

WITN11370100

Witness Name: Richard Taylor

Statement No.: WITN11370100

Dated: 4 October 2024

POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF RICHARD TAYLOR

I, Richard Taylor, will say as follows:

INTRODUCTION

1. I was employed as Group Director of Corporate Affairs, Communications and Brand at Post Office Limited (“Post Office”) between 2020 and 2024. I have set out my professional background at paragraphs 8 to 11 below.
2. I make this witness statement to assist the Post Office Horizon IT Inquiry (the “**Inquiry**”) with the matters set out in the Rule 9 Request dated 1 August 2024 and in response to the questions raised in that request.
3. I left Post Office in February 2024. I have addressed the questions put to me by the Inquiry to the best of my ability, based on my memory of events at this time and without recourse to my full set of work emails and calendar or all of the documents I worked on whilst at Post Office. I have been assisted by a law firm in the preparation of this statement.

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4. I was horrified by the unfolding Horizon scandal which I read about in the press before I joined Post Office in January 2020, and by the miscarriages of justice that devastated the lives of so many.
5. I accepted the role as Director of Corporate Affairs and Communications because I wanted to work with the new Chief Executive Officer to help turnaround the business that had caused such distress to so many people. In my time at Post Office I always advocated for the provision of full redress to all those affected. I hope that as the Inquiry concludes its important work and the final report is published, all those affected by the scandal will be able to benefit from Sir Wyn's recommendations as well as the actions of today's Post Office and the Government to right the wrongs of the past.
6. I resigned from Post Office in February 2024 following the reporting of comments I made in a personal capacity to a friend some years before. I address these comments more fully later in this statement.
7. I was wrong to make these comments which I appreciate will for many postmasters have been insulting. I am profoundly sorry for my past remarks and for the hurt and offence that they caused.

PROFESSIONAL BACKGROUND

8. I obtained a Bachelor of Arts in Geography and African studies at the University of Birmingham in 1992. In 1993 I graduated from the University of Cambridge with a Masters of Philosophy in Environment and Development.
9. In 1993 I joined the Confederation of British Industry as a Policy Advisor. In 1998 I became the Labour Party's Policy Advisor for Industry, Culture and Agriculture. In 2001 I was appointed Special Advisor to the then Secretary of State for Defence.

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10. In 2004 I became a partner at the strategic communications consultancy, Portland, and was a consultant until 2008, when I joined Morrisons supermarkets as Group Director of Corporate Affairs and Communications. From 2015 to 2019 I was Group Director of Corporate Affairs and Communications at ScottishPower.

11. In August 2019 I was approached by a recruitment agency about a role with Post Office. Following a series of interviews, I was offered the position as the Group Director of Corporate Affairs and Communications in December 2019. I started this role on 29 January 2020.

EXPERIENCE AS POST OFFICE LIMITED CORPORATE AFFAIRS AND COMMUNICATIONS DIRECTOR

Group Director of Corporate Affairs, Communications and Brand

12. As Director of Corporate Affairs, Communications and Brand I reported to Nick Read, who had become Chief Executive Officer in September 2019. I was part of the Group Executive and was responsible for the communications function within Post Office.

13. The primary role of my team was to advise on the corporate affairs strategy for Post Office, preparing and delivering communications on its behalf. The team was responsible for collating content in collaboration with other functions in the business, testing and challenging the subject matter, and presenting and explaining this as clearly as possible to internal and external audiences.

14. For example, in 2020 I worked closely with the mails team on how best to communicate to postmasters and to wider media the significance of the second Mails Distribution Agreement between Post Office and Royal Mail, emphasising the commercial importance to both partners, as well as the opportunity to introduce new carrier sales opportunities for postmasters such as DPD and Evri. This included preparing statements with key messages, answers to

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frequently asked questions as well as video and other digital content to explain the benefits of the change.

