
From: Permanent Secretary[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=3109B3DC828545FFBF265AAB4BEC9017-SECRETARY,]
Sent: Fri 28/10/2022 10:48:55 AM (UTC)
To: Rajeswaran, Siv - UKGI[GRO]; Gourlay, James - UKGI[GRO]
Cc: Stockbridge, Rebecca (BEIS)[GRO]; Bickerton, David (Business Sectors DG Office)[GRO]; Creswell, Carl (Business Sectors - Services Directorate)[GRO]; Brooks-White (Jobshare)[GRO]; Arasaratnam, Roshana - UKGI[GRO]; Cooper, Tom - UKGI[GRO]; Permanent Secretary[GRO]
Subject: RE: OSCOMMERCIAL Briefing Note - 20221027 Sarah Munby call with Lisa Harrington

Hi Siv, all,

Many thanks for support on briefing – Sarah appreciated the clarity the brief offered. Overall the meeting went well, albeit we had to cut slightly short due to SoS mtg.

David/Tom – please flag anything missed!

Readout

- SM outlined two key items for discussion: 1) MPM breach and 2) more broadly future plans.
- LH offered clear apology re: MPM breach and outlined controls/improvements:
 - Making the approval process much more black/white – working with UKGI to do this. Acknowledged some ambiguity may remain but will err on side of caution.
 - Change in Chief People Officer – some of behaviours have been driven by incumbent CPO. POL currently recruiting for new CPO (3 candidates in frame with one clear preference).
 - Could pursue even stricter controls whereby prior to any release of £ it comes back to LH for approval again. This wasn't deemed desirable given the lack of trust it exhibits.
- SM was grateful for apology and keen to draw a line under this, ensuring cant happen again.
- Discussed potential consequences for CPO given their role.
 - LH outlined CPO is a close confidant of CEO. CPO is outgoing and isn't a permanent member of staff. Due to this consequences unlikely to be fruitful.
 - Whilst consequences weren't deemed suitable it was made clear that there shouldn't be any discretionary (or otherwise) reward for CPO upon their departure.
 - LH seemed to agree but noted that CPO rewards etc don't come to them at Remco (also flagged prior to summer CPO was a real asset and is currently doing POL job alongside another fulltime role)
- LH covered the multiplier
 - Remco keen to make it more meritocratic
 - Noted pay still below comparators and face recruitment challenges due to competition from private sector
 - Multiplier wasn't constructed for CEO but to boost high performers across POL.
 - Developed as iterative process with input from external advisers
- SM noted that had we looked at this cold, without breach, the likelihood is we would've approved. However noted that it will be tricky navigating ministerial approval.
- SM noted key concern remains CEO being flight risk and wants us to consider all tools available to retain. Is pay the right lever and are we using it in the right way (eg is the incentive/bonus system the best way of mitigating risk he leaves). SM noted we should consider re-opening discussion on his salary and making the strategic argument for this.
- LH has discussed flight risk w/incoming chair – agrees significant risk of CEO leaving. CEO still underpaid relative to benchmarking. We will come back with suggestion around what the right motivation is for CEO. (noting difficulty in public sector context)
- SM keen we separate the issues out to make strategic case for keeping CEO

Suggested next steps

- UKGI & BEIS to re-work advice for ministers around the retrospective approval - will need careful handling.

(NB: HTD framing of this if helpful)

- POL/UKGI to develop strategic case/advice to mitigate CEO flight risk.
- UKGI to confirm w/POL on handling of CPO exit.

Thanks,
Nicol

Nicol Brydon | Private Secretary to the Permanent Secretary | **GRO**

From: Permanent Secretary <**GRO**>

Sent: 26 October 2022 12:58

To: Rajeswaran, Siv - UKGI <**GRO**>; Gourlay, James - UKGI <**GRO**>

Cc: Stockbridge, Rebecca (BEIS) <**GRO**>; Bickerton, David (Business Sectors DG Office) <**GRO**>; Creswell, Carl (Business Sectors - Services Directorate) <**GRO**>

Brooks-White (Jobshare) <**GRO**>; Arasaratnam, Roshana - UKGI <**GRO**>; Cooper, Tom - UKGI <**GRO**>; Permanent Secretary <**GRO**>

Subject: RE: OSCOMMERCIAL Briefing Note - 20221027 Sarah Munby call with Lisa Harrington

Hi Siv,

Thanks for making the change and confirming on the other – makes sense!

