

CONFIDENTIAL – NOT POLICY**Issue**

1. A discussion about the relative merits of a number of options for breaking through the impasse.

Recommendation

2. That participants to the meeting consider and discuss this paper before coming to a view on the best course of action to take, taking all equities into account. The conclusions drawn in the meeting will inform a recommendation to the Post Office Board for final decision.

Background Summary

3. **Dissatisfaction** with the Scheme has been laid bare: 3 unfavourable **national BBC** broadcasts have been made about it, relevant MPs have withdrawn their support for it and secured a Westminster Hall Debate to make this plain, JFSA continue to refuse to take any meaningful part, appeals have been made for BIS to intervene, **the BIS Select Committee of the House** has launched an Inquiry and the Criminal Cases Review Commission has begun to demand the production of documents. A firm of specialist lawyers has been engaged by JFSA, raising the spectre of a new risk of a group action against Post Office.

Commented [MU1]: May be useful to evidence a change / up-step in events since the board made its last decision to persevere with the scheme status quo.

This will give evidence that, although their previous decision may have been correct at that moment in time – the increased pressures we face now – mean a change must happen

Commented [TW2]: Hugely pedantic but Inside Out is regional and I'm not sure had full coverage

4. There is a strong case to suggest that the Scheme no longer serves as an expedient and fair way to explore and, where possible, resolve a small number of individuals' complaints but, instead, acts as a lightning rod for a campaign by factions against Post Office as an organisation. Criticisms of how our staff may have acted in a specific case have given way to accusations calling into question our values and integrity as an Institution.

Options

5. Following much deliberation over the last few months over a range of options, 4 emerge as candidates for this discussion:

- **Seek to maintain the status quo** – in circumstances where JFSA do not participate in any meaningful way, Second Sight's impartiality is **questionable**, and all those involved consider that the Scheme is not fit for purpose; this option appears to have little to recommend it. This approach risks providing further space and time for our detractors to build upon and continue to prosecute the campaign we now face, **as well as incurring the maximum financial and probably reputational cost ahead of inevitable litigation**.
- **Mediate all cases or all cases apart from criminal cases** – bring an end to the Working Group by agreeing to mediate all cases in the Scheme regardless of evidence or merit. It may be possible to subject criminal cases to some form of external review for verification of our process (an internal one has already been done with positive results).
- **Payout or pay-to-litigate** – call an end to the Scheme either by trying to offer a sufficiently attractive (very substantial) amount for Applicants to waive all and any claims they may have against Post Office or undertake to pay a sum to each Applicant for professional fees in bringing a claim against us, trusting our fate to the Courts.

Commented [TW3]: This needs lawyer proofing but it is not questionable. We have primary evidence of bias and a lot of secondary evidence.

Commented [TW4]: Not sure this statement stands up to the lay person's test. What does it really mean?

Commented [TW5]: Quantify? 10k's? 100k's?

- **End the Scheme, mediate cases with merit, defend remaining claims as business-as-usual** – bring an end to the Working Group while ~~inviting~~ retaining Second Sight ~~to enter into~~ on a new contract (ending all others) to complete their review of all cases (anticipated in May 2015) and specifically precluding the production of a Part II report. If Second Sight decline, end their engagement as soon as possible and engage an alternative, reputable firm.

Commented [TW6]: Quantify if possible

6. An appendix providing a working assessment of each of these options is attached, as is a summary matrix showing their comparative profiles measured against Reputational, Commercial and Legal risks.

7. Colleagues are invited to offer their views on the relative merits of these options.

22/01/15