
From: Paula Vennells[GRO]
Sent: Tue 20/02/2018 8:55:16 AM (UTC)
To: Alisdair Cameron[GRO] Debbie.K
Smith[GRO]
Subject: Re: Seaton Post Office and Post Office Ltd

I think that is absolutely spot on. Thanks Al - great response.
Debbie has just called down to go through with you - as the two of you work it through, we may want to feed it into the GE day on 14/2 - it's about transformational behaviours.

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From: Alisdair Cameron
Sent: Tuesday, February 20, 2018 8:24:09 AM
To: Paula Vennells; Thomas P Moran; Debbie.K Smith
Cc: Peter D Johnson; Thomas P Moran
Subject: RE: Seaton Post Office and Post Office Ltd

Thanks for copying me – we have had two other “human” challenges in the last few days – the Postmaster who should be leaving because he has refused to engage with NT and is now at the cliff's edge, but angry and whipping up the local community and the Postmaster calling out how we have behaved on Losses (although he may well have taken the money?).

What they have in common is, I think, this combination of questions: are we doing the right thing (usually, yes); are we following an open and sensible process (sometimes); do we get the human engagement right (usually not first time which is why they are so angry); and can we communicate the humanity of our engagement to other stakeholders (no).

Of course we can and must improve our processes across our engagement with Postmasters but how do we manage the engagement and communication? I don't know if it is reasonable to expect relatively junior front line staff to manage difficult processes every day without growing a thick skin/deaf ear to the humanity of it – to expect more is to place a huge burden of stress on them. So if we expect that “more”, then we need to *give* more in terms of engagement, training, support etc – the field ops team had been stripped down to the point where people barely even had line management until we reversed it a few months ago....And if we don't feel we can consistently expect more, then we need clearer escalation and a greater amount of time from more senior people to have the conversations – which clearly made all the difference here...Maybe it's a bit of both?

The other important conversation is around our communication which often tends to be defensive and protective of postmasters, or of our position with Unions or of the politics – but you can't win people over with a bunker mentality. Do we need to be better at the comms, is it too project oriented?

For the avoidance of doubt, these are all questions for my teams every bit as much and none if it is criticism – we are just at the point of wanting to consider whether we have the best approach and how we can tweak it or change it to be even better.

Not sure how we take this debate forward but Debbie, can you and I pick it up when we are together next week?

Thanks Al



Alisdair Cameron
Chief Finance & Operating Officer

2017 Winner of the
Global Postal Award
for
Customer Experience

20 Finsbury Street
London EC2Y 9AQ
GRO

From: Paula Vennells

Sent: 20 February 2018 07:29

To: Thomas P Moran **GRO**; Debbie.K Smith **GRO**

Cc: Peter D Johnson **GRO**; Thomas P Moran **GRO**

Alisdair Cameron **GRO**

Subject: Re: Seaton Post Office and Post Office Ltd

Thank you.

Tom we simply have to put ourselves in their shoes. My point on the L300 call yesterday. I know you are right re white space and your proposal seems the right one - this is a great example of organisational agility, well done. And thank you, it takes great values to lead a team to back down when dug in deep.

Wider thoughts:

My challenge now is 'fail fast' - what did we learn and what changes have you put in place - in two ways: process-wise? And the humanity of the situations we deal with? Most situations where we have got something wrong (remembering with gratitude we get most of it right!) are where we haven't thought about the human beings we're dealing with. This is an obvious case. How do you get your teams to do the 'human' check? (Think customer in terms of PMs as their customers: putting ourselves in their shoes, common sense checks etc)

It's an incredibly difficult ask and requires a lot of courage to do the right thing and confront the inevitable opposition up front as would have been the case here but it will transform the way we do business if you can crack it.

Copying Al, as he made a similar point at GE yesterday.

Paula

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From: Thomas P Moran

Sent: Tuesday, February 20, 2018 12:20:18 AM

To: Paula Vennells; Debbie.K Smith

Cc: Peter D Johnson; Thomas P Moran

Subject: FW: Seaton Post Office and Post Office Ltd

Paula and Debbie (cc Pete)

An update on Seaton, which you will remember was started by Marcus (the PM) writing a very long, emotional and angry email to you on the 4th Feb (see below), having found out that we planned to open a whitespace in Seaton, having not told him of this while he was going through the investment and business case process for his Mains which opened in November.

Having investigated this in some detail – and with huge thanks to Pete in particular – it is clear that Marcus's complaints were entirely justified regarding us not having told him about our plans when we should have, but not in terms of the proposed whitespace. On that basis, **we have a resolution so there is no further action required on either of your parts**. I would not call this good news, but I do think it is a pragmatic solution which keeps us entirely true to our values and our policy on whitespace, and has left Marcus satisfied. Please see below for a short summary.

