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Thank you for your time this morning. We felt it was a very useful meeting and thought it would be helpful to follow it up by putting together this note of the key points.

It is worth reiterating at the outset that the Post Office takes its responsibilities in relation to the provision of training and support our staff and subpostmasters very seriously. We are committed to working hard to continually improve these elements, so important are they to confidence in our business. The 50,000 people [CHECK] who work on the Horizon system every day in Post Office branches are the face of the Post Office and as such we are determined to offer them the highest standards of support.

It is because we take these issues so seriously that we worked with you to implement the review by Second Sight. We would like to again put on record our gratitude to you for working so constructively with us on such a complex and far-reaching issue.

There are x points I wanted to follow up on after our meeting.

The Second Sight review and next steps

As you know, the report we expect to receive on Friday represents the conclusion of the interim review by Second Sight into four of the cases raised by MPs. We will of course learn from its findings where it is possible to do so. In particular we are keen to work even more collaboratively with the JFSA to conclude the Second Sight review. We believe this is critically important.

Branch User Forum

As discussed, we therefore propose to create a new body within the Post Office, the Branch User Forum to achieve this. This Forum would be a permanent addition to our systems and processes and would crucially give subpostmasters a voice right at the heart of the business.

It would be chaired by our Chief Information Officer and we would be keen to invite groups such as the JFSA to be part of the forum, along with other representative bodies.

The Forum's first priority will be to work together to bring the Second Sight review to a conclusion. It would then continue as a key outlet for future issues and concerns to be raised and escalated as appropriate through the business.

I think you will agree that this a significant step for the Post Office and a sign of our commitment to do all we can to improve our systems and processes. You indicated that you might mention this proposal to the JFSA and we would be grateful if you were to do so. We could pick this up again when we speak on Friday.

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Media statements

We further agreed this morning that we will share our planned media statements with you in advance of the publication of the interim report, and that you will do the same in return. The Post Office communications team will be in touch with your office to build on this.

Defining the Horizon system

We also discussed a critical point, that of drawing a clear distinction between systemic issues with the Horizon computer system – of which it is our clear understanding that none have been found – and wider support systems. As we discussed, confusion about this critical distinction could have serious impacts for the Post Office, subpostmasters and our customers.

To that end we believe it would be helpful to agree a definition of what is meant by 'Horizon' in advance of the meeting on Monday. [We have agreed the following with Second Sight and this will appear in their report.]

> *The Post Office point of sale computer system is known as Horizon and is used throughout the Post Office network of 11,800 branches. It is used during the sale of products and enables branch accounting to take place on a regular basis. This encompasses the software, hardware and communications network.*
>
> *Outside of the 'Horizon' system itself, there are a number of supporting processes which include; training, help desk and back office support.*
>
> *This review has considered and will report on each of these distinct aspects separately, namely the supporting processes and the 'Horizon' system itself.*

Fujitsu

When we receive the report on Friday we will share it as discussed with our colleagues at Fujitsu in order that they can assess it from their perspective and we can aim to get it to you on Monday. Clearly this is a tight timescale, so we will keep your office up to date with developments.

Monday's meeting

Thank you for agreeing to allowing two Post Office representatives to attend the meeting on Monday as observers. We will let you know as soon as possible who we plan to send.

Access to live data

Finally, during our meeting you also asked us about an email which has been brought to your attention having come up during the Second Sight review. I have looked into this and can provide you with the following on this issue.

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The email was released to Second Sight alongside many others after they requested access to the team based in Bracknell which was testing the new Horizon system [check wording please].

The email in question was sent by a junior Business Analyst (not based in Bracknell) to a wide distribution list, including some members of the test team. The email contained the words:

> *"Although it is rarely done it is possible to journal from branch cash accounts. There are possible P&BA (Product and Branch Accounting) concerns about how this would be perceived and how disputes would be resolved."*

Second Sight have asked us whether this indicates that the Bracknell test team had access to live data. This is not the case.

In fact, the email is about preparing some branches for the rollout of a project called Post Office Essentials (also known as Operator Self Funding). The email was describing options on how the accounts could be prepared for this change and the option discussed in the email was posting Journal Entries **within** the back office accounting system, known as POLSAP. There was no impact for subpostmasters who are not involved in the POLSAP system. Rather, this was a change to Post Office's internal balance sheet accounting.

It is not possible to automatically send accounting updates from the POLSAP system to the Horizon system. If changes do need to be made, this can only take place with the agreement and acceptance of any change by the relevant subpostmaster (what we call the TC process). In the case discussed in the email, there was no change in the sub postmaster's cash position, therefore no "TC" would have been required.

Finally, thank you once again for your time today and for your assistance and support on this important issue.