
From: Rachel Scarrabelotti[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=C0BBAD6D27E74AC7AC6377E364983152-RACHEL SCAR]
Sent: Wed 01/03/2023 9:01:54 AM (UTC)
To: Henry Staunton [GRO]
Cc: Nick Read [GRO] Ben Foat [GRO]
Subject: RE: PM NED matter

Many thanks Henry. Nick and Ben F will be in GE from 11:00 through to 1:00 so could we please do 15 minutes at 1:00, ahead of RemCo.

Best,

Rachel

Rachel Scarrabelotti
Group Company Secretary
Legal, Compliance and Governance

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Upcoming Annual Leave 11 April 2023 – 14 April 2023 inclusive

See the Company Secretariat Intranet Page for: [Our Group Governance Framework](#), [Post Office Group Board & Committee Dates & Deadlines](#), [Board Paper Templates & Guidance](#), [CoSec Training Dates and Sign Up & Guidance on the Contract Approval Process](#).

For Contract Approval Form (CAF) enquiries, please email [caf@postoffice.co.uk](#) [GRO]

From: Henry Staunton [GRO]
Sent: 28 February 2023 21:42
To: Rachel Scarrabelotti [GRO]
Cc: Nick Read [GRO] Ben Foat [GRO] Zarin Patel [GRO] Benjamin Tidswell [GRO]
Subject: Re: PM NED matter

Dear All ,

Happy to meet up tomorrow morning . I go to the Capital & Counties results presentations first thing but could get to the office at 11,00 am . Does that work for everyone . I could do any time before the RemCo .

BW ,

Henry

Sent from Outlook for iOS

From: Rachel Scarrabelotti [GRO]
Sent: Tuesday, February 28, 2023 9:13:11 PM
To: Henry Staunton [GRO]
Cc: Nick Read [GRO]; Ben Foat [GRO]; Zarin Patel [GRO]; Benjamin Tidswell [GRO]
Subject: PM NED matter

Hi Henry,

I hope you've arrived back safe and sound.

I understand you have been advised previously of the investigation into apparent shortfalls in branches held by Elliot Jacobs. By way of reminder:

- EJ owns a business, Universal Office Equipment (UOE), which runs seven premises containing post offices;
- Since early 2019, UOE has accumulated shortfalls in the operation of its post office business;
- Prior to EJ becoming a NED he repaid some of the shortfall but since becoming a NED he has not engaged with the repayment process nor challenged the shortfalls;
- Each month the POL team responsible for recovering agreed shortfalls has sent EJ a statement showing the outstanding amounts;
- Training has been offered but not taken up;
- The uncontested shortfall now sits around £213k;
- EJ is in the process of seeking to take on a further two post office premises;
- CIU is investigating under Project Venus 1) whether EJ should have declared his shortfalls in the process of becoming a NED; 2) the extent of the shortfalls; 3) whether EJ declared a conflict during Board meetings where recoveries from postmasters was discussed;
- Branch Assurance are to visit all seven of EJ's locations to settle a full cash and stock position in mid-April 2023.

Nick Read, Ben Foat and I would like to see you, tomorrow if possible, to request that you consider meeting with Elliot to discuss this matter, particularly ahead of the next Board meeting. In terms of your meeting with Elliot, we suggest the following points are covered:

- Due to increasing shortfalls at UOE, an investigation into how these have accrued is being conducted – it seems that the amount has now reached in the region of £200,000
- As EJ is the sole director of UOE it is felt he is conflicted at Board when the various elements of Postmaster recoveries are being discussed
- Because of this, EJ should not participate in discussions or be present at future Board meetings when this agenda item is discussed – absolutely no problem for the other Board Agenda items
- The CoSec will make sure EJ doesn't inadvertently receive any Board papers relating to this
- Wanted to raise this to avoid any further conflicts

- As with other shortfall matters, Branch Assurance visits will take place, scheduled for April, to determine a stock and cash position
- After that, the team will then seek to discuss with EJ this position
- Once the investigation completed the Chair and EJ can discuss a way forward
- It would be a positive step for EJ to re-engage with the Postmaster Account Support team (Michelle Stevens) now in advance of the Branch Assurance visits in April
- It would be really helpful to have EJ's view as to why the shortfalls have spiked recently – (either now if he has a view and freely offers it, or during the investigative meeting post-branch visits)
- If Elliot asks about the post-Branch Visit investigative meeting, the CIU team will write to Elliot in advance, explaining what they propose to discuss, what the purpose is, and to advise that he can bring a friend to that meeting or a NFSP rep or even a legal rep if he would like. It is not an under caution interview and we are not conducting a criminal investigation. We are looking to understand why these shortfalls occurred and what can be done to rectify the position in terms of understanding and perhaps provision of training to his staff etc.

I have attached the Interim Report and the account running balance.

I am checking with Philippa and Di as to a convenient time to meet, perhaps after RemCo if that would suit, so we can talk you through the above.

Best,
Rachel