

Message

From: Peter Prior-Mills [GRO]
Sent: 27/01/2015 19:59:31
To: Angela Van-Den-Bogerd [GRO]
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious
Attachments: image001.png; image002.jpg; image003.jpg; image004.png; image005.png; image006.png; image007.png; image008.png

Hi Angela,

In response to your points:

A1 – No this could not happen if no label was inserted, that possibility is covered by the paragraph above (an error message would result). The system would only think it had printed a label if something was in the printer for the printer to apply ink to (ideally a label, but of course anything it could feed including blank paper would produce the same result).

A2 – If a label was printed but for some reason was illegible, the branch could determine from the basket what the label type was, and NBSC ought to be able to give the relevant codes to spoil that label (if they did not have the codes to hand they could obtain them from the Mails team). The evidence of what had been printed would remain in the Horizon transaction record, it could not just disappear. I would also stress that the only method by which I can conceive of this situation arising is if the clerk had put an already printed label back into the printer for the next print, highly unlikely but not entirely impossible.

Regards,

Peter Prior-Mills | Lean Consultant / Business Analyst
Change Management

PO Box 634, Chichester, PO19 9HJ

[GRO] Mobex [GRO]
[GRO]



From: Angela Van-Den-Bogerd
Sent: 27 January 2015 19:26
To: Peter Prior-Mills
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Peter,

Thanks for this. Would you please respond to me comments on the attached?

Thanks
Angela

From: Peter Prior-Mills
Sent: 27 January 2015 18:19
To: Angela Van-Den-Bogerd
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Hi Angela,

Good news, the attached report came in today from Fujitsu following our enquiries around the label print/fail issue.

In essence, the process cannot fail to print without either logging the fail event or giving an opportunity to the clerk to recover and re-try. The only way they can end up with a charge in the basket is if the printer has printed onto something, and they have answered “yes” to the question of whether the print was OK.

It's a bit long winded, but Gareth has gone through and tested all scenarios to make sure of what happens. This should put us on solid ground to refute the suggestion of ghost labels entering the basket, etc.

Regards,

Peter Prior-Mills | Lean Consultant / Business Analyst
Change Management

PO Box 634, Chichester, PO19 9HJ

GRO Mobex GRO
GRO



From: Angela Van-Den-Bogerd
Sent: 24 January 2015 21:26
To: Peter Prior-Mills
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Hi Peter,

Mr McCormack is not a lawyer (well not to my knowledge anyway) but is a former Spmr. As a Spmr I believe he was quite vocal and submitted written evidence to the select committee evidence session on NT a couple of years ago.

I appreciate your help with this.

Angela

Angela Van Den Bogerd | Head of Partnerships

 Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ

 **Mobile:** GRO Mobex: GRO

 GRO



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From: Peter Prior-Mills
Sent: 23 January 2015 19:39
To: Angela Van-Den-Bogerd
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Hi Angela,

I have asked a number of detailed questions of Pete Newsome in Fujitsu around this issue (I will send you a copy of the email separately), he will come back to me as quickly as possible by email and I will deal with this and communicate by email each evening next week.

I take it the chap writing is a lawyer. He seems to think he has “proved” the existence of a system error causing overprinting of labels, I don’t see the evidence for this, in particular:

1. He has provided no copy of a photograph showing the overprinted labels
2. He has failed to state the date and time of a recorded incident, nor the value and type of postage label purportedly printed
3. He may be unaware that the printer is fed a blank label manually by the operator, so to overprint a label the operator would have to insert an already printed label – that is operator error

I notice he also implies an “intermittent fault” concerning bulk label printing and demands that we suspend this facility whilst it is investigated. This presumably is the old lawyers ploy whereby, once we suspend the facility he can say “see, I told you there was a problem, that’s why you’ve suspended the bulk printing”. I take it he has also failed to provide a verifiable time and branch where this phenomenon is supposed to have occurred?

The nature of Horizon and its transactions would suggest that any fault would be consistently present, to reproduce it we need the specific details of how and where and when it happened in order to investigate. I can see that you have obviously asked him for these details before but they have not been provided, unless he provides specifics this looks like it is descending into a dialogue of the deaf.

Regards,

Peter Prior-Mills I Lean Consultant / Business Analyst
Change Management

PO Box 634, Chichester, PO19 9HJ



From: Angela Van-Den-Bogerd
Sent: 23 January 2015 17:19
To: Peter Prior-Mills
Subject: FW: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Peter,

Would you do me a favour please and have a look at the latest e-mail from Mr McCormack. I have annotated in red my early thoughts but would appreciate you view on these and the other points raised. I will naturally need to take legal advice before I respond.

