
From: Alisdair Cameron [GRO]
Sent: Tue 10/12/2019 11:55:04 AM (UTC)
To: Patrick Bourke [GRO]
Cc: Nick Read [GRO]; Ben Foat [GRO]
Subject: RE: Mediation

I am not sure how much clarity helps.

We can say “we are not using Government investment funding or network subsidy” – but as people pick through it, the point Tom always makes is that everything is Government money in the end. If we need to say more, we can say we are paying it out of commercial profits – but it starting to be touch and go whether if you add the legal fees and this settlement, we don’t get quite close to it being all of our commercial profit this year, depending on what line of profit you take.....

We can say, a touch defensively, that next year active govt support will be £50m, £365 down from peak every year and this has to be seen in that context.

So maybe if you do want to go further: “We will fund the settlement from commercial profits and related facilities. We will not be using Government investment funding or network subsidy to pay for or settle the Group Litigation. Government support for Post Office is reducing as we improve our commercial stability and will be down £365m per annum from its peak to the agreed support next year.”

But whether any of this helps I don’t know or just triggers more questions and outrage – maybe one for Cardew?

So I might be tempted to stick at the first sentence of “its our facilities” and let BEIS say “no government investment funding has been used?”. Whatever we do needs to be agreed with BEIS...

Thanks Al



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[GRO]

From: Patrick Bourke [GRO]
Sent: 10 December 2019 11:34
To: Alisdair Cameron [GRO]
Subject: Mediation
Importance: High

Al

I asked you yesterday in the margins of the 1030 meeting about how best to phrase any enquiries we get from externals on how we are going to fund the settlement, which might be positioned as 'are you using tax payers money for this' etc.

Your suggestion was that we would use: "This is being funded through existing Post Office facilities". Are you able to build on that a bit – it just seems slightly opaque (!), is there a different way of expressing it ? I assume we would use the same to answer questions about legal fees etc.

Thanks

Patrick



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