

Dear Tim

Project Sparrow

Following our meeting on 25 September, I said I would write to you with some suggestions of leading barristers who would be well placed to assist you in your enquiries into the Post Office's handling of this issue.

Having regard to the nature of the issues raised by Project Sparrow, and the unusual position of the Post Office as a corporate entity in public ownership, I offer the following names. They are all drawn from Blackstone Chambers, which is generally acknowledged to be one of the elite sets in London. The first suggestion, Anthony Peto QC, was particularly recommended to us by a fellow QC with some knowledge of the Sparrow affair (whom we have discounted for precisely that reason) and his CV certainly appears to fit the bill pretty comprehensively.

[Anthony Peto QC – also joint Head of Chambers]

[Andrew Hunter QC]

[Javan Herberg QC]

Each of these individuals is regarded as a leading light at the Bar and I am confident that anyone of them would do a first rate job. None has had any prior involvement with Project Sparrow. I attach their biographies for your consideration but we can, of course, discuss further.

As we agreed, you will be seeking the advice of a Queen's Counsel on the appropriate scope, methodology and output of your enquiries, so as to preserve the integrity and independence of your investigations to the fullest extent.

Nonetheless, it is of course necessary to provide them with a starting point and, with your agreement, I would propose to invite the selected candidate to begin his or her assessment of the three elements of the advice sought by providing them with:

- a) some purely factual and introductory background material; and
- b) a straw man version of a possible set of Terms of Reference as follows.

"To make recommendations for, and subsequently support, an effective but relatively prompt examination of the Post Office's handling of the complaints made against it in the context of alleged flaws in its Horizon electronic point of sale and branch accounting systems, with a view to determining the appropriateness of the processes designed and implemented to understand, investigate and, where possible, resolve those complaints through mediation."

Once we have settled on the individual and, with their input, you have determined the scope of your enquiries, we can communicate these to the Minister, along with a provisional timetable for the conduct and conclusion of the work.

JMcL