From: Manson, Justin - UKGI
Sent: Thu, 5 Mar 2020 11:14:50 +0000
To: Cooper, Tom - UKGI
Subject: Fwd: Meeting with Tim Parker Chair of POL

Justin Manson
Interim Chief Executive
UK Government Investments
GRO

Begin forwarded message:

From: Robert Swannell GRO
Date: 3 March 2020 at 14:12:42 GMT
To: Manson Justin GRO "Robert Razzell " GRO
Cc: "Charles Donald " GRO
Subject: Meeting with Tim Parker Chair of POL

Dear Justin and Rob,

I spent 40 minutes with Tim Parker today. We spent most of the time discussing the litigation, lessons learned and the emerging enquiry. He seemed genuinely keen to understand our perspective and to be open-minded. Throughout the meeting, he spoke in unequivocally positive terms about Tom's contribution. He said he had made a real, and positive difference in many areas, particularly on the settlement of the litigation. He said he was a class act and very valuable.

After a long discussion about the litigation he asked me what I thought they should do. I said that I thought they should use the crisis to effect any necessary change in culture and reset the relationship with Sub-Postmasters (he thinks they have been doing this for some time now) and that they should "do the right thing" in relation to those who had suffered criminal convictions and were subsequently exonerated. I said I suspected this would be difficult to calibrate particularly where the high test for a criminal conviction (no reasonable doubt) didn't necessarily mean (on a balance of probabilities) that wrongdoing had not taken place. I said I didn't know if HMG ownership would prevent ex gratia payments where there was no evidence of wrongful action by POL in the conviction but if this was a private sector situation where brand/reputation/trust was at stake "doing the right

UKGI00018737

thing" might well include an ex gratia payment in those circumstances even in the absence of obvious wrongdoing.

On the enquiry I advised that an open minded attitude to establishing lessons to be learned was the right way to approach it, notwithstanding that many of these cases were from a long time ago. We also spent a fair bit of time talking about how Boards approach major existential litigation risk. We talked about the merits of a critical friend in the Board (recognising that it was no sure way of avoiding the wrong outcome). I think Tim feels they badly misjudged the quality of their witnesses for the litigation and thinks that their legal advisers had potential conflicts of interest. He was particularly critical of the advice on the recusal of the judge. He wondered aloud if they might have much earlier had a discussion on the merits of settlement. That said he isn't certain they would ever have got to a different outcome since they , in his view, needed to test their contract and given the strength of their advisers conviction on the merits it would have been hard to say a settlement was VFM.

There wasn't much time for other matters nor did he seem too preoccupied with them beyond the litigation. He said he was very happy with his CEO and also with new NED hires. He asked pointedly if he was still seen as a good thing. He made it clear he wanted to stay to see things out if he was still wanted. I said that I had no reason for thinking he wasn't wanted.

With best wishes

Robert