Best,
Nicol

Nicol Brydon | Private Secretary to the Permanent Secretary | **GRO**

From: Rajeswaran, Siv - UKGI <**GRO**>

Sent: 25 October 2022 17:00

To: Permanent Secretary <**GRO**>; Gourlay, James - UKGI <**GRO**>

Cc: Stockbridge, Rebecca (BEIS) <**GRO**>; Bickerton, David (Business Sectors DG Office) <**GRO**>; Creswell, Carl (Business Sectors - Services Directorate) <**GRO**>

Brooks-White (Jobshare) <**GRO**>; Arasaratnam, Roshana - UKGI <**GRO**>; Permanent Secretary <**GRO**>; Cooper, Tom - UKGI <**GRO**>

Subject: RE: OSCOMMERCIAL Briefing Note - 20221027 Sarah Munby call with Lisa Harrington

OFFICIAL - SENSITIVE

Hi Nicol,

Please see revised briefing note attached.

Further to your comments below – we have decided to strike out the erstwhile Item 3 from the Agenda as the ask here is less contentious relative to the other agenda items and there being limited bandwidth to discuss the underlying detail on this call. We will be able to separately cover this item off in the written submission.

1. STIP 21-22 MPM breach – steps taken to address this
2. Retrospective approval of a change in the structure of the 2021/22 STIP
3. ~~Approval of changes in metrics for the 2021-24 LTIP~~

3. Future pay proposals (STIP 2022-23 and LTIP 2022-25) where metrics are not yet finalised and proposals are not ready.

On your first point – we have updated the background of the second item on where the sub is now/what the plan is. Please let me know if you have any further questions. Thanks again for your help.

Best,
Siv

Siv Rajeswaran | Manager

UK Government Investments

1 Victoria Street, London, SW1H 0ET

M: **GRO**

www.ukgi.org.uk

Follow on 

OFFICIAL - SENSITIVE

From: Permanent Secretary <[redacted] GRO>
Sent: 25 October 2022 15:05
To: Rajeswaran, Siv - UKGI <[redacted] GRO>; Gourlay, James - UKGI <[redacted] GRO>
Cc: Stockbridge, Rebecca (BEIS) <[redacted] GRO>; Bickerton, David (Business Sectors DG Office) <[redacted] GRO>; Creswell, Carl (Professional Business Services, Retail & Post Directorate) <[redacted] GRO>; brooks-white <[redacted] GRO>; Arasaratnam, Roshana - UKGI <[redacted] GRO>; permanentsecretary <[redacted] GRO>

Subject: RE: OSCOMMERCIAL Briefing Note - 20221027 Sarah Munby call with Lisa Harrington

Hi Siv,

Thanks very much for sending through. Couple minor requests/queries:

- Could we add a short line under the background of the second item on where the sub is now/what the plan is – eg ‘we intend to resubmit this following xyz.’
- Item 3 – I think Sarah will need more detail on this if she is being asked to support it’s inclusion – though not sure if we are so grateful for clarity. (also wonder if contentious is best framing if we are broadly supportive?)

Hope this makes sense – happy to discuss.

Thanks,
Nicol

Nicol Brydon | Private Secretary to the Permanent Secretary | [redacted] GRO

From: Rajeswaran, Siv - UKGI <[redacted] GRO>
Sent: 25 October 2022 12:20
To: Permanent Secretary <[redacted] GRO>; Gourlay, James - UKGI <[redacted] GRO>
Cc: Stockbridge, Rebecca (BEIS) <[redacted] GRO>; Bickerton, David (Business Sectors DG Office) <[redacted] GRO>; Creswell, Carl (Business Sectors - Services Directorate) <[redacted] GRO>; Brooks-White (Jobshare) <[redacted] GRO>; Arasaratnam, Roshana - UKGI <[redacted] GRO>