Thanks,
Angela

Angela Van Den Bogerd | Head of Partnerships

 Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ

 **Mobile:** **Mobex:**





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From: Avene O'Farrell

Sent: 23 January 2015 16:29

To: Angela Van-Den-Bogerd; Chris Aujard; Mark R Davies; ECT; flagcaseadvisor; Tom Wechsler; Patrick Bourke

Subject: FW: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Hi,

Please see below, copying all so everyone is aware.

Thanks,

Avene

Avene O'Farrell | Executive Assistant to Paula Vennells, Chief Executive

148 Old Street, London, EC1V 9HQ

Postline:

postoffice.co.uk

@postofficenews



From: Tim McCormack [GRO]
Sent: 23 January 2015 16:24
To: flagcaseadvisor
Cc: Paula Vennells
Subject: RE: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious

Angela

I have been asked to brief a Member of Parliament on this matter and in order to so I need to respond to your email.

Please see my comments below in italics.

I will respond to your earlier email in due course as well.

In your response below you make no mention about the problem of the financial loss incurred by the subpostmaster when this error occurs and he is required to print an additional label at his own cost.

To be clear - I have pointed out to you and Ms Vennells that the loss POL incur is the intrinsic value of the postage label and not the face value.

This is the most important issue I have raised and it manifests itself in other ways within the Horizon system. I have found another two examples and am currently investigating these. One of these could have extremely serious repercussions for Post Office Ltd.

I would urge you to confirm whether or not you concur with my assertion as to the true value of Post Office losses in the examples I have raised to date.

I have also informed you that many subpostmasters suffering the financial consequences of the printing problems have, by their own admission, recouped these losses by, shall we say, unethical means. To date you have not issued an advisory notice to subpostmasters not to do this and in failing to do so you are condoning such behaviour. I am sure that you are perfectly aware of the serious ramifications of this.

Regards

Tim McCormack

You learn more from one criticism than from ten compliments

From: [flagcaseadvisor](#) [GRO]
To: Tim McCormack

Subject: Our Ref: ECT 1153/14 - New Year Update - This has now got quite serious
Date: Thu, 22 Jan 2015 13:04:41 +0000

Dear Mr McCormack

Thank you for your recent e-mails to Paula Vennells on 10th January regarding postage labels. As the senior manager responsible for reviewing and improving the way in which Post Office® supports Postmasters in running their post offices your e-mail has been referred to me for a response.

As I have explained when we have spoken and also in my previous emails, I can assure you that we take any claim of potential problems Postmasters are experiencing in Branch very seriously.

This is not a claim - the incidents I have reported to you have actually taken place. In one particular instance, as you are aware, the subpostmaster in question was rushed to hospital. Not something he is likely to have made up, plus of course he wisely took a photograph of the offending label so we have a date and time of an early occurrence. As you have provided no specific details of these instances to me despite my numerous requests for this information I am unable to investigate them. Therefore until such a time as I am able to verify what happened in such instances I regard these as claims.

I would like to make clear that I have reported to you that I am aware of many instances of this error that have been mentioned in several online forums over a period of years by a number of different subpostmasters. It appears that the help line has not seen fit to record these different calls in a separate category which would of course hinder any investigation. I have no access to the help line records but if there is no accessible records in the POL help line that is not to say the incidents did not take place many of which were phoned in to the help line. The way in which the helpline has recorded such instances would depend on how the caller relayed the incident to the helpline operator. It could be determined that it was a printer malfunction and as such the call would be transferred from the NBSC helpline to the Horizon Service Desk. All calls to both helplines are documented in a caller log. What I have requested from you is the detail of some or any of the branches that have reported such instances to the helpline so that I can access the call logs to understand what the issue was and from there determine next steps in terms of the transaction process.

I have taken personal ownership of investigating such claims but to do so effectively, as I have explained, I need the detail of the issue so that I can examine what has happened in that instance

You have the detail. I provided it to you and it also lies within Post Office records. I have told you that many subpostmasters have logged calls to the help desk about the label printing problem. By your own admission you appear not to have tried very hard to find this information. I can confirm that to my knowledge at least two calls to the help desk were made in the last few weeks about the label printing problem. During those calls no indication was made that this type of error was now being specifically monitored.

Action Point A. You should ensure that the help desk takes details of such problems when they are reported and ensure that these are reported to you.