15. The team prepared briefings, speeches, statements, press releases and other forms of tactical communication for a wide range of audiences, including postmasters, colleagues, journalists, and Parliamentarians. This included communications setting out the measures being implemented by Post Office in response to the Horizon IT scandal and the provision of redress to postmasters, as well as communications in response to the Inquiry. Examples of this work include statements of apology and wider explanations of how Post Office was implementing the recommendations of Lord Justice Fraser.
16. Post Office is a unique business as it is primarily a franchise concession operating in partnership with other businesses on the high street, with its sole shareholder being the Government. A key focus of my role was to present and explain a future vision for Post Office as a commercially sustainable business, including to current and future postmasters.
17. I joined Post Office during a particularly busy period. In addition to my induction, and the strategic projects on Purpose (discussed further below) and restructuring of the communications function described below, there were a number of immediate external priorities including the Government's announcement of the Horizon IT Inquiry, how to respond to the global Covid-19 pandemic as well as advising on commercial imperatives.
18. For example, during the first six weeks of my role I met the Secretary of State for Work and Pensions regarding the closure of the Post Office Card Account (POca) scheme, prepared a communications plan for the second Mails Distribution Agreement and launched a new system for postmasters to order stock via Branch Hub.

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Structure of the Corporate Affairs and Communications directorate

19. In January 2020 there was a traditional pyramid structure within the Corporate Affairs and Communications directorate in which I had two direct reports; one who was responsible for internal communications and the other for external. I led a significant restructure of the team that year, resulting in a reduction in head count by approximately one third and the implementation of 'spans of control', consistent with best practice. Thereafter I had eight direct reports, including two directors. Their respective teams were responsible for policy, insight, messaging, strategic planning, and tactical delivery. Six audience experts were accountable for targeting communications for postmasters, colleagues, journalists, parliamentarians, stakeholders and customers (through the Post Office brand). Funding had been approved by the shareholder to enable such re-structuring of some functions with the aim of reducing central cost overheads which should be to the benefit of postmasters.

20. When I joined there was also an extensive programme underway across the business focused on 'Purpose, Growth and Strategy'. This programme had been introduced by Nick Read, with McKinsey appointed to advise on the Growth and Strategy elements. I was asked by Nick Read to take on responsibility for the Purpose work. This was a demanding six-month project involving extensive discussions and analysis with postmasters and colleagues. In the summer of 2020, the Board formally approved a new statement of the Purpose of Post Office, summarised as 'We're here in person for the people who rely on us': emphasising the importance of the physical network, the service offered by postmasters and the wide range of personal and business customers.

21. There was also a significant amount of work underway addressing the issues identified in the judgments of Lord Justice Fraser (addressed further below). One of my priorities was to review the effectiveness of communications to postmasters and implement improvements, as well as advance the

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understanding of colleagues about the daily challenges postmasters faced to run a successful business and help ensure a postmaster centric culture. It was clear to me both through the recruitment process and on joining the business that the priority for Post Office was to 'turnaround' the business with the priority of offering redress for the past, as well as working towards a commercially sustainable future that put postmasters first.

Training and induction

22. During my recruitment I visited a number of Post Office branches and spoke with postmasters, including about issues related to Horizon, to understand the state of the business. I may have also been sent some induction material after I was offered the role in December 2019.
23. My induction was consistent with that of other senior leadership roles that I have held. This took the form primarily of one-to-one meetings with colleagues, including with my Group Executive counterparts, other senior leaders as well as every member of my team. Over the first six weeks I attended multiple meetings in parallel with starting work on key projects. I also met a number of external parties, including representatives from the National Federation of Sub Postmasters ("NFSP"), Communications Workers Union ("CWU"), UK Government Investments ("UKGI") and the Department of Business. A timetable summarising my first few days of induction [POL00460564] refers to some of these meetings and postmaster visits.
24. As part of my induction I visited the offices in Chesterfield with the Network Operations Director. I listened to calls at the Branch Support Centre to hear first-hand the type of issues that postmasters were raising and how they were handled by the agent. This provided valuable insight into the day-to-day issues that were being faced by postmasters and the improvements being implemented to handle their calls.

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25. I found all of the induction meetings useful as I heard from key subject matter experts about the challenges facing postmasters and Post Office as a whole and the programmes being implemented to provide redress to postmasters affected by the scandal and also improve branch profitability for the benefit of postmasters.

26. In addition, during my induction I visited several branches across London with the Retail Director and Area Manager, meeting a number of postmasters from franchised branches. I had the opportunity to ask direct questions to postmasters about the operations of their branches, and any concerns they may have including their use of Horizon, commercial opportunities for their business and the usefulness of the range of communications they received from Post Office. Such first hand and personal accounts from postmasters was a particularly valuable element of my induction as I gained insight into the improvements that had already been implemented to help and what more needed to be done.

27. As part of my induction, I also undertook mandatory online training, for example, covering health and safety practices, anti-bribery and corruption and cybersecurity.