Subject: OSCOMMERCIAL Briefing Note - 20221027 Sarah Munby call with Lisa Harrington

OFFICIAL - SENSITIVE

Hi Nicol,

There will be a call between Lisa Harrington, POL’s RemCo Chair, and the Permanent Secretary this Thursday where the following POL pay issues will be addressed:

1. STIP 21-22 MPM breach – steps taken to address this
2. Retrospective approval of a change in the structure of the 2021/22 STIP
3. Approval of changes in metrics for the 2021-24 LTIP
4. Future pay proposals (STIP 2022-23 and LTIP 2022-25) where metrics are not yet finalised and proposals are not ready.

UKGI has set up the call between the RemCo Chair and the Permanent Secretary to manage POL’s expectations on their pay proposals and set up the framework for next steps.

I have attached the briefing note ahead of the Pre-Brief Meeting this week between UKGI and Perm Sec.

Next steps

- Lisa meeting Perm Sec 27th October 2pm (Tom Cooper & David Bickerton to attend from UKGI/BEIS)
- Pre-brief meeting between UKGI and Perm Sec 26th October 4.30pm (Roshana Arasaratnam and Tom Cooper to attend from UKGI)

Thanks again for your help. Please let me know if any questions.

Best,
Siv

Siv Rajeswaran | Manager

UK Government Investments

1 Victoria Street, London, SW1H 0ET

M: [redacted] GRO

www.ukgi.org.uk

Follow on 

OFFICIAL - SENSITIVE

From: Permanent Secretary [redacted] GRO
Sent: 19 October 2022 16:32
To: Gourlay, James - UKGI <[redacted] GRO>
Cc: Stockbridge, Rebecca (BEIS) <[redacted] GRO>; Bickerton, David (Business Sectors DG Office) <[redacted] GRO>; Creswell, Carl (Professional Business Services, Retail & Post Directorate) <[redacted] GRO>; brooks-white [redacted] GRO Arasaratnam, Roshana - UKGI <[redacted] GRO>; Rajeswaran, Siv - UKGI <[redacted] GRO>
permanentsecretary@ukgi.org.uk [redacted] GRO

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi James,

Thanks for sending through.

Perm sec has reviewed the sub. In its current form she thinks ministers are likely to reject the retrospective approval so it need some further work. She also wasn't clear on the reasons behind delegation to UKGI – to note she doesn't necessarily disagree here. Grateful if you can revise with this in mind drawing on BEIS pol team as needed.

Best,

Nicol



Department for
Business, Energy
& Industrial Strategy

Nicol Brydon
Private Secretary to the Permanent Secretary
1 Victoria Street, London, SW1H 0ET

[redacted] GRO
[redacted] GRO

From: Gourlay, James - UKGI <[redacted] GRO>
Sent: 14 October 2022 10:37
To: Permanent Secretary <[redacted] GRO>
Cc: Stockbridge, Rebecca (BEIS) <[redacted] GRO>; Permanent Secretary <[redacted] GRO>; Bickerton, David (Business Sectors DG Office) <[redacted] GRO>; Creswell, Carl (Business Sectors - Services Directorate) <[redacted] GRO>; Brooks-White (Jobshare) <[redacted] GRO>; Arasaratnam, Roshana - UKGI <[redacted] GRO>; Rajeswaran, Siv - UKGI <[redacted] GRO>

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi Nicol

Please find attached the sub with a revised Annex C

All the best

James

From: Gourlay, James - UKGI
Sent: 14 October 2022 10:15
To: 'Permanent Secretary' <[redacted] GRO>
Cc: Stockbridge, Rebecca (BEIS) <[redacted] GRO>; permanentsecretary@ukgi.org.uk [redacted] GRO Bickerton, David (BEIS) <[redacted] GRO>; Creswell, Carl (Professional Business Services, Retail & Post Directorate) <[redacted] GRO>; brooks-white [redacted] GRO Arasaratnam, Roshana - UKGI <[redacted] GRO>; Rajeswaran, Siv - UKGI <[redacted] GRO>

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi Nicol

Please find attached submission for the Permanent Secretary on the request from POL's RemCo Chair to approve the bonus schemes.