The secondary problem, recoupment of losses incurred by subpostmasters as a result of this event is by far the more serious. Again you have the detail of the financial consequences of this error which I have provided to you. You have only provided an example of such an incident. Without details of specific cases I am unable to determine the financial consequences. You do not need evidence of this because it exists as part and parcel of

the procedural portion of the Horizon system. The postage label transaction exists as does the spoilt and rejected label transaction. However the non-printing of the label isn't a transaction but rather would be a consequence of the user mistakenly advising the Horizon system that the label had printed correctly when indeed it had not.

Note : For the avoidance of doubt and for clarity, as agreed with others previously, when referring to the 'Horizon' system. I am, and have been, referring to the system as a whole. This includes, the hardware, the software and the operational procedures in force at any given time.

Whilst the example you detail illustrates at high level the type of transaction in question, it does not take into account that after each label is printed the Horizon system, as an important safeguard, asks the Horizon user to confirm whether the label has been printed correctly. This safeguard step is of course there to try to avoid any human error but where the Horizon user mistakenly confirms that the label has been printed correctly when this is not the case, the label value will record in the customer stack but there would have been no label printed. In such instances this is Horizon user error and not a fault with Horizon.

Note: I refer to my email to Paula on the 10th January. [I don't believe I've seen this e-mail – will need copy from ECT] Quote "the SPMR has confirmed via Horizon that the label had printed correctly". I have taken this fact into consideration.

Note: Somewhere along the line you have forgotten that there are two possible errors here that lead to the same result. One is overprinting and the other is an intermittent fault. I have detailed how both could occur. I have enough photographic evidence of labels that have been produced as a result of either of these errors to suggest that both types of errors are likely to occur. If there are labels produced by the printer then these labels can either be rejected or claimed as spoilt so there would be no financial loss to the Spmr. With regard to the label that has been overprinted if the information can be read then a spoilt label can be claimed. [What's the process where the label is illegible? TBC]

During our phone conversation I detailed to you exactly how you could go about investigating the intermittent fault which I have re-iterated in my written report on the subject. As you seem to have forgotten all about the possibility of an intermittent fault it is not surprising that you have not investigated this at all. I have not forgotten but requested specific details rather than as Tim suggested doing a full system ie every terminal at the same time printing postage labels.

To be clear, I have absolutely no doubt that I can prove the possibility of an intermittent error in a court of law. I am also absolutely certain that you cannot prove it does not exist.

Action Point B: ensure that an investigation takes place into the label printing problem as it occurs in branch in order to determine the sources of the problem. In addition it is an absolute requirement that POL arrives at an estimated figure regarding losses incurred (more about this later)

The broader issue here I believe is about the Postmaster being able to rectify a mistake he or a staff member has made because postage labels transactions, once accepted as correctly printed by the Horizon user, cannot be reversed. You have helpfully outlined a possible improvement which I am considering alongside other ways we might address this to help Horizon users. I will be in a position to update soon.

Note: I first raised this matter with Ms Vennells on the 10th December 2014. You have taken no action with regard to notifying subpostmasters about the problem nor informed the help desk to take a special note of any person reporting a similar problem.

Action Point C: You should remove immediately the facility to print bulk labels from Horizon until such time as you have investigated this matter properly. This - I repeat - should include a full investigation into the 'intermittent' error.

Note: Both the overprinting error and the intermittent error should be described as a systemic error as it relates to the Horizon system. You have acknowledged that one error exists and have not denied that the other exists as well. Until such time as you can prove otherwise POL should make no claims as to there being no systemic error in Horizon (as per my earlier definition) that causes financial loss to the subpostmaster.

Action Point D: in my opinion POL will be required, in due course, to make financial restitution to all those that have suffered financial loss as result of POL misinterpretation of the losses POL have incurred as a result of not only these errors but other errors that fit into the same category and have yet to be investigated. It is a legal requirement for POL to inform their Auditors of this potential liability and it should be recorded in the annual accounts.

I cannot comment in respect of the other matters referred to in your email because despite my request you have not been able to provide any evidence which shows exactly what is happening. I understand that you are passing on information you have picked up from other Postmasters and do not want to disclose any more information to me, but I am sure you understand that without seeing the evidence relating to specific circumstances it is impossible for me to investigate. If you are able to provide the evidence I have requested I will ensure that a full investigation is carried out of any incidents and I will respond accordingly to those Postmasters.

Note: I believe you are referring to the intermittent problem here but then again it is hard to tell. I informed you during our phone call that the best way to test this was to ask each and every subpostmaster to print off at least 10 postage labels using the batch label printing process and send them to you. I am sorry if you didn't understand how easy it would be.

Yours sincerely

Angela Van Den Bogerd

Head of Partnerships
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Email: GRO

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