

From: Aldred, Tom - UKGI
Sent: Fri, 24 Jan 2020 14:41:11 +0000
To: Cole, Alex - UKGI; Scott, Joshua - UKGI; Desai, Meet - UKGI; Adegun, Oluwatosin - UKGI
Subject: FW: Meeting Readout: Kelly Tolhurst/Nick Read, CEO for Post Office Limited (POL) - Wednesday 22nd January 2020

To see. Josh can you file please?

Tom Aldred, Post Office Shareholder Team, UKGI

T: [REDACTED] GRO

From: Tolhurst (Private Office) [REDACTED] GRO
Sent: 24 January 2020 14:37
To: Creswell, Carl (Professional Business Services, Retail & Post Directorate) [REDACTED] GRO; Cooper, Tom - UKGI [REDACTED] GRO; Brooks, White Jobshare [REDACTED] GRO; Aldred, Tom - UKGI [REDACTED] GRO
Cc: SpAds Office (Private Office) [REDACTED] GRO; Permanent Secretary [REDACTED] GRO; Secretary Of State (Private Office) [REDACTED] GRO; Grant, Calum (BEIS) [REDACTED] GRO; Tolhurst (Private Office) [REDACTED] GRO
Subject: Meeting Readout: Kelly Tolhurst/Nick Read, CEO for Post Office Limited (POL) - Wednesday 22nd January 2020

OFFICIAL-SENSITIVE

Dear All,

Please see below a readout of Kelly's meeting with Nick Read, CEO for Post Office Limited (POL) on Wednesday 22nd January 2020.

Attendees:

Kelly Tolhurst MP
Nick Read, CEO for POL
Jessica Tysoe, Private Secretary

-START-

Introductions

- Kelly started the meeting by making Nick aware that one of the newly elected MP's had been talking to Radio 4 about the British Gas/Payzone issue on the morning of the 22nd. She said that she was disappointed that the newly elected MP's had been going straight to the media having not discussed the issue with the Minister responsible first. She has passed this back to the Whips to ensure it doesn't continue to happen. Nick appreciated that Kelly was keen to defend the Post Office to her parliamentary colleagues, he agreed that Kelly could have assured them that it is the fault of British Gases and not caused by POL.

Litigation

- Kelly thanked Nick for his hard work on reaching the recent litigation mediation settlement. She said she was pleased that it was reached within the amount agreed. Nick was grateful and explained how he had never had to be part of a mediation quite like it.
- Kelly mentioned that she has received a large amount of correspondence since the settlement asking whether government will be paying out the £57.75m, Nick noted this. She also said that she will continue to push back on MP's where appropriate.
- Kelly expressed her concern about the upcoming STARLING litigation case which is due to be heard in October this year. She asked that Nick uses the Labour Markets team within BEIS for policy expertise as it will be an invaluable resource to them. They both noted that they could not seek legal advice from the policy team.
- Nick raised some concerns about the CWU's representation in the case, Kelly asked to continue to be kept up to date **(Action - Policy Team)**. She also asked that her meeting with the CWU is rescheduled as it was pulled due to the election **(Action - Tolhurst PO)**.

Culture Change, Purpose and Five-Year Plan

- Nick updated Kelly that the work he commissioned from McKinsey is due by the end of the month and that he will be taking a draft of the Five-Year Plan to the January POL Board meeting (and a further iteration in February) with the aim of Kelly having the opportunity to feed into it ahead of it being agreed at the Board meeting on 24th March. Kelly responded by saying that she was meeting with officials shortly to discuss it and wants to meet with him again once he has some concrete plans as a result of McKinsey's findings. **(Action – Officials to advise on a date)**
- Nick emphasised that he is particularly focusing on workplace culture and the relationship between POL and postmasters. He said these issues were central to the litigation and whilst it has been settled there is still a long way to go to reset the relationship. Kelly agreed with his approach.
- Nick talked Kelly through his recent changes to the senior leadership team including a new HR Director and Communications Lead. Kelly was pleased that he had brought in someone external that he trusted and that the other was internal, showcasing the opportunity to progress within the organisation.
- Kelly said that she was keen to get the work on the Long-Term Vision and Five-Year Plan locked down quickly and that they should be working together so that they complement each other. Nick agreed and they both agreed that they should aim to do this in time for budget/spending review.

Spending Review/Subsidy

- Kelly reminded Nick that POL will need to provide us with timely and robust evidence, but said she was grateful for the material they have provided already. Nick agreed POL will continue to do this.

POca

- They briefly touched on POca and Kelly said that she had run into Guy Opperman MP, who asked to meet with Kelly. Kelly said she wants this meeting scheduled ASAP as Guy coming directly to her is a change of direction since their correspondence last year **(Action - Tolhurst PO)**.

Verify/Digital ID

- Kelly was extremely concerned by the higher fee to for Digidnetity, requiring POL to pay a higher fee turns a profit into a loss for the Post Office. She said she would like some more background on why this was implemented at such short notice **(Action – Officials)**. Nick said he had recently spoken to John Manzoni at Cabinet office and he was asked to 'hang in there' and wait for some announcements from No 10 in the coming months. He added that he is due to meet him in person in February and will update Kelly after that. Kelly would also like to meet with the relevant minister responsible at Cabinet Office to get a better idea of what the plans are. **(Action – Officials to advise on most relevant Minister)**

Closing

- Nick and Kelly agreed that they would like officials to be present at meetings where they are due to discuss specific topics such as the Five-Year Plan and Litigation. However, they agreed it wasn't necessary if just a general catch up.

-END-

If you have any questions then please get in touch, do circulate as necessary.

Kind regards,
Jess



Department for
Business, Energy
& Industrial Strategy

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