28. While I was satisfied with the induction I received, it was somewhat curtailed by the pandemic and subsequent lockdowns which began seven weeks after I joined.

29. I received no handover from my predecessor, Mark Davies, who had left prior to my appointment.

Horizon

30. Prior to joining Post Office, I had no direct experience of the Horizon system. I had a basic understanding of its functionality and was aware of its development and introduction from my previous role working for the Labour Party in the late

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1990s and for its intended use within Post Office and to support the Department of Work and Pensions. However, I had no role or involvement in its development, introduction or operation.

31. During my time at Post Office my knowledge and understanding of the Horizon system developed further, although I have no professional or technical training in the design or operation of IT systems. I understand it to be both an Electronic Point of Sale system processing hundreds of thousands of transactions per day in branches, as well as the 'back office' accounting system. I regularly had discussions with colleagues in the IT team and in retail to understand more about Horizon and the further improvements needed. I also frequently met postmasters to discuss the operation of Horizon, its functionality and the issues they faced. This included hosting visits for Government Ministers in branches so that they could meet postmasters and see first-hand how Horizon operated, particularly in light of the issues highlighted by the Inquiry.

32. As mentioned above, as part of my induction I also attended meetings with key individuals within Post Office and received briefings about Horizon, the prosecution of postmasters and the Group Litigation Order. These meetings were largely framed in the context of my role as communications director and focused on how to improve further Post Office's relationship with postmasters, including the most effective communications framework.

33. I sought the opportunity to complete the full Horizon training that postmasters receive in the summer of 2020 as I was interested to learn and wanted to have a better understanding of the system, and to be in a position potentially to assist in branch during peak seasons. However, due to my workload at the time I was unable to join the Chief Strategy and Transformation Officer in doing so.

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Corporate affairs and communications directorate in the context of the Lord Justice Fraser judgments and the work of the Inquiry

34. In the four years that I was at Post Office, the Horizon IT scandal, redress for postmasters and how to ensure a postmaster centric culture were regular topics at meetings and a key focus of discussions within the Group Executive.
35. The Chief Executive Officer established a Steering Committee to address the management of the Inquiry, with members including the IT Director, General Counsel, Chief Financial Officer and me as Communications Director. I also participated in calls arranged by the Inquiry team for colleagues to brief them specifically on the communications response to the Inquiry, notably how the Post Office handles social media commentary relating to individual colleagues.
36. A separate Improvements Delivery Group led by the Chief Strategy and Transformation Officer was also established to implement the recommendations arising from the judgments of Lord Justice Fraser. That committee was primarily operational with members from the retail, strategy and legal teams.
37. The Improvements Delivery Group produced an extensive tracker document that was regularly updated and reviewed by the Group Executive. 'Red, Amber and Green' ratings were applied to measure progress and prioritise the most urgent issues.
38. As a member of the Group Executive I was regularly involved in discussions concerning the implementation of the recommendations. My primary focus was on the culture at the Post Office, including effective two-way communications with postmasters, and brand proposition. I wanted to ensure that postmasters, as franchisees, could benefit from a Post Office concession helping them run a commercially sustainable business with all the support they should expect from the franchisor.

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39. One of the recommendations from Lord Justice Fraser was to appoint a serving postmaster to the board as a Non-Executive Director (NED). There was an election in 2021 and two postmaster NEDs were appointed. The postmaster NEDs provided an important voice for practical strategic and operational postmaster insight and an additional opportunity for two-way communications with the wider postmaster population.

40. Examples of some other improvement work undertaken by the Corporate Affairs and Communications directorate during my time at the Post Office included:

- a. A comprehensive review of postmaster communications, with a particular focus on which tactics were most appreciated by postmasters.
- b. An annual programme of events with postmasters focused on strategy and enabling a wide range of questioning from postmasters held in different cities around the UK and attended by senior management. I attended these events and prepared speeches for subject matter experts.
- c. A weekly email was refined to update postmasters on strategy and key tactical developments. We also started to use a wider range of tactics to communicate with postmasters including producing podcasts and greater use of video and animated content.
- d. A handbook for postmasters was prepared which contained detail about the work being undertaken to implement the recommendations of Lord Justice Fraser and explained postmasters' rights and responsibilities. I have annexed to this statement the 2023 version **[POL00448077]**.
- e. At the beginning of one year, the communications team arranged for three postmasters who were sceptical about the progress being made to transform the business to meet with senior leadership at Post Office to

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discuss their experience and to raise issues they were facing. The same postmasters were invited back the following year to discuss and reflect on further improvements made or additional changes needed.

