
From: Brooks-White Jobshare[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A5A68B98B3924F93A3F36EC331920526-DIT_BROOKS-]

Sent: Fri 23/02/2024 5:00:19 PM (UTC)

To: Jon TUNNEY (DBT); Harriet CLARKE (DBT); Minister HOLLINRAKE (DBT); Secretary Of State BUSINESS AND TRADE (DBT);

Cc: David BICKERTON (DBT); Perm SEC (DBT); Carl CRESWELL (DBT); Nicola CUTTING (DBT); Andrew BOTTONE (DBT); Philip BOYCE (TRADE); Rob MACPHERSON (DBT); Ed BAIRD (DBT);

Subject: RE: Project Pineapple

Hi Jon

The note covers the meeting between the two Postmaster NEDs and Henry Staunton and covers complaints about various senior directors in the company and their attitude/behaviours to the postmasters in particular. We believe that Henry shared this with the Board/Seniors around the time of his exit, so it's not new to that cohort, but will be news to postmasters and the general public. The company has a series of counter investigations in train against Staunton at the time of this meeting, these will likely not be completed until mid-March. This is therefore, one side of the "what is going on" in the company. Also, elements that are reported in fact, e.g. £16 compensation payment, are, we understand, not true. Finally, we were not aware of this email when proceedings to remove Staunton began – therefore, action was not taken as a result of HMG seeing this email.

Ahead of Staunton's appearance at BTSC on Tuesday, and this article on Sunday, this will mean further headlines and potential parliamentary interest over the next week. The Board and seniors at Post Office may find things very uncomfortable in the coming days.

To give a bit of a steer on who's who in the document, and the topics covered:

- Richard Taylor is the Comms Director who was recorded in the pub saying all those convicted are guilty. He's currently suspended.
- Martin Roberts is Group Chief Retail Officer – the person responsible for the postmaster relationship as the 11,500 branches and relationship with the strategic partners (e.g. WH Smith), fall within his portfolio. So critical for the future of the network and its profitability, and in building relations with postmasters. Issues in his portfolio impact on the post offices' day to day operations. Postmasters are generally not happy with the current remuneration offer, and general offer from the company.
- Ben Foat is Group General Counsel – brought in after the first Horizon trial in 2019, so

saw the company through the settling of the court case. But, more recently, criticised by Sir Wyn Williams over disclosure issues.

Issues for us:

- Do we have confidence in the Board and/or Nick Read – the Minister recently (since Staunton’s dismissal) said “We continue to have confidence in the other Board members – who are highly experienced executives with a range of business expertise across the legal, financial services, insurance, asset management and pensions sectors – as well as two elected Postmaster non-executive directors. We also have confidence in Post Office’s CEO. The Post Office is facing unprecedented challenges and Nick Read has a difficult job to do.”
- Are known areas of detriment such as ATM shortfalls being investigated properly/compensated – Yes, Government has already provided funding to allow post office to pay compensation for those postmasters who wrongly had their remuneration withheld whilst suspended. Ministers announced in the autumn their intention to provide further subsidy to allow post office to pay compensation to postmasters affected by other detriments such as ATM shortfalls. The Subsidy Advice Unit published its report on this subsidy this week, and Government is considering that report prior to awarding funding in due course which, if awarded, will allow a new scheme to open. Post Office have undertaken changes to their contracts and practices.
- Postmasters relationships with the Post Office a wider number of changes have been brought in, more than just the postmaster NED roles, for example a Postmaster Experience Director role – filled by a serving postmaster – who leads the day-to-day relationship with Postmasters, the introduction of area managers and additional training. Government is not complacent, there is more to be done. The Minister regularly meets with postmaster representatives to hear their concerns, and meets monthly with the CEO to discuss priorities and concerns.
- Whether there are “untouchables” that is a matter for the company. We would welcome improvements to investigations.

