

Message

From: Cooper, Tom - UKGI [/O=HMT/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=8D968D43E33749AE9E59F9C9350E69D5-COOPER, THOMAS (TCOO)]
Sent: 26/02/2019 18:57:54
To: Tolhurst, Mpst. (BEIS) **GRO** Lambert, Gavin (Advanced Manufacturing and Services)
CC: Aldred, Tom - UKGI **GRO**
Subject: RE: URGENT - Commission for KT
Attachments: 20190118 POL CEO recruitment sub - revised timetable.docx

Tom

High level answers in red as follows:

- How can we gain access to information about the judgement before it is made (in the same way that Post Office board members can)? The Minister would like to ensure this is done in time for the Horizon litigation case.
 - Access to the ruling before it's made public is only possible with the approval of the judge handling the case. It's too late to get that now given the ruling is coming shortly. Seeking permission from the judge for this hearing was considered but we were advised by the legal teams at POL and in UKGI that it isn't straightforward, would be unusual and may not be granted. We agreed to revisit this in relation to the upcoming hearing and can provide the Minister with legal advice on the merits. What has been agreed with Post Office is that a briefing on the decision will be available as soon as the decision has been made public and this briefing would be available to BEIS. In the meantime we will provide a briefing on the issues at stake in the hearing, possible outcomes and where there might be potential for appeal if the outcome is negative.
- Is it possible to put a 6-month review clause into approval of interim CEO of Post Office? Can we write into the contract that the position is for a fixed period in order that POL have a date to work towards for the permanent position and it doesn't slip on indefinitely? How much oversight does the law allow us of key appointments at the Post Office?
 - I believe it should be possible to have a fixed period for the interim appointment but I don't think it's advisable. The Chairman is very motivated to make an appointment of a strong candidate and the process is already under way. Until the new CEO is in post, there needs to be an acting CEO to be in charge of the company and it would not be wise to remove the acting CEO during that period unless the acting CEO is not performing. Experience with appointments is that delays are most likely to stem from the approvals process for appointments and pay within HMG rather than on the company side. If there is delay on the company side it will most likely be because it isn't possible to attract quality candidates (unlikely because Post Office has many attractions for a CEO candidate) or the company isn't able to find a suitably qualified candidate at the package being offered (this is more likely - as we mentioned, we are already on notice from HMT that it will not be easy to get approval even for a package benchmarked to the lower quartile). My suggestion here is that we keep the Minister closely informed of how the recruitment is progressing rather than seeking to limit the acting CEO's period of appointment
 - On oversight, the appointment of the Company's CEO, CFO and NEDs all require SoS approval
- What are the powers of the Secretary of State for BEIS vis-a-vis the Post Office?
 - o How is the Board appointed? What oversight does the Perm Sec have in this process?
 - As mentioned above the CEO, CFO and NEDs require SoS approval. In addition to the CEO, one of the NEDs is completing his second term in September and these appointments will be made in line with HMG guidelines including a selection panel led by Tim Parker, the Chairman, as well as opportunities for Ministers to put forward potential candidates. The process is as set out in the attached sub which has already been approved
 - o Appointments of senior staff in POL

- All other appointments in the company are made by the company itself. There is a Nominations Committee of the Board that leads on this and takes the decisions on such appointments
- The Minister requested more detail and timeframes for the recruitment process.
 - The attached sub includes an indicative timetable

In addition, the Minister would like briefing to cover the following topics:

- BEIS and UKGI teams to feed into hypothetical UQ rebuttals and answers on upcoming court ruling by **Midday Friday 1 March**. We need to be prepared with these materials in advance of it hitting the media- we should therefore prepare a rebuttal and answer for each of the most likely scenarios. These can then be tweaked on the day. You can find UQ templates [here](#). The Minister would like to see a copy of the Post Office's risk table as part of this briefing.
 - OK
- UKGI Postal Team to provide a written brief for the Minister on upcoming court case by **Monday 11 March**.
 - The Minister will recall that she had a verbal briefing for the previous trial in addition to a written briefing. This was because much of the information relating to the case is legally privileged. In addition the facts in this hearing relate to the operation of the Horizon system and there is a large amount of quite technical information. We will provide a written briefing as requested and would be happy to arrange an additional verbal briefing if desired

Tom

Tom Cooper

Director

UK Government Investments

1 Victoria Street | London | SW1H 0ET

T: GRO
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From: Tolhurst, Mpst (BEIS) [mailto:GRO]
Sent: 26 February 2019 18:01
To: Lambert, Gavin (Advanced Manufacturing and Services) <GRO>; Cooper, Tom - UKGI
GRO
Subject: URGENT - Commission for KT
Importance: High

Hi Both,

Thank you for attending the meeting earlier with the Minister – it was really helpful to have your insights. As you will know, the Minister is planning to speak with the Secretary of State tomorrow at 10:00 regarding the Post Office. There were a few questions that the Minister wanted answers to before this meeting. I would be grateful if you could provide high level answers to the following questions ASAP or by latest **09:45 tomorrow, 27 February 2019**:

- How can we gain access to information about the judgement before it is made (in the same way that Post Office board members can)? The Minister would like to ensure this is done in time for the Horizon litigation case.
- Is it possible to put a 6-month review clause into approval of interim CEO of Post Office? Can we write into the contract that the position is for a fixed period in order that POL have a date to work towards for the permanent

position and it doesn't slip on indefinitely? How much oversight does the law allow us of key appointments at the Post Office?

- What are the powers of the Secretary of State for BEIS vis-a-vis the Post Office?
 - How is the Board appointed? What oversight does the Perm Sec have in this process?
 - Appointments of senior staff in POL
- The Minister requested more detail and timeframes for the recruitment process.

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Please get in contact if you have any further questions.

Kind Regards,

Tom

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