- f. The insight team in the communications function advised the retail team on postmaster surveys which included year on year tracking of sentiment.
- g. An online training course for all colleagues was prepared including a film produced by the communications function with interactive questions showing a 'day in the life' of a postmaster to help colleagues understand better the reality of being a postmaster running their own business.
- h. The 'Adopt an Area' programme was established with senior business leaders visiting branches regularly in a specific area of the UK. Suggestions and recommendations were collated by the communications team to inform the work of the Improvement Delivery Group and other colleagues in the retail function.
- i. An internal audit leading to an updated communications framework setting out clearly the frequency of different communications tactics for both postmasters and colleagues.
- j. The communications directorate also commissioned an external audit of other franchisers and the effectiveness of their communications to franchisees to enable the introduction of industry leading tactics for the benefit of postmasters.
- k. A full brand analysis to identify the name of any Horizon replacement system was also conducted including focus groups with postmasters.

41. One of my particular priorities for the communications function was to explain the future vision of Post Office, known as the Intent to 2025, including an annual

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speech at the start of each financial year by the Chief Executive Officer complemented by regular multi-channel communications campaigns for key commercial opportunities, notably mails and banking.

42. By way of example, the speech delivered by the Chief Executive Officer in April 2021 [INQ00000425] was prepared by a member of my team and me and published on the corporate website. Nick Read set out Post Office's intention to adopt a 'postmaster first' approach, and identifies the cultural failings within the business as well as its intent to embed a partnership approach with postmasters. The annual speech served as an opportunity for Post Office to brief postmasters and the wider public about the work that was being done to address the issues arising from the Inquiry.

43. Another workstream concerned the replacement of Horizon and its complementary communications strategy to postmasters and other external audiences. Contractual complexities and the high potential cost of replacement made this challenging and therefore limited the communications that were possible. At the time I left Post Office this issue remained unresolved.

Postmasters

44. I have been asked to summarise my experience of the Corporate Affairs and Communication directorates' relationship with and approach to postmasters. I have described above some examples of improvement work for postmaster communications.

45. Along with members of my team and colleagues from the retail directorate, I regularly attended meetings with postmasters. These meetings had a strong emphasis on continuous improvement of two-way communication with postmasters consistent with what a healthy franchisor to franchisee partnership should look like. I enjoyed meeting and working with postmasters to understand

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their business better, and I found such conversations to be extremely useful as we sought to embed a culture of partnership with postmasters.

46. The prevailing attitude within the communications team was to be postmaster centric, and this was widely evident when I joined in January 2020. Throughout my time at Post Office the team was dedicated to delivering effective communications for the benefit of postmasters.
47. As referenced above, in the summer of 2022 the communications team undertook an internal audit of postmaster communications to establish a framework for the frequency and type of tactics they preferred. Postmasters were consulted in the development of the framework, with a published version available to all postmasters to help them understand what to expect and when.
48. In 2023, a consultancy, Strand Partners, was contracted to undertake an external audit of a wide range of different franchisor/franchisee relationships. The aim of this project was to inform further changes for Post Office based on best practice in franchisor to franchisee communications.
49. As mentioned above, helping postmasters understand better the opportunities to increase sales and branch profitability was particularly important, as well as to introduce opportunities for profit share, for example from online travel money sales.
50. There were, however, challenges to improving some communications channels to postmasters. For example, the database of postmasters and staff working at the counters was incomplete. One way we sought to overcome this was identifying those postmasters who were well-connected to other postmasters in their region and arranging regular calls with them to try and reach a wider audience of postmasters. We also worked with the postmaster non-executive directors to create communications tactics for them, e.g. broadcast video messages, and to improve further opportunities for two-way communications.

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Culture of the Corporate Affairs and Communications directorate within the Post Office

51. I have been asked to describe the culture of the Post Office within the communications directorate and whether this changed following the findings of Lord Justice Fraser and the work of the Inquiry. I was appointed to my role shortly after Lord Justice Fraser's judgment was handed down, and prior to the Inquiry being announced.

52. Throughout my time at Post Office, I found that colleagues were hardworking and dedicated to the transformation of the business. When I joined in January 2020 the prevailing attitude was to be postmaster centric and this provided a clear impetus to deliver effective communications for the benefit of postmasters throughout my time at Post Office. From discussion groups and meetings with postmasters, the team sought to understand and overcome any barriers postmasters may face when receiving communications. For example, addressing the frequency of messages in recognition of their busyness serving customers and introducing a wider range of accessible communications tactics.