Many thanks
Beth

Beth White | Deputy Director | Business Resilience
Department for Business and Trade | Tel:

GRO

E-mail:

GRO

GRO

From: Jon TUNNEY (DBT) <[REDACTED]>
Sent: Friday, February 23, 2024 3:04 PM
To: Brooks-White Jobshare <[REDACTED]>; Harriet CLARKE (DBT) <[REDACTED]>; Minister HOLLINRAKE (DBT) <[REDACTED]>; Secretary Of State BUSINESS AND TRADE (DBT) <[REDACTED]>
Cc: David BICKERTON (DBT) <[REDACTED]>; Perm SEC (DBT) <[REDACTED]>; Carl CRESWELL (DBT) <[REDACTED]>; Nicola CUTTING (DBT) <[REDACTED]>; Andrew BOTTONE (DBT) <[REDACTED]>; Philip BOYCE (TRADE) <[REDACTED]>; Rob MACPHERSON (DBT) <[REDACTED]>
Subject: RE: Project Pineapple

Thanks Beth,

It's difficult to discern exactly what's being discussed in these emails – the English isn't great and it seems to refer to topics that are known to the participants, but not to me.

Can you shed any light please?

They might not approach us directly on this one. If it's all about the toxic culture in the Post Office it's not directly our responsibility.

Jon Tunney
Director of Communications and Marketing
Department for Business and Trade

From: Brooks-White Jobshare <[REDACTED]>
Sent: Friday, February 23, 2024 2:56 PM
To: Harriet CLARKE (DBT) <[REDACTED]>; Minister HOLLINRAKE (DBT) <[REDACTED]>; Secretary Of State BUSINESS AND TRADE (DBT) <[REDACTED]>
Cc: David BICKERTON (DBT) <[REDACTED]>; Perm SEC (DBT) <[REDACTED]>; Carl CRESWELL (DBT) <[REDACTED]>; Nicola CUTTING (DBT) <[REDACTED]>; Jon TUNNEY (DBT) <[REDACTED]>; Andrew BOTTONE (DBT) <[REDACTED]>; Philip BOYCE (TRADE) <[REDACTED]>
Subject: FW: Project Pineapple

Hattie, Private offices

We have another Henry Staunton article due to land on Sunday, with the details in the "toxic culture" allegations. I presume we haven't been approached for comment yet?

Thanks
Beth

Beth White | Deputy Director | Business Resilience

Department for Business and Trade | Tel:

GRO

| E-mail:

GRO

GRO

From: Gratton, Lorna - UKGI

GRO

Sent: Friday, February 23, 2024 2:44 PM

To: Carl CRESWELL (DBT) <

GRO

>; Brooks-White Jobshare <

GRO

GRO

Subject: FW: Project Pineapple

FYI – Owen tells me that the Sunday Times have been given this, and are planning to publish at the weekend.

Note that it is the source of Henry's 'toxic culture' comment.

It was circulated by Henry just before he was removed from post (and formed part of Ben T's concerns, because he considered the language, tone and verbatim transcript very problematic). I wasn't copied when it was circulated (as you can see from the attached version), but it was forwarded on to me by another board member on the Friday 19th.

Lorna Gratton | Director

UK Government Investments

1 Victoria Street, London, SW1H 0ET

T: GRO

GRO

www.ukgi.org.uk

PA:

GRO

GRO

From: Elliot Jacobs

GRO

Sent: 15 January 2024 20:26

To: Saf ismail (<

GRO

>) Henry Staunton

GRO

GRO

Subject: Re: Project Pineapple

Thank you Henry,

Yes, this is fair reflection of our discussion - the point on ATM discrepancies and fake notes being clawed back should also include the claw back on rejected foreign currency as a result of out of dated documentation - all of these matters (and others) were highlighted as detriment matters over 2 years ago - but no one has gone back to PMs to say - "we got this wrong, we owe you X..."

One final thing to add: 'Pathclearing' risks looking like a witch hunt - if we start going into branches saying "you've got losses to make good" this will have echoes of the past - we have to seriously consider how this is being approached - it falls to Roberts' team again - a man who comes to Board and only tells us about extreme cases of theft by 1 or 2 which constantly reinforces the mantra of "all PMs are on the take"... Roberts had two jobs to deliver - exit the DMBs and improve the PM experience - both have failed and yet he and his team get bonuses...a nice gig if you can get it! And that in a nutshell, is precisely the issue that PMs see and feel..

Since we spoke I see the VoC have issued a press release - it backs-up everything Saf and I said when we spoke to you. Whilst they have gone further than we did in terms of the CEO - which I would not support - I find their points well made, well presented and hard to argue.. I think we should strongly consider involving them in our next steps and perhaps provide some of the oversight elements - they hold more influence and more respect with PMs than the NFSP for sure! If we have to involved NFSP I understand, but it would say a lot if we engaged with VoC too.

