



Via Email

23<sup>rd</sup> December 2021

Dear Calum

Thank you for your email of 11 December to Ben Tidswell about the Historical Shortfall Scheme. I am replying given many of the issues you raise relate to the organisation of the executive team that I implemented.

Following Declan's departure (who left having fulfilled his 12 month contract) and the announcement by the Government in May 2021 to move the Post Office Horizon IT Inquiry onto a Statutory footing, I revised the structure of the existing Historical Matters team. The Inquiry team became a standalone team, distinct from the Historical Matters team and I took this decision to ensure we were appropriately set up to be able properly assist the Inquiry.

This Historical Matters teams continues to focus on issues arising from the Group Litigation Order (GLO), including the Historical Shortfalls scheme. I am pleased to advise that Simon Recaldin will join Post Office on 10 January 2022 as Historical Matters Director. Simon will bring a wealth of experience to the role, I have provided a short bio for information. Simon joins The Post Office in January 2022 as Historical Matters Director following a 33-year banking career across a number of different roles and businesses within NatWest (formerly RBS).

*"Prior to competing his current regulatory driven leadership role transitioning NatWest's LIBOR portfolio to alternative funding products, Simon was the Operations Director on two other regulatory driven high-profile remediation programmes.*

*Firstly, under an industry wide FCA Section 166 mandate, leading a team of c1000 into investigating, opining and remediating the alleged miss-selling of swaps and other derivative products to SME and Corporate customers which included the utilisation of a Skilled Person and a provision of £1.5b. Secondly, following the coalition government's sponsorship of the Tomlinson Report, with the assistance of an ex-high court judge, independently investigating the alleged mistreatment by a division of RBS of SME customers in financial distress.*

*Before these roles, Simon led challenging change programmes across NatWest bringing precise focused leadership to implement and deliver change to fix troubled businesses business.*

*Simon holds a BSc. (Hons) degree in Economics from Loughborough University."*

Throughout, my focus has been on effective redress for postmasters affected by the Horizon scandal and the continued improvement of our relationship with current postmasters.

Compensation payments through the Historical Shortfall Scheme began following the Government's provision of funding support earlier this year. Decisions and payments are being made following assessments by the Scheme's independent advisory panel.

As you recognise in your email, Post Office made strenuous efforts in ensuring the Historical Shortfall Scheme was well publicised. Individual letters were sent to over 7,000 existing Postmasters and nearly 20,000 former Postmasters. A paid for media campaign was also undertaken with extensive press advertising, including advertising in four national papers and large regional daily and weekly local papers. Applications were also accepted for a further 15 weeks after the original closing date.

I very much understand your concern in relation to postmasters who have since or may in the future come forward with concerns about historical matters. We continue to review how we might best assist and find solutions for them. There are currently 122 such cases and I want of course to ensure there is fairness and consistency.

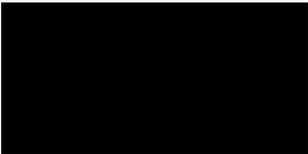
In relation to Post Office culture and resetting our relationship with postmasters, we have achieved a lot and recognise that there is always more to do.

You will be aware that following an extensive consultation with postmasters, we established co-creation groups with business leads to leverage postmasters' experience and expertise on the six priority areas raised through the survey (remuneration, IT systems and processes, communications, training, access to senior management and innovation). These are progressing well and providing crucial insights.

We have also improved our engagement with Postmasters with national events, local engagement events and regional postmaster forums and a Branch User Forum – as well as essential face-to-face support from both our regional managers and area managers.

Our new postmaster non-executive directors on the Board and our postmaster director in Amanda Jones' team are also contributing significantly to the cultural shift that we must achieve. I hope this provides you with further reassurance of the measures Post Office Limited is taking to expedite the resolution of historical matters and continue to reset the relationship with postmasters.

Yours sincerely



**Nick Read**  
Group Chief Executive Officer



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