated	18 <sup>th</sup> March 2024