



# Aria Grace Law

*Commercial Lawyers / #EthicalWorld*

12 April 2023

Lord James Arbuthnot of Edrom  
House of Lords  
London  
SW1A 0PW

Sent by email only

Dear Lord Arbuthnot,

## **The Post Office**

May I start by thanking you for your continuing general support for so many victims of the Post Office Scandal.

This is to some degree a personal letter, although having mentioned it to one of my clients—but no one else, she agrees with the key point I would like to try and get across, however inelegantly.

I have thought about why, having spent some considerable time preparing this letter, I am sending it to you. It is partly because you, like Professor Moorhead to whom I am copying it, are both members of the GLO Compensation Scheme Advisory Board. I think too, and as importantly for me, it is because both of you will understand what I am attempting to describe; please take that as a compliment –which is how it is meant.

I will mention, although you are aware, I am one of the legal team who works with Seema Misra, Janet Skinner and Tracy Felstead. I am not involved directly in matters regarding compensation nor relating to the Enquiry. If I suggest that I have an overall “watching, client care and hand holding” brief, perhaps that best describes it. My clients kindly allow me to do and say as I wish, if it helps them; whether regarding compensation or keeping in the spotlight, the entire Post Office Scandal and the many individuals (lawyers included) who aided and abetted in the destruction of their lives-

I have read, several times, Paul Marshall’s two powerful and superbly written letters, as sent to the Minister in the last few weeks. I think you know I am not a litigator, although it may sometimes appear differently. I am just a long-time common-sense deal doing corporate lawyer. On that basis alone this letter neither discusses any legal concepts nor is it a complex piece of writing.

The reason I looked initially at any of this, which I did in the latter part of 2019, followed my reading an article by Oliver Shah which suggested it might be more helpful if Paula Vennells and her board used some common sense as against listening to their lawyers (Herbert Smith / WBD, I believe). Subsequent events have proved him correct.

This takes me to the purpose of this letter. It is all about the continuing destruction of human lives.

I am probably aware as much as any third party can be, of the terrible effects of the continuing delays in resolving the compensation process. In some ways, having just three clients with whom I am in regular contact, gives me a deeper understanding of some of what they go through every single day—a point which seems to escape so many others involved. For Tracy Felstead, jailed in 2002 (I don't need to repeat the gruesome details of her time in Holloway), the real damage to her mental and physical health remains worse than grim. I may be mistaken, but I see very few others who are involved in the process of compensation, writing or discussing these issues. However, they are crucial to an understanding of why we must sometimes take the position that we do. We are not, I suggest, either as a group nor individuals who necessarily “go with the flow” and we are acutely aware why it is so important to do the right things, not just the easy things.

I have seen no evidence that HSF nor the Post Office board (whose entire modus operandi seems to be based around the word “silence”) have any interest in whether victims of the Post Office Scandal live or die. Harsh, but quite possibly true. We know of the 27 deaths and four suicides – I am sure there are probably more yet to be revealed. Meanwhile, as I have said time and time again on social media, HSF and (presumably) its client, Post Office seem to treat this as an all-out war, which they can't afford to lose. Someone needs to tell them they lost it several years ago; their behaviour now is more along the lines of a “scorched earth policy.”

As a long time corporate lawyer, I'm also not sure the behaviour of a board of directors of a government owned (or indeed any), major company which continues to fight an all-out war having already caused so much death and destruction, forms any part of company law. That includes the area quaintly referred to as directors' duties, nor indeed of corporate governance. No one who reads section 172 of the Companies Act 2006 can really believe the boards of Post Office Limited, over many years, have complied with it. This is, in itself, a separate topic, one ripe for research in due course. I note the Post Office directors now include an ex-senior partner of an international law firm and the recently appointed Simon Jeffreys—also chairman of audit, risk and compliance at the Crown Prosecution Service. Alasdair Cameron, CFO, remains in situ after a dismal seven years and I am not sure the chairman, Henry Staunton has uttered a word (see above) since he took up the role many months ago. Meanwhile, instructing (or letting), lawyers play “clever” games with words when so many lives are at stake is, I would suggest, also an unedifying way for the Post Office board to behave.

Past events make it unlikely either the Post Office board or its lawyers are still able to take an objective view about doing the right thing, nor even understand what that means in real life, as opposed to the legal world. I do wonder whether it is HSF or the Post Office board driving the overall strategy of compensation. Perhaps it is the Minister and his team of civil servants; but who knows; do you? How the compensation schemes will progress, I have no idea. I do now understand to some degree the chaos, complications and anomalies around all three schemes, and again, the way they are having an impact on real people with real lives.

**As I also wrote recently – time is the one thing many of the sub postmaster victims don't have too much of anymore. These are all human issues – matters of life and death--not mere legal concepts. Someone needs to reiterate that point to the Minister, his civil servants, the directors of the Post Office and their respective lawyers.**

At another time I worked with the wonderful Nikki and Paul Turner (names well known to the Minister), on various matters relating to the HBOS Reading billion-pound fraud (which they uncovered in 2007), and what Lloyds Bank did or didn't do next. There too another tortuous process relating to compensation, this one involving the Foskett Panel, continues. There too people are sick and are dying. I am sure you are aware.

Several years ago, Nikki Turner and I created what we thought was a simple (albeit nothing like perfect), "layered" scheme to deal with compensation. Of course, some people don't like simple. Equally, there were only a few hundred claims, not the thousands as in this instance.

There have been times, previously, when a government has made available large amounts of money for what might be described as disasters. For example, Covid or the 2008 banking crisis. To each of the many hundreds of sub postmasters and thousands of others also affected, this probably feels like a disastrous event.

Why, therefore, should this Government (unlike Paula Vennells previously and now the current Post Office board), not use some common sense and resolve the matter of compensation **now** without being led down numerous and rambling paths, perhaps by lawyers and/or others—again, who knows. Laws and rules are generally not created as tools to assist in ruining lives, or to facilitate yet more deaths.

The money is available. The government is ultimately the sole shareholder in the Post Office.

In addition, the failure by many governments to look at this scandal over more than two decades, should leave this one, I'm guessing, and hoping, in a moral and ethical dilemma if any of them ever think about it. Ministers could break the habits of a lifetime and do the right thing. It doesn't need to be perfect – that is unrealistic. But equally it should not be driven by those who don't care, as noted, whether people live, some near penniless, or die. Each is a wholly innocent victim of a 20 year miscarriage of justice.

None of this needs to be complicated – it is complicated because presumably Post Office directors and certain others have chosen deliberately to make it so. As we say in my world "just do a deal" and do it now. My clients want to move on with their lives, like so many others, I am certain, I believe this is another way—please would you and Richard Moorhead to whom I am copying this letter, at least consider it with those who have the power to make decisions. I am quite content for you to share this letter if you wish.

Yours Sincerely

[GRO]

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