

Briefing for call/meeting with James Arbuthnot MP

Key points to cover:

- a) We have now received draft report – confirms no evidence of systemic problems; we accept lessons about training and support; but some factual inaccuracies which we are working to address with SS.
- b) Constructive telephone calls with Alan Bates. He is keen to work with us on next stages.
- c) As outlined in letter, propose following next steps:
 - a. Setting up Branch User Forum
 - b. Address remaining MPs cases through one-to-one briefings
 - c. Take forward Alan's suggestion of an independent avenue for spmrs – can't commit to specific mechanism yet as has to be considered carefully, but very much agree with the principle.
- d) Propose joint statement on Monday

SPEAKING NOTES

Introductory points

- Thank you for the further opportunity to discuss the Second Sight report
- You will have received my letter following the very useful meeting we had with our chairman on Wednesday
- I wanted to update you on the position since then
- We have now had the opportunity to see the interim review. It has some factual inaccuracies and some areas where it is not as clear as it could be which we are discussing urgently with Second Sight. I will come on to that
- But I first want to be clear with you that while the report is clear about how effective Horizon is as a system, we do recognise and absolutely acknowledge that we need to improve our support processes and our training
- Indeed we have made some significant changes in the last few years – but I am not at all complacent, and I am determined to address this issue

- We care very much about our people and I need to make sure that spirit lives throughout the business, and particularly with those who operate on the front line
- So we will be taking steps to address these issues. I have a few ideas which I would like to discuss with you.

The report

- First though I wanted to update you on the report. My team are currently studying it line by line
- As we expected it says that it has found no evidence of systemic problems with Horizon
- It has some lessons for us about training and support processes as I have said
- I must tell you though, that there are some inaccuracies in the report. There are a number of areas where will be expecting Second Sight to make changes – we cannot accept factual inaccuracies
- I am sure you understand this. The Post Office is incredibly important to many thousands of people and it would be wrong if the Post Office's reputation was unfairly sullied by parts of this report
- [As it stands I would not be able to endorse the report in its totality. That would be regrettable]
- I hope this will be resolved and we will work hard, with my team working on it over the weekend. But it is only fair to tell you about the position.

JFSA contacts

- I also wanted to update you on two telephone calls I have had with Alan Bates. They have been very helpful, and he has made some suggestions which I plan to talk to him about in more detail.
- He also takes the view that while he has criticisms about the way we support people, the Horizon system is effective.
- He is keen to work with us, and us with him. I see a real opportunity to make some steps forward. And I am very grateful to you for what you have done to promote that approach

Initiatives

- I wanted to set out how we plan to address the issues about training and support raised in the report

- If we have not enough sufficiently supportive approaches, or the right kind of training, I will address this
- There are three key areas for me, and we have three proposals
- First we want to set up a Branch User Forum. This would be a group at the heart of the business for subpostmasters and staff to raise issues and provide feedback to improve our processes. Will review all the touch points which subpostmasters have with central teams to change them where we need to. We will also examine training and other support mechanisms.
- It would meet regularly and be chaired by a member of our executive. It would report to our executive and help us to inform the way we do business.
- I think this is an important step and I hope the JFSA will work with us on it. We would also invite representative groups.
- We intend that this forum's first task will be to complete the review of cases raised with us by the JFSA and report back to ourselves and MPs
- Secondly, on the MP cases, we would like to propose one-to-one meetings with all those who have come forward with cases. This might be the best way to move these cases forward (as you are aware Second Sight say they have struggled to get evidence on some of them)
- Finally, I have a proposal which follows on from my call with Alan Bates. We'd like to rebalance the relationship between the business and subpostmasters. I think Alan is right when he says there is an imbalance – that subpostmasters feel they need an outlet when they have issues but that the business is not always the right place to go because it can immediately become process-heavy
- Alan has suggested an adjudicator or ombudsman role. I think there is merit in this and would like to investigate it further. I want to give subpostmasters an independent avenue to go down. We need to get the balance right of course – we need to be conscious of cost and bureaucracy, but I am sure there is a way through this.
- I hope these initiatives give you a sense of the approach we are proposing here. We are taking this very seriously indeed and I hope that is clear.

Handling Monday

- That takes me on to Monday and how we approach the meeting with your colleagues
- You plan to release a statement at 6pm with your comments on the report

- We would hope to publish the report shortly before that (subject to the continuing discussions) along with a statement setting out the approach I have outlined
- We will of course share this statement with you in advance – I would hope to have something with you over the weekend or first thing on Monday morning
- Given the way we have conducted this review between us, and with the JFSA, I wondered whether you might consider a joint statement?
- This would send a strong signal about the way we as a business take these issues seriously and have worked closely with you in doing so
- I am concerned about the way the media will portray the report and I don't think it is in anyone's interests for this to come across in an adversarial way – I don't think that is in the interests of post offices and all those who work in them and I know you have a similar view
- I would be interested in your thoughts on this – and I would of course also be happy for the JFSA to be involved in this approach

Conclusion

- I am interested in your thoughts on this. My final point was to talk about the previous prosecutions
- You will appreciate that we cannot discuss individual cases in the media.
- In all those cases there are avenues people can go down if they feel they have been wrongly treated
- As a business we do have to be able to prosecute where there is cause to do so – you will appreciate that as custodians of public money subpostmasters have to meet very high standards
- What I can pledge is that we will go through cases, privately, with MPs where we can, and I will ensure the business gives this approach its full co-operation
- I hope all this helps you to understand where we are coming from on this report.

If needed on prosecutions:

- I have asked my legal team to work with our external lawyers to consider the implications of the report on our criminal prosecutions during the period we have been separated from Royal Mail.