53. I left the Post Office at a time where there was a consistent focus on ensuring all the recommendations identified in the court judgments had been implemented in full as far as possible. The communications team was focused on learning from the audit of other franchise businesses and in particular to ensure that the culture was rooted in being helpful to postmasters. The business to customer brand proposition that we introduced based on the Purpose was 'We can help with that'. I was determined that this same approach of helpfulness should also be consistently applied to our 'business to business' culture and that Post Office should be an exemplar of a franchise that seeks to help its franchisees manage a successful business.

54. There was always a recognition within the communications function and across other colleagues that Post Office could not move on until matters of the past had been comprehensively addressed. Likewise, there was consistent

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recognition that all those affected by the Horizon IT scandal must receive full and final redress.

55. The importance of demonstrating that Post Office was an attractive franchise proposition for current and future postmasters was a key part of the communications team's culture and strategy. This continued throughout my time there.

56. One challenge to transforming the culture within the Post Office was stability within the senior management team and notably that, during the four years that I was at the Post Office there were four different Chief People Officers that I worked with, each with their own approach to addressing cultural change.

Relationships with key stakeholders

57. Post Office's relationship with the National Federation of Sub Postmasters ("NFSP"), was predominately led by the Retail function. Members of the communications directorate would join meetings between the NFSP and the retail team to gain a better understanding of challenges faced by postmasters and opportunities to address them. Post Office would provide speakers for the NFSP annual conference, and the communications directorate worked with subject matter experts on the speeches to be delivered.

58. Post Office's relationship with the Communications and Workers Union ("CWU") was primarily led by the People function, as it largely related to pay negotiations and wider employee relations. Members of my team would attend the tri-partite meetings between the CWU, NFSP and Department of Business.

59. There was a regular flow of communications between the shareholder, UK Government Investments ("UKGI"), and Post Office. The team was in very regular, often daily communication with the Department of Business and Trade and UKGI regarding parliamentary questions and to assist with the flow of information on wider parliamentary business.

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60. The communications directorate did not have any regular direct dealings with Fujitsu. I understand that prior to me joining Post Office a member of the team would have been in contact with Fujitsu's press office, for example concerning the Group Litigation Order, but there were no regular communications discussions with Fujitsu during my time.

DEPARTURE FROM POST OFFICE LIMITED

Resignation from the Post Office

61. I resigned from the Post Office on Monday 26 February 2024. As is set out in the press statement issued by Post Office on Tuesday 27 February [RLIT0000277], and as I explain in greater detail below, following the broadcast by Talk TV on Thursday 11 January 2024 of covert recordings of two private conversations I had with a friend. I want to apologise again for the hurt and upset that my comments caused and reiterate the apology that I made at the time and which I believe was reported by Talk TV.

62. I have been asked by the Inquiry to set out in detail the reasons for my departure from Post Office Limited, including the relevant background, chronology and actions of any individuals involved.

63. In January 2020, shortly before starting work at Post Office, I visited my mother in Walton-on-Thames, Surrey, which is the town in which I grew up. On Sunday 5 January I attended a church service in Walton at which I bumped into a friend of some 40 years standing. We had known each other since childhood and kept in touch throughout the 1990s and 2000s, but I had not seen him for several years as I had moved from south west London to Yorkshire in 2007.

64. Following our chance meeting, my friend initiated a WhatsApp conversation suggesting that we meet up one evening when I was next in Walton. We then exchanged several messages in order to try and find a mutually convenient date to meet. The full WhatsApp conversation is included in [POL00460565],

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which is a document sent by me - with the name of my friend redacted – to the People team at Post Office as part of their investigation during my suspension.

65. My friend and I agreed to meet on the evening of Monday 9 March 2020 at a pub in Walton. From recollection, the pub was very quiet: it was one week before the Prime Minister announced that everyone should stop non-essential contact and travel because of Covid-19. My friend was already seated at a corner table away from the other handful of customers. There was loud piped music playing throughout the pub.

66. As over four years have passed since that one-to-one meeting, I cannot recall the details of our conversation. I would expect that we spent our time catching-up about family and friends but clearly, as is evident from the covert recording, our conversation at some point turned to Post Office.

67. Following our meeting in March 2020, my friend and I exchanged WhatsApp messages later in March 2020 and again in May 2020.

