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**From:** Henry Staunton [GRO]  
**Sent:** Mon 01/05/2023 6:50:22 PM (UTC)  
**To:** Nick Read [GRO]  
**Subject:** Re: Inquiry Hearing on Compensation Thursday 27th April

Nick ,

I hope this will lead to a change in approach by DBT - your comments certainly needed to be made . I thought it was an excellent letter . No corporate would allow this to fester as much which is why you are right to quote David Bickerton's observation that managing public money is only one ingredient of this exercise .

Chapman , KC for the DBT said that DBT is not directly responsible for OHC and HSS . He also said that complaints about the process taking too long is " down to the PO " . He pointed the finger firmly at PO . Simon makes some good points about the GLO but we have much more exposure with regard to OHC . To use your terminology we are being " slaughtered " in the Times and there is a grave danger of being " massacred " wrt OHC in the future . That will be even worse news for the brand . Can we do more to make a big noise about encouraging claimants on OHC ?

Is Lorna the right person to drive a change in behaviour by DBT ?

Perhaps we can spend a few minutes on this tomorrow .  
BW ,  
Henry

Sent from [Outlook for iOS](#)

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**From:** Nick Read [GRO]  
**Sent:** Monday, May 1, 2023 12:57 pm  
**To:** 'Lorna.Gratton' [GRO]; [GRO]  
**Subject:** FW: Inquiry Hearing on Compensation Thursday 27th April

Lorna,

Further to our conversation on Friday and Simon's note below, It is clear that the current operating model being adopted by DBT will not work and that a rethink is required. I hope we can get colleagues at DBT to recognise this. Your help will be critical in doing so.

I always refer to David Bickerton's observation that no one will be criticised for paying too much compensation to Postmasters...however everyone will be slaughtered if we continue to 'nickle and dime' on legal fees, admin costs, compensation itself and a convoluted and complex process....see today's article in The Times.

I won't allow this to happen as my job is to protect the brand, ensure timely compensation is paid (and speedy justice delivered) and that trust in the Post Office is not completely eroded through this torrid period.

I hope we can work together on helping DBT break the mold and understand that Managing Public Money is not simply about limiting spend and reducing cost, it is also about the effective and efficient use of funds. I fear they are missing this vital ingredient.

Nick

**Nick Read**

Group CEO

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**From:** Simon Recaldin [GRO]  
**Sent:** 30 April 2023 20:51  
**To:** 'Brightwell, Rob (Services Directorate)' [GRO] Creswell, Carl (Services Directorate) [GRO]  
**Cc:** Nick Read [GRO]; Ben Foat [GRO]; Benjamin Tidswell [GRO]; Diane Wills [GRO]; Nicola Munden [GRO]; Nigel Clibbens [GRO]; Scott Joshua (BEIS) [GRO]; Gourlay, James - UKG [GRO]; Zhang, Sisi - UKGI [GRO]; Gratton, Lorna - UKGI [GRO]; Jackie Adams [GRO]; Richard Paddington [GRO]; Richard Taylor [GRO]; Patrick Bourke [GRO]; Melanie Corfield [GRO]; Evelyn Hocking [GRO]

**Subject:** Inquiry Hearing on Compensation Thursday 27th April

Carl/Rob

Hoping now that the smoke has cleared you've had time to reflect on the above.

Post Office thought it was a challenging day particularly around the GLO and the number of interventions Sir W and the legal reps made around timescales for completion and the August 2024 deadline being unachievable. I think he used the term 'banging on'!

I must admit/hope given what happened to Windrush and the funding extension that scheme enjoyed, Sir W's momentum might be enough for the Minister to pursue similar for the GLO? – well outside my remit I know. Apologies, but just a thought and no doubt there will be a number of very good reasons why this has not been invoked/pursued.

That said, I think the counsel for the Inquiry wrap up at the end of the day was very succinct and clear – I think he even said the words – we should expect Sir W to issue for the first time a formal interim report with the associated serious implications.

Counsel noted that while no evidence has yet been taken on compensation matters, there were some issues which don't require evidence before a formal interim report could be issued. He described the potential benefits of this step as:

- It would stand in distinction to a progress report as an escalation to reflect the seriousness with which the Chair views compensation matters
- It would be laid before Parliament and so by convention, DBT would have to formally respond as to whether it accepts the recommendations
- It would enable the Chair to use his powers 'while he can' noting that the Inquiry itself has an inevitably limited life.

Counsel identified four specific issues on which the Chair might make recommendations the last being:

That DBT should promptly set out and publish a timetable that shows how payments can be made under the GLO scheme before the deadline 'that Government has itself imposed'. He noted that the previous timetable outlined by the Secretary of State had already fallen behind. Further, that the Chair should direct that sufficient funding be provided to ensure the right resources are in place to enable the scheme to be delivered.

Post Office are therefore very concerned of the implications of such an intervention and in particular are acutely aware of our role in the provision of GLO disclosure and noted a number of references to the 32 week timescale. As result of the above I do not think it appropriate for DBT to point to Post Office in terms of disclosure given in that a collaborative approach has always been taken and indeed Post Office continue to work at risk on this encountering some headwinds such as co-operation on agreed terms from Freeths.

Indeed in the appropriate spirit of collaboration – on the basis of 'funds being no object' within reason of course, I have asked that parties get together on Tuesday to look at all ways the 32 weeks could be brought down and the associated risks Post Office Board would need to consider within and without appetite. This includes the potential for

recruiting even more people. Of course you know the issue, as you included in your submission, the people have to have a certain level of experience with Post Office systems.

However, Post Office do request two specifics from DBT please:

- As briefly discussed with you both on Thursday, it appears that unless the contract being finalised between us on GLO disclosure is signed up by Wednesday this week, due to BEIS's identity change to DBT, this will be kicked down the road for a considerable amount of time meaning Post Office will have to work as risk for an unacceptable period of time. I appreciate that this was new news to you as well

I'm not sure Post Office Board have the appetite for this but the point is such a delay would require me to go and ask.

I therefore request that you escalate and ensure that post Wednesday DBT can still commit on the current basis. We will carry on to complete the contract as soon as possible but there will be no time for toing and froing – it will be what it is, a framework and we will just have to ensure we work sensibly within it. Sorry, we cannot afford to wait further months to understand and negotiate a brand new governance journey for something that Sir W has his critical eye on. Please confirm

- DBT just have to manage Freeths better please. They have to abide by the agreed terms/process in terms of the formatting of disclosure requests. With immediate effect requests will be rejected unless they conform to the agreed approach. As described they keep on pushing the boundaries which is really not helpful. Their behaviours are of an organisation that deeply mistrust Post Office and if they keep on asking the same question everything might just cave in

I can't manage Freeths, but you/Rob can and would formally kindly ask you to do so please.

Please advise.

Thanks.

Regards

Simon

**Simon Recaldin**

**Historical Matters Director**

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**The information classification of this email is confidential unless otherwise stated**