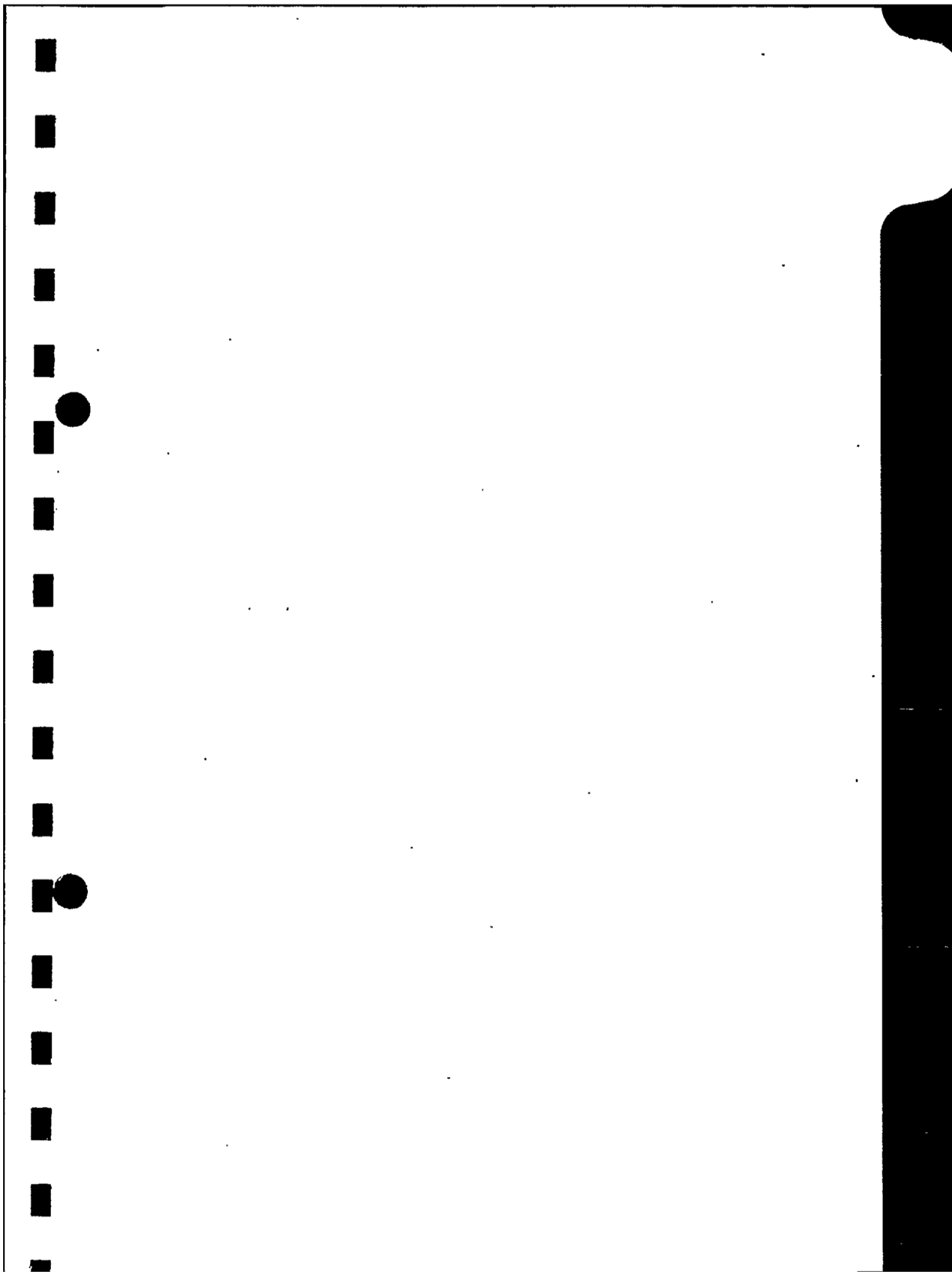


81.7



From: Alice Perkins <[REDACTED]@GRO>
To: "susan.crichton" <[REDACTED]@GRO> "Paula Vennells" <[REDACTED]@GRO>
Cc: "alwen.lyons" <[REDACTED]@GRO> "lesley.j.sewell" <[REDACTED]@GRO> "simon.baker" <[REDACTED]@GRO> Alice Perkins <[REDACTED]@GRO>
Subject: [REDACTED]
Date: Fri, 8 Jun 2012 08:41:57 +0100
Importance: Normal
Attachments: Horizon_Version_2.doc

PLEASE reply to my JCA account

Susan,

Thank you very much.

Attached is a slightly revised version of this.

Apologies that there are no track changes – fortunately it is not a long document.

I thought we needed to say what the review was about and I've had a go at that and you may well be able to improve on this.

Otherwise, I have done a bit of "tidying", taking out unnecessary words and clarifying a bit – our critics will crawl all over this, so the fewer words the better.

It would be a good idea if someone on the team could put on a JFSPmasters hat on and see whether that uncovers any hostages to fortune..

I have also given us a bit of leeway on timing of publication.

I have 3 outstanding thoughts –

First, as I signal in my DN, I don't get the emphasis on the defence material – won't the investigators want to look at all the relevant material whether defence or prosecution? If we focus too much on the defence in the TOR, does this suggest that we think there is something we've overlooked in the past?

Second, and connected, should we say that the reviewers will have access to any relevant material which the Post Office holds so that we can't be accused of being selective in what we give them? If so, that should come in the same place as the reference to MPs/SubPs. (I took out the reference to the lawyers in this connection because I didn't want to encourage them, but that may be wrong – I don't feel strongly about this.)

Third, should we say for the avoidance of doubt, that we will publish the findings in full?

Please let me know if you want to talk about any of this – I have a busy day but there are always slots!

Alice

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Filename	4.18 Revised TOR for Second Sighl(1).msg	ORIGINAL
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Draft – Post Office Limited – Strictly Confidential

Terms of Reference

Post Office Ltd – proposal for an independent review of the Company's systems relating to the occurrence of apparent shortfalls in individual PO branch accounts

Objectives & Scope

The Post Office has instructed, 2nd Sight Limited to conduct an independent review of existing cases where concerns have been raised by MPs, and/or Shoesmiths have issued proceedings.

This will include the following:

- Reviewing all company-held documentation focussing on why shortfalls occurred.

- Interviewing company investigators to gain insights and to verify their findings,

- Reviewing defence submissions.

[Reviewing all materials from the viewpoint of the Defence – DN Don't understand this; do we need it? And if so, why do we need the previous bullet, and do we want only to focus on the viewpoint of the defence?] ..

- Studying and selectively testing, the 'Horizon' system, (to the extent possible given the change in systems in 20..).

The reviewers will meet any MP or any of the SubPostmasters/SubPostmistresses affected at their request.

The review will reach conclusions on each case and identify any systemic issues/concerns

Information independent investigators

2nd Sight Limited investigators have extensive knowledge of complex financial computer systems; Ron Warmington, is a Director of 2nd Sight and is a Fellow of the Institute of Chartered Accountants and a member of the Association of Certified Fraud Examiners. He spent 35 years working for two of the world's largest banks latterly specialising in forensic fraud investigations. His fellow Director is Ian Henderson, is also a Chartered Accountant, IT Auditor and a Forensic Computer Examiner. His previous roles have included Head of Investigations at the Personal Investment Authority and prior to that he held a number of roles with Lloyds of London. .

Timescales and Costs

It is anticipated that the review will commence in late June or early July. Post Office Limited hope to be in a position to publish its findings in the autumn.

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