

**From:** Callard Richard (ShEx)/[O=BIS PRODUCTION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=EF0FA57983304064B518D3B87774A899-RCALLARD]  
**Sent:** Wed 07/10/2015 12:11:11 PM (UTC)  
**To:** Dollin Michael (Shareholder Executive) [GRO]; McInnes Tim (ShEx) [GRO]; Thompson Laura (Shareholder Executive) [GRO]; Baugh James (ShEx) [GRO]; Rusling Annette (Shareholder Executive) [GRO]; Williams Jessica (ShEx) [GRO]  
**Subject:** RE: Readout from meeting with the NFSP - George Thomson and Ian Park - 6th October

Thanks Michael

I raised their point re sparrow (foot off the gas on prosecutions) with Mark D when I spoke to him today, and he's going to look in to it. Clearly it's a policy decision for them, but he gets the point that if they are letting people off if they state they have "problems with horizon" then the problem is never going to go away.

If you need any help with cajoling POL in to the trilaterals let me know.

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**From:** Dollin Michael (Shareholder Executive)  
**Sent:** 07 October 2015 12:34  
**To:** McInnes Tim (ShEx); Callard Richard (ShEx); Thompson Laura (Shareholder Executive); Baugh James (ShEx); Rusling Annette (Shareholder Executive); Williams Jessica (ShEx)  
**Subject:** Readout from meeting with the NFSP - George Thomson and Ian Park - 6th October

All,

Quick highlights

George was less concerned about the govt services issue- and was worried that the company shouldn't develop expensive solutions to try to win business it was unlikely to get. He was Ok to meet with the new head of govt services at POL (despite protestations he was sick of banging his head against that brick wall).

He thought there was opportunity in being a supplier of cash (if better rates could be secured from the banks) and in being a transporter of cash for others (we advised POL was looking into this).

While there has been more POL engagement with the Fed they were concerned that the business wasn't leveraging the experience of its agency members. Ian Park suggested that the new IT systems were getting input mainly from crown staff not agency staff, where the latter need super simplified journeys to keep the throughput. We undertook to revive the twice yearly BIS-POL-NFSP sessions and speak to POL about re-engaging the stakeholder forum and raise the concerns on the IT refresh with POL.

George opined on some network issues (the need for a minimum branch payment to be viable- he thought £3k) and the risk to the network overall if the revenue going to branches drops to £410m (a key benchmark test of overall money in the system below which branches would start to fold in his view). We advised him that, happily, we would soon be running a consultation where he could get these concerns properly aired and would be engaging with him and his team very shortly on the shape of the consultation and the logistics of the Fed's response to it.

On the grant agreement with POL they are nearly agreed on the first annual payment and thought that they'd have a larger and more widely distributed Subpostmaster magazine, a retail lead (at 65k) and apprenticeships as the first projects. They were nearly ready to write out to 2000 new model offices as part of the reengagement of non NFSP

members.

They were concerned about what would happen if the direction of revenue performance was maintained and if the company needed a bailout in 2-3 years time. We said we didn't know what would happen in those circumstances as it was very much a political decision. In response to questions about Tim Parker we said that he had a good track record of turning around retail businesses and we hope that he would help achieve the same for Post Office.

Rgds

Michael

Michael Dollin | Post Office Network Team | Shareholder Executive | Department for Business, Innovation & Skills |

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**GRO**