

Notes from meeting at Portcullis House on Thursday 12th July 2012

Present: James Arbuthnot MP; Alan Bates, Kay LINNELL, Ian Henderson, Ron Warmington.
took notes.

GRO

Meeting commenced at 17:00 hrs

JA opened the meeting, thanked us all for coming and asked AB to outline how he came to represent some of the sub-postmasters and what sort of organisation the JFSA is. AB described how it came about following an article in Computer Weekly and a follow up by BBC Wales. AB made a point of stressing the large number of people who felt passionately that they had been wronged by the Post Office and gave some examples including, briefly, his own history. He asserted that there are far more people with stories of mysterious shortages but distrust of, even fear of, the Helpline, and of the PO itself, has so far prevented their disclosure. He said that the differences/anomalies are still happening but that few or no cases are being disclosed because of the general fear of what is viewed as a spiteful and vindictive PO. KL at this point referred to some papers she had brought along with her (but did not let us examine them). She said these relate to a current matter (we got the sense that this was something that had happened earlier this month) where a power cut had resulted in the duplication of several transactions. The inference/assertion here was that the Helpline had not only not helped but had tried to charge the postmistress/postmaster with what it claimed to be a real shortfall. We - and JA - said we'd like to include that case in our sample. KL said, with support from AB, that the person involved would resist disclosure for fear of retribution. This was quite convincingly conveyed (JA seemed to accept the veracity of that). We pressed forward, seeking disclosure - in due course and if/when safety of the source can be assured - so that we could verify or refute the claim that the PO would have left the loss with the postmaster/postmistress. JA is EXTREMELY keen to add current (as yet unreported) strong cases like that one to the sample. We agreed in principle but said any extension of the sample would need to be agreed (by JA) with PO Senior Management (but that we would, if he wanted us to, put the idea to the PO in the debriefing call on Friday morning.... He wanted us to do that).

KL challenged pretty hard on whether Second Sight had enough people to do the sort of work she had in mind. This turned out to be a big systems review to examine processes, systems and controls to identify shortfalls and opportunities for loss/fraud. We argued against that and were strongly supported by JA who is sold on the idea of reviewing cases to look for examples/evidence of mysterious shortfalls, unidentified duplicated transactions, unauthorised amendments/journal entries, etc. If such evidence surfaces, then that would point to the need for (and justify the expense of) further work to move from "COULD THIS HAVE HAPPENED?" to "HOW DID THIS HAPPEN?".

AB suggested that, if the PO really wanted to flush out some current cases (those that were being withheld for fear of retribution) then the way to do that would be to ask for people to come forward (perhaps directly to Second Sight) by including an invitation to do so in the PO Magazine "Subspace". This is an idea that JA wants us to explore (note: there are obviously risks associated with that idea but, with an objective of seeking the truth, and carrying the body of sub-postmasters with this Review, it has deserves serious consideration).

The matter of "how to carry the sub-postmasters with us" was discussed. The idea was floated of having KL - or some other Forensic Accountant - involved or carrying out some sort of Review of the Review. This idea also has merit. BUT.. KL stressed that the population of sub-postmasters who claim to have had their lives wrecked by this matter have no money to pay for Forensic Accountants. She floated an idea of needing a budget of about £2,000. This would of course be inadequate if that person was to

become involved enough to add real value (and worthwhile confirmation of the integrity and thoroughness of the Review). It sounds as though JA is going to suggest that the PO stumps up £5,000 towards that oversight process. That idea makes sense and also deserves consideration.

JA wrapped up the meeting by saying how very positive we had all been and that he would now recommend to the PO that Second Sight be appointed to carry out the Review but with also a £5,000 budget to allow oversight of some sort by Miss LINNELL. He stated that, at the first meeting, it was Second Sight's assertion that we were not going to focus on (nor even take much notice of) False Accounting that had convinced him, more than anything else that was said, that we were the right people to do this work.

Ron Warmington
12th July 2012