Elliot

From: Saf ismail [GRO]
Sent: Monday, January 15, 2024 10:41 AM
To: Henry Staunton [GRO] Elliot Jacobs [GRO]
Subject: RE: Project Pineapple [GRO]

Hi Henry

This seems fine.

Regards

Saf Ismail
Non-Executive Director

Post Office Ltd
Finsbury Dials
20 Finsbury Street

London EC2Y 9AQ

From: Henry Staunton [GRO]
Sent: 14 January 2024 18:54
To: Saf ismail [GRO]; Elliot Jacobs [GRO]
[GRO]
Subject: Fwd: Project Pineapple

Dear Both ,

Thank you for your time today .

I have done a file note of our conversation . Is this a fair reflection of your views. How do you feel about me sending it to NEDs before the next meeting ? The English does not need to be perfect . The key points are important . Are there any points I have missed ?

Seeing the issues in writing makes it more difficult to avoid !

BW.

Henry

Sent from [Outlook for iOS](#)

From: Henry Staunton [GRO]
Sent: Sunday, January 14, 2024 6:48:46 PM
To: Henry Staunton [GRO]
Subject: Project Pineapple

Note of conversation with Saf and Elliot on Sunday 10 January

Saf said the views expressed by Richard Taylor , and previously by management and even members of the Board , still persisted - that those PMs who had not come forward to be exonerated were "guilty as charged " . It is a view deep in the culture of the organisation (inc at Board level) including that Post Masters are not to be trusted . SOMETHING NEEDS TO BE DONE .

Martin Roberts and certain members of his team were singled out . There has been no feedback on the investigation into Roberts (inc for inappropriate behaviour and lack of integrity). He was responsible for the postage stamps debacle where changes were made to accounts by his team just like Fujitsu . If Elliot had not been on ARC the controls would not have been strengthened . Roberts and his team do not want any extension to their terms of office as they believe new PMs would not have the experience to challenge them .

Equally Saf and Elliot are FED UP WITH THE AMOUNT OF POWER WIELED BY FOAT . He and other members of the senior team act as if PMs ARE GUILTY UNTIL PROVED INNOCENT (" as per my experience " they both said) . " No one believes us " is a constant refrain from PMs . . WHILST FOAT IS AT THE HELM NOTHING WILL CHANGE . We must also part company with all those investigators who behaved so terribly with PMs. What on earth is happening if Steve Bradshaw is still with us - his performance at the Inquiry was a disgrace and reflected terribly on Post Office . Foat uses his leadership of the Inquiry team as an instrument of his power - it all has to stop . The PM " is not the enemy . " " Only PMs can solve this " and tell us how to change . JB is an ex police man . His behaviour has been unacceptable and he needs to move on to prove we have changed .

The payment to one of PM of £16 as compensation said it all .

There are some 48 people involved in Investigations . There are over 40 just like Bradshaw . These people need to go . Project Phoenix was allowed by Foat to go into the long grass . Bradshaw went into one of Saf's stores some years ago and immediately said " we are closing you down " . PMs tell him not much has changed since . There is a complete lack of respect for PMs and that has to change .

As a Board we need to send a signal to the Executive providing guidance and improving the culture significantly. The current culture was described as " toxic " (references to our reaction to fake notes , ATM differences etc etc) . We discussed a suggestion that we set up a BOARD Committee on Culture with both PMs on it with one or two others . It would need to have teeth . It would be outside Saf and Elliot's NED responsibilities and would require additional rem . It would have the benefit of making us more PM centric . We need as a Board to be seen to grip the situation .

Both thought there ought to be PM NED membership on all committees inc RemCo . It may be another PM Director would be needed - but that may be difficult . Wrt rem it was noted that

the December bonuses went down badly with PMs . There were no similar bonuses for PMs . Our generous Sick Leave was highlighted - there are no similar benefits to PMs . How are we accepting so many people drawing sick leave payments esp in HR .

A lot in this note to consider and take forward with the Board .

PS Saf reminded me that I had omitted to mention the following :

- I have offered the investigations team time to get the tone right and advised them to get more PM's involved but this seems to have been missed.
- The comms has been poor throughout our tenure within the business.
- The GE have overlooked advice given to them by board members on several occasions without clear explanations.

Sent from Outlook for iOS

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.