68. I did not hear from my friend again until April 2021, when he initiated further messages suggesting that we meet again. We met on Monday 22 November 2021 in the same pub in Walton-on Thames. As in March 2020, the pub was quiet on a Monday evening and my friend was already there when I arrived. I expect that we caught up on what had happened in our lives since we had last spoken, for example the death of my mother.

TALK TV VIDEO AND POST OFFICE LIMITED INVESTIGATION

69. On Thursday 11 January 2024, at around 4pm, I received an email from Talk TV out-of-the blue telling me that they had a recording of me making comments regarding the Horizon scandal which was going to air that evening at 7pm, and inviting me to respond.

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70. That afternoon, I did not make an immediate connection between the email from Talk TV and the conversations I had had with my friend in March 2020 and November 2021.
71. After receiving the email, I spoke with a number of people. This included the Chief Executive Officer, Nick Read, lawyers, and a director in my team whom I asked to draft a statement including my apology that could be provided to Talk TV.
72. My colleague provided a statement, in which I apologised for my comments, to Talk TV early in the evening of 11 January and the statement was, to the best of my recollection, included in the programme broadcast from 7:00pm.
73. By the morning of Friday 12 January, having reviewed my calendar overnight and WhatsApp, I was able to satisfy myself that the source of the covert recordings could only be the one-to-one meetings with my friend and I sent him a message expressing my deep sadness and hope for reconciliation in the future. Later that morning, I attended previously scheduled meetings at Post Office's headquarters. In the early afternoon, I was asked to attend a meeting with the Chief People Officer during which I was informed that I was suspended with immediate effect and an investigation was to be conducted.
74. That day I spoke to Nick Read, apologising to him for the comments that I had made to my friend and for becoming a story, which could be a distraction from the important work of transforming the business. I reprised to Nick Read the circumstances of the covert recordings and that it could only have been initiated by my friend of forty years who appears to know Nick Wallis.
75. During the week beginning Monday 15 January 2024 I had a virtual meeting with a director in Post Office's people team to begin the investigation into the circumstances leading to my suspension. During that meeting I summarised that it was a friend that had initiated the one-to-one meetings that he had

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covertly recorded and apparently given to Nick Wallis. After the meeting, I prepared the PowerPoint presentation **[POL00460565]** including the full WhatsApp conversation with my friend and sent it to the people director (I redacted my friend's name in the PowerPoint presentation).

76. Shortly thereafter the people director initiated a further meeting with me. I was informed that I could either resign from Post Office or take part in an employment review process. I spent time with my wife considering what was best and concluded that I should resign. I knew that the Post Office was a business facing intense public scrutiny, for example with Nick Read appearing before the Business Select Committee on Tuesday 16 January and again on Tuesday 27 February. I did not wish the allegations aired in the Talk TV story to distract from the vitally important work to transform Post Office's culture and to make it a truly postmaster centric organisation. I formally notified Nick Read of my resignation by email on Monday 26 February.

77. I asked Post Office to make an external announcement. As mentioned above, a press statement was issued by Post Office the following day, Tuesday 27 February **[RLIT0000277]**.

78. I have been asked by the Inquiry to comment on the investigation conducted by Post Office and to provide a copy of the investigation report. I have described above my interactions with Post Office's People team following my suspension. I am not sure what, if any, additional investigative steps the People team undertook and I was never provided with an investigation report, if indeed one was ever produced.

79. I remain profoundly sorry for the comments that I made to my friend in March 2020 and November 2021. I understand that the comments made will have caused further hurt and upset to postmasters and their families who had already endured so much. That is the very last thing I would ever want to do.

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80. I have only seen the isolated quotes included in the broadcast package and have no recollection of how it was that in the course of a social conversation with an old friend in the pub I offered these views. The excerpts of the secret recording broadcast by Talk TV do not provide any context to the conversation or generally what it was that my friend was saying. Nevertheless, I recognise that I should have said to my friend that what happened to postmasters affected by the scandal was a matter for the Inquiry to investigate and conclude. It may be that as my friend was secretly recording, he directed the conversation to these topics in the hope that I would say something potentially considered newsworthy. In any event, I should not have commented specifically on matters that were being fully investigated by the Inquiry.