Given the sensitivities, we are initially sending this for Perm Sec's approval and, pending her views, we will send to Minister Russell for approval. This is not super urgent, but given the potential for this to be un-straightforward, we ask for views by mid or later next week please.

All the best

James

James Gourlay | Assistant Director | UK Government Investments | T: [GRO] | E:

[GRO]

From: Permanent Secretary <[GRO]>

Sent: 07 October 2022 15:30

To: Gourlay, James - UKGI <[GRO]>; Bickerton, David (BEIS) <[GRO]>

Creswell, Carl (Professional Business Services, Retail & Post Directorate) <[GRO]>; brooks-

white <[GRO]>; Arasaratnam, Roshana - UKGI <[GRO]>

Cc: Stockbridge, Rebecca (BEIS) <[GRO]>; permanentsecretary <[GRO]>

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

For the benefit of the chain the response to Lisa has now been sent – please see attached for final version.

Thanks,

Nicol

From: Permanent Secretary

Sent: 07 October 2022 14:32

To: Gourlay, James - UKGI <[GRO]>; Bickerton, David (BEIS) <[GRO]>

Creswell, Carl (Business Sectors - Services Directorate) <[GRO]>; Brooks-White (Jobshare)

<[GRO]>; Arasaratnam, Roshana - UKGI <[GRO]>

Cc: Stockbridge, Rebecca (BEIS) <[GRO]>

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi James,

Thanks for the draft, Sarah fed back with some minor tweaks – removing the line on nick read (given his potential flight risk) and some additional, softer wording. As they're handwritten notes I will update the version sent through and send back to Lisa.

Best,

Nicol



Department for
Business, Energy
& Industrial Strategy

Nicol Brydon
Private Secretary to the Permanent Secretary
1 Victoria Street London, SW1H 0ET

[GRO]

[GRO]

From: Gourlay, James - UKGI <[GRO]>

Sent: 07 October 2022 08:36

To: Permanent Secretary <[GRO]>; Bickerton, David (BEIS)

<[GRO]>; Creswell, Carl (Business Sectors - Services Directorate) <[GRO]>

Brooks-White (Jobshare) <[GRO]>; Arasaratnam, Roshana - UKGI

<[GRO]>

Cc: Permanent Secretary <[GRO]>; Stockbridge, Rebecca (BEIS)

<[GRO]>

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Morning Nicol

Please find attached draft letter for Sarah to send to Lisa for now. Obviously very happy to adjust if you've any thoughts on this.

We're working through a draft submission and triangulating views on the recommendation before finalising. It is not super urgent to get this approved (though it will need to be sorted by early-mid November) and we will get a sub to you next week.

All the best

James

James Gourlay | Assistant Director | UK Government Investments | T: [GRO] | E:

[GRO]

From: Permanent Secretary [GRO]
Sent: 06 October 2022 10:23
To: Gourlay, James - UKGI [GRO]; Bickerton, David (BEIS) [GRO]
Creswell, Carl (Professional Business Services, Retail & Post Directorate) [GRO]; brooks-
white [GRO]; Arasaratnam, Roshana - UKGI [GRO]
Cc: permanentsecretary [GRO]
Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi James,

Great, do send up the sub when it's ready. And yes please do also draft Sarah's response.

Thanks,

Jacob (covering Nicol today)

Jacob Fear | Private Secretary and Business Manager to the Permanent Secretary [GRO]

From: Gourlay, James - UKGI [GRO]
Sent: 06 October 2022 10:16
To: Bickerton, David (BEIS) [GRO]; Permanent Secretary
[GRO]; Creswell, Carl (Business Sectors - Services Directorate)
[GRO]; Brooks-White (Jobshare) [GRO]; Arasaratnam, Roshana - UKGI
[GRO]
Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Thanks David

That works from our perspective – sounds like a good plan

We are putting a submission together on the case for retrospective approval which we will give to Perm Sec and may then go to Ministers

We're happy to draft Perm Sec's response to Lisa's apology if that's helpful Nicol?