Summary

- I have spoken at length to Marcus twice now, and Pete did a great job in explaining the situation to him and going to visit him in his branch which made a real difference. From my discussions and other feedback, he is a good, honest and intelligent man, which makes his anger all the more concerning, hence the actions I've taken.
- We will still be opening the new Local whitespace branch, but not until much later in the year so we can demonstrate 12 months' trading for Marcus' branch.
- This solution was based on us having had 3 options:
 - Going ahead unchanged: which was completely indefensible given we had not informed him of our plans for the Local when he was planning and investing his own money in the Mains branch, and would have resulted in an extremely disengaged Mains postmaster, angry locals and probably political pressure (he is a local councillor and has already contacted you, his MP and UKGI).
 - Cancelling the whitespace branch: would have made Marcus happy but set a very dangerous precedent as this is a case where, having reviewed the details, I am absolutely convinced we should open another branch.
 - Go ahead but delay – what I have gone for, as noted above.

Current position and next steps

- Marcus ended the call content with the position and noting that "this bodes well for my partnership with the Post Office, I'm glad you have listened". I think that's positive.
- The field team will speak to the whitespace retailer tomorrow. There is clearly a risk that they disengage due to the late change – I've balanced this risk against the others and it is by far the lesser of the evils. I was also clear to Marcus that, if we could not go ahead with this branch, the area would remain 'whitespace' and we would look for alternatives. He understood this, and I was also clear we would keep him updated.
- Nothing is confirmed yet and I agreed as such with Marcus. We will let other relevant stakeholders know the latest asap this week once we have confirmed with Marcus and the whitespace retailer.
- I have also addressed some other issues which (it never rains but it pours...) had exacerbated the situation, notably us not having had proper signage up for the first month and also us not having sent one of our sales team to work with Marcus. That visit was today and there will be the standard follow up and support from Andy K's team.
- As you know, we have changed our whitespace process to make sure we are letting postmasters in the area, and the NFSP, know as soon as we advertise, which would have avoided this situation.

Wider thoughts

- We have a really strong case for the vast majority of whitespaces – but we end up being on the back foot in many instances because of complaints about a perceived lack of consultation with PMs. Removing that should make it easier for us to concentrate on the facts, including local issues, and make sure we have a positive case. It's important we remember that this is really good news for customers to have a new PO and the PM is usually in a minority of 1 in their view, but it is a really important view given our duty of care to their businesses.

From: Marcus Hartnell <[REDACTED]>
Sent: 13 February 2018 12:09
To: Paula Vennells <[REDACTED]>
Cc: Thomas P Moran <[REDACTED]>; 'Neil Parish' <[REDACTED]>; Peter D Johnson <[REDACTED]>
Subject: RE: Seaton Post Office and Post Office Ltd

Dear Paula,

I have just finished a meeting in branch with Peter Johnson regarding my email copied to you on 4 February. Peter has informed me that the application for the new 'white office' branch at Primrose Way in Seaton was advertised back in September 2017; the same time my application was progressing for the mains branch. He has apologised, in so far that PO Ltd should have informed me of the proposal at that time. He also said that you would not be reversing the decision to open this new branch as it is 'the right thing to do'. I do not agree, and feel extremely upset that PO Ltd did not inform me when I was deciding to invest a significant sum of money. I am unsure as to how my branch is to be sustainable with additional PO capacity at Primrose Way. I would also like to ask how committed the owners of the new branch are, as the business is presently for sale on Daltons website
<https://www.daltonsbusiness.com/convenience-stores-for-sale/seaside-licensed-convenience-store-with-seaton-devon-uk/440948>

This whole situation has been handled extremely badly by PO Ltd, and so far as I can see nobody is prepared to stand up and say they got it wrong.

At the very least the new branch should be delayed by 12 months to allow me to build up a trading history that could be analysed to make an informed decision.

I would appreciate your thoughts Paula, and would welcome a telephone conversation if you are able to spare some time.

My number is GRO

Thank you.

Kind Regards,

Marcus Hartnell
Director

Hartnell Retail Ltd.
WHSmith Local 9673, 19 Harbour Road, Seaton, Devon EX12 2LX

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From: Paula Vennells GRO
Sent: 04 February 2018 18:44
To: Marcus Hartnell GRO; Peter D Johnson <GRO>
Thomas P Moran <GRO>; Debbie.K Smith <GRO>
Cc: Steve G Saunders <GRO>; 'Neil Parish' <GRO>
Subject: Re: Seaton Post Office and Post Office Ltd

Dear Marcus,

Thank you for taking the time to let me know.

I have copied Tom Moran (Network Development Director) and Debbie Smith (Retail Chief Executive) who will look into this for you and will keep me in the loop. Whilst I'm sure there will be good reasons, I'm disappointed that we

have not been more helpful - we are usually so much better than this.

Don't hesitate to get in touch again if you need to.

Best wishes,
Paula

Paula Vennells
Group CEO
Post Office Ltd

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From: Marcus Hartnell <[REDACTED]> **GRO**
Sent: Sunday, February 4, 2018 5:10:29 PM
To: Peter D Johnson
Cc: Steve G Saunders; Paula Vennells; 'Neil Parish'
Subject: Seaton Post Office and Post Office Ltd

4 February 2018

RE. SEATON POST OFFICE

Dear Mr Johnson,

I am writing to you following a conversation I had on Friday 2 February with your colleague Steve Saunders concerning the opening of a Local Post Office branch 1.2 miles from my Mains office.