81. The comments reported in the Talk TV package did not represent the views of Post Office and the colleagues with whom I worked on a daily basis. I was not sharing with my friend any confidential information or particular insights that I had gained from my time at Post Office. From what I can tell from the recording, I was regrettably offering off-hand comments based on my wider experience in the retail sector and my reading of public documents, such as the judgements by Lord Justice Fraser.

82. I am horrified that the quotations broadcast by Talk TV in January called into question the commitment of Post Office and its senior leadership to righting the profound wrongs identified by Lord Justice Fraser.

83. I have been asked by the Inquiry to reflect upon the following particular quotes from the covert recording included in the Talk TV package. As I mention above, the excerpts do not provide any context to the conversation, however, I have set out my reflections below:-

I understand that the quotations selected for broadcast by Talk TV give the impression that I thought postmasters clearly stole money and that this is insulting to postmasters past and present, including use of strong language like “downright”. The wrongful conviction, and in some cases imprisonment, of

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innocent postmasters as a result of the Horizon scandal is an appalling tragedy that has ruined too many lives. As I have said above, my principal motivation in joining the Post Office was to play some small part in transforming the business that had caused these miscarriages of justice. I am deeply sorry that my comments in March 2020 give a different impression that is offensive to postmasters past and present.

i. Reflection that some Postmasters stole money:

I do not know why I said this to my friend.

By Monday 9 March 2020 I had been at Post Office for less than six weeks. I had previously worked for retail businesses and was aware of the wider issue of what the sector describes as 'shrink,' including shoplifting and employee theft. I may have been trying to express to my friend, in a very clumsy fashion, that it was unlikely that Post Office, as a large retail business, was immune from these challenges.

ii. Reflection that the Horizon Issues Judgment did not show a "causal link" between issues with the Horizon system and short falls in branches:

I consider this a speculative comment based on my own reading of the Lord Justice Fraser judgement when it was published. I was in no doubt since joining the Post Office that Lord Justice Fraser had found that it could be possible for the faults with the Horizon system to have caused apparent shortfalls within branch accounts. This finding was the foundation of all that the senior leadership team was doing at Post Office to address the grave injustices of the past.

iii. Reflection that overturned convictions say nothing about guilt or innocence:

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I am not a lawyer and I have no direct experience of the criminal justice system, however, it was my personal understanding that the appeals process was not a re-trial but an assessment of the safety of the original conviction. These were off-hand comments made to a friend.

GENERAL

84. I have been asked by the Inquiry to set out any other comments or reflections about my experience as Corporate Affairs and Communications Director at Post Office.

85. As I have stated in my evidence throughout the four years I was at Post Office I was clear that the horrendous experience many postmasters endured during the Horizon IT scandal could not and should not be ever repeated. All of the senior leaders, the communications function and as far as I could tell all the colleagues I met and worked with were united in their dedication to secure transformation of Post Office. This included the urgent task of offering full redress to those affected by the scandal at the same time as ensuring the business model truly reflected a franchise partnership with opportunity for postmasters to share more in the commercial success of Post Office. I enjoyed meeting and working with numerous postmasters to understand their business better and hope that the work underway to ensure that the prevailing culture is unrelentingly focused on helping postmasters succeed continues to flourish.

86. I was wrong to make those comments to my friend on what could have happened before I joined the Post Office in 2020 and should have simply said that these are all rightly matters for the Inquiry to consider. I apologised publicly as soon as those comments were broadcast and I am deeply sorry for my past remarks and for the hurt and offence that they caused.

87. I hope that as the Inquiry concludes and the final report is published that all those affected by the scandal will be able to benefit from all the lessons learnt and Sir Wyn's recommendations. I also sincerely hope that Post Office, working

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with the new Government, will be able to complete the transformation of this essential national asset so that it can be a commercially sustainable partnership business for the benefit of postmasters and the customers that rely on them for many decades to come.

Statement of Truth

I believe the content of this statement to be true.

GRO

Signed:

Dated:

4 October 2024

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Index to First Witness Statement of Richard Taylor

No.	URN	DOCUMENT DESCRIPTION	CONTROL NUMBER
1.	POL00460564	Induction timetable	POL-BSFF-WITN-053-0000006
2.	POL00448077	Postmaster support guide v4.0 July 2023	POL-BSFF-104-0000036
3.	INQ00000425	Post Office: Future, Past and Present CEO speech 8 April 2021	VIS00000856
4.	POL00460565	Powerpoint presentation	POL-BSFF-WITN-054-0000027
5.	RLIT0000277	POL Press statement 27 February 2024	RLIT0000277