All the best

James

From: Bickerton, David (BEIS) [GRO]
Sent: 06 October 2022 08:42
To: permanentsecretary [GRO]; Creswell, Carl (Professional Business Services, Retail & Post Directorate)
[GRO]; brooks-white [GRO]; Arasaratnam, Roshana - UKGI
[GRO]; Gourlay, James - UKGI [GRO]

Subject: RE: Letter from Lisa Harrington, Chair of POL Remuneration Committee

I asked them to separate the governance issue from the case for the payment into 2 letters so we can deal with them separately. It also avoids the awful look of a single letter saying "We (POL) got the governance wrong but the outcome is correct".

So I suggest option C – we acknowledge both letters separately.

- In response to the Governance apology I suggest we write back saying that we note it and look forward to hearing what they have done to improve the approval process.
- In response to the retrospective approval request (which makes the case that Sarah was asking for), we ignore the governance point (as that is dealt with in the other chain) and assess the case that they have made.

Kind regards

David Bickerton



Department for
Business, Energy
& Industrial Strategy

David Bickerton (he/him)
Director General, Business Sectors Group
Telephone: [GRO]
Email: [GRO]
1 Victoria Street, London SW1H 0ET
www.gov.uk/beis | Twitter: @beisgovuk

For diary queries and availability please contact my PA, [GRO]

From: Permanent Secretary [GRO]

Sent: 05 October 2022 21:21

To: Creswell, Carl (Business Sectors - Services Directorate) [GRO]; Bickerton, David (BEIS) [GRO]; Brooks-White (Jobshare) [GRO]; Arasaratnam, Roshana - UKGI [GRO]

Cc: Permanent Secretary [GRO]; Gourlay, James - UKGI [GRO]

Subject: FW: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Hi all,

POL have sent through two letters following the Remco/Bonus debacle. Perm sec was clear that we should request a proper case very rapidly with a hard deadline and that whilst we don't need to require repayment at this time we do need to flag that repayment would be required if the case is not approved.

Grateful for quick view tomorrow on whether we:

- a. send a combined response to both letters and follow up with mtg to discuss
- b. acknowledge letters and discuss the issues in mtg with Lisa and/or Ben

My assumption is (a) is most sensible (?). If individuals on chain agree can UKGI lead on drafting a response, with input from POL policy team, so we are in position to send **Friday pm**. Also if there is an option (c) im missing then do shout!

Thanks,
Nicol



Nicol Brydon
Private Secretary to the Permanent Secretary
1 Victoria Street, London, SW1H 0ET
[GRO]
[GRO]

From: Lisa Harrington [GRO]

Sent: 04 October 2022 20:34

To: Permanent Secretary [GRO]

Cc: Arasaratnam, Roshana - UKGI [GRO]; Benjamin Tidswell [GRO]; [GRO]; Bickerton, David (BEIS) [GRO]

Subject: Letter from Lisa Harrington, Chair of POL Remuneration Committee

Good morning,
Please find attached a letter for Sarah Munby regarding the recent Managing Public Money breach.
Kind regards,
Lisa
Lisa Harrington
Non-Exec Director

[GRO]

This email and any attachments are confidential and intended for the addressee only. If you are not the named recipient, you must not use, disclose, reproduce, copy or distribute the contents of this communication. If you have received this in error, please contact the sender by reply email and then delete this email from your system. Any views or opinions expressed within this email are solely those of the sender, unless otherwise specifically stated.

POST OFFICE LIMITED is registered in England and Wales no 2154540. Registered Office: Finsbury Dials, 20 Finsbury Street, London EC2Y 9AQ.

Post Office Limited is committed to protecting your privacy. Information about how we do this can be found on our website at www.postoffice.co.uk/privacy

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.

This email and any files transmitted with it are intended solely for the use of the individual(s) to whom they are addressed. If you are not the intended recipient and have received this email in error, please notify the sender and delete the email. This footnote also confirms that our email communications may be monitored to ensure the secure and effective operation of our systems and for other lawful purposes, and that this email has been swept for malware and viruses.