

From: Clarke, Stephen - UKGI[/O=HMT/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8A261230540B4541883BC1E75B94E5E7-CLARKE, STEPHEN (SCL)]
Sent: Sat 13/04/2019 12:16:02 PM (UTC)
To: Clarke, Stephen - UKGI [REDACTED] **GRO**
Subject: FW: Write up of Tim Parker - Kelly Tolhurst meeting

From: Aldred, Tom - UKGI
Sent: 05 April 2019 17:25
To: Cole, Alex - UKGI [REDACTED] **GRO**; Cooper, Tom - UKGI [REDACTED] **GRO**; Adegun, Oluwatosin - UKGI [REDACTED] **GRO**; Clarke, Stephen - UKGI [REDACTED] **GRO**
Cc: Aldred, Tom - UKGI [REDACTED] **GRO**
Subject: Write up of Tim Parker - Kelly Tolhurst meeting

On Wednesday, Kelly met with Tim Parker. We also had a good chat with Kelly after Tim had to leave, where I was able to make a few points to her. I also walked over to the meeting with Carl, the new BEIS director, who seemed very nice.

Happy to talk through in more detail:

CEO

- I missed this part as I was stuck behind a locked door in the Commons! But there was a discussion about how to make sure this happened quickly
- Kelly spoke afterwards about her reservations about AI and I made the point that we had seen real progress in the last few months and that he was demonstrating some welcome strategic thinking

Litigation and recusal

- Tim P suggested that if the recusal went to appeal, the delay could be several months.
- Kelly complained that she wasn't seeing enough information flow about the trial. We discussed as officials afterwards and it seems the block is somewhere between her private office and her. Regardless, we should make sure that we are providing updates to her as soon as they are relevant.

Dividends

- Tim pushed back on the idea that POL could pay dividends. Kelly said that 'her view, not the government position' was that POL would always require some form of subsidy and a dividend wasn't likely.
- After Tim had left, I made the point to Kelly that POL might be making profits of £100m (to which she was quite taken aback) and we need to be ready for this and to think clearly about how this should be shared. I think this landed. But it emphasises that we need to make this case really clearly when we get the chance

IRRELEVANT

Government services

- Kelly was seized of the idea that Post Offices could offer more govt services and that BEIS could help them to do this. She offered to set up a cross-Whitehall group to take this forward. Tim gamely said that he'd welcome any help

DMBs

- Kelly reiterated several times that she supported the DMB programme and was happy to defend it. She was interested in services not buildings. She challenged Tim if there was a disconnect between what the Board saw in terms of grand plans and the implementation on the ground eg making changes before consultations were complete
- She also asked specifically about the requirements for investment being put on WH Smith
- Tim said DMBs are a 'central plank' of POL's strategy and they would work 'doubly hard' on the comms messages and ensure that there were no surprises for ministers

Regular catch ups and Ministerial meetings

- Kelly asked for regular catch ups with Tim and AI, and then separately for a regular 'minister's meeting', which would bring together CWU, her and POL (and probably NFSP though she didn't say). TP said he was 'well up for that'

Strategy

- After Tim had gone, Kelly raised a concern about POL strategy. I reassured her that we had emphasised this to Tim, including in the chair's letter and were seeing encouraging signs from AI. But recognised that there was some evidence of silo-ed thinking and that POL needed to do better to join up across banking, mails and retail.

Tom Aldred | Executive Director

Post Office Shareholder Team

UK Government Investments

1 Victoria Street | London | SW1H 0ET

T:

GRO

 | M:

GRO

E:

GRO