Just to give you some background, I am a new Postmaster, having just relocated a Mains Branch to my WHSmith Local store on 21st November 2017, under network transformation, with a 50/50 investment split on a branch fit out cost of £43k (£21.5k of public money). I have also made additional investment of around £4k to improve accessibility, and to improve the store environment.

I am extremely disappointed to learn, via local gossip, that you are placing a local counter at a small convenience store (Woodfield Stores Londis) just 1.2 miles from my mains branch. Words simply cannot explain how I am feeling right now as it is unfathomable as to why the Post Office would behave in such a way so soon after my branch opening and without any dialogue with me. There has been no time for us to build a working business relationship, let alone time for me to settle into the role of Postmaster, when you decide to move the goalposts.

Just to set the scene, our 'partnership' got off to a rocky start as the project manager made a huge blunder in that she only ordered 2 Horizon Kits for a 3-counter office! We had to endure 2 weeks (just before Christmas) with just 2 positions, which made it very difficult for the trainers to train all of my staff. We have also had no Post Office signage since opening on 21st November, as the signage firm went out of business. I accept that this is not entirely your fault, but I would have thought you would have a contingency plan for such events. I finally had my signs installed on 30th January, the day before I found out about your great plans for another post office counter nearby. I'm not even sure that the project manager has finally signed us off yet! I simply cannot believe how I have been treated.

I must also say that I am extremely disappointed that I have had no contact from **anyone** at the Post Office since your trainer left site on 29th November. Not a call, not a visit or any form of communication to ask how I am doing. I assume you must think I'm doing a good job, or perhaps not, as you are now opening another office just up the road.

So, to the main point of my writing to you. I am extremely worried and concerned about this new office opening. I do not think it is fair to me, and I think it is completely under-hand. I would like answers to the following questions/points:

1. What evidence/research is there to show this is needed? Was this information sourced locally or from a national survey? Can I see it?
2. Are you aware the new site is not on a main road, so therefore will not attract passing or new trade, but simply tap into existing customers that will have been either using my office or Colyford Post Office? The housing estate where it is to be located is a good one quarter of my catchment area, served by a local town bus that brings people into Seaton.
3. Did the decision maker(s) consider the impact a new branch would have on existing ones? Did they even know that the mains branch had only just moved? Can I see evidence of impact assessments, and that careful consideration was duly given to my 3-year business plan, approved by Post Office Ltd? This is important as Post Office have invested public money into my branch, and it needs to be a viable and sustainable business for years to come. Did they consider that I had borrowed money to fund the refit (included in business plan & application) and that by actively looking to reduce my fees it could jeopardise the viability of my business, including the Post Office?
4. As my business plan is all about providing a sustainable mains office for now and the future, partly based on income from Post Office fees **provided by you**, can I ask why you bothered to ask me for a business plan if you can simply ride roughshod all over it, to the point where it is now only fit for the bin?
5. Have you considered the impact on my staff? I may need to reduce their working hours having only just employed 1 extra staff member, and increased working hours for 2 others?
6. Have you considered that I may need to review my opening hours, potentially reducing them, because of your actions? How does this improve the service for our customers?
7. When was the application received for a new Post Office at Woodfield Stores, Primrose Way, Seaton, and when was the contract signed?
8. How do you plan to support my branch in the coming weeks and months ahead? How will the inevitable financial loss to my branch be measured, as I do not have any historical figures to go by? How will Post Office Ltd support me financially should my branch become unviable?
9. Can this new branch opening be stopped?
10. What plans are there to expand with further new branches in Seaton and the local area?
11. Do you think I have been miss-sold this Post Office franchise? Are there lessons to be learnt?

To conclude, I am truly shocked and stunned at the Post Office's behaviour, for showing such disregard to a fellow new business partner, the thoughtless lack of communication, and total disdain towards me and my business. I really thought that I had become part of something special, I had felt such pride and prestige to be part of an organisation with proud heritage, that I could trust and be a strong partner with. Now I just feel despair, worried, embarrassed and completely demotivated.

I very much look forward to a swift response, as I'm sure you will understand that this whole situation is causing my family and I much despair. I would like to invite you to come and visit the town of Seaton, and my Post Office, to get a real feel for my passion for the place and my business, and to understand the concerns I have, with a face to face discussion. You could also speak to Gary Adderley who conducted my interview, to help you understand how passionate and committed I am to my business, and until now, the Post Office.

Please feel free to give me a call, my mobile number is GRO

Yours sincerely,

Marcus Hartnell

Cc. Neil Parish MP
Paula Vennells

Steve Saunders

Hartnell Retail Ltd.
WHSmith Local 9673, 19 Harbour Road, Seaton, Devon EX12 2LX

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