
From: Martin Edwards[/O=MMS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=MARTIN EDWARDS1F838E9D3-CC99-4040-B432-33552E99ED2DDD]
Sent: Fri 09/08/2013 9:21:11 PM (UTC)
To: Martin Edwards [GRO]
Subject: FW: Update as requested

From: Susan Crichton
Sent: 09 August 2013 18:04
To: Paula Vennells
Cc: Chris M Day; Simon Baker
Subject: Update as requested

Paula

Susan

An update for Paula. I have not put in a legal update – I will leave that to you as you are better placed to do that paragraph.

Simon

Dear Paula

Working Party

- Working Party meeting yesterday was very productive and collaborative. Objective was to review and approve the Mediation Agreement and other documents in the pack. We were able to resolve all outstanding issues. The redrafted agreement will be re-issued to the Working Party for sign-off by next Tuesday. Kay Linnell from JFSA joined us this time. Both Kay and Alan took a balanced and reasonable approach.
- The remaining challenge to setting the scheme up quickly is the recruitment of independent advisors. JFSA are going to try to create a panel of geographically dispersed independent advisors (we estimate that 20 are required), with standard commercial terms, and pre-certification training (ie JFSA with POL input would provide them a training day at their expense before they are allowed to be on the panel). The independent advisors will help the sub postmasters put their case together and assist them during the mediation meeting. In the JFSA's view it is essential that the summaries need to be of a high quality.
- In terms of paying for the independent advisors; we agreed that we would cap the cost of their case preparation work to £1.5k per case. In addition to this we would also pay for the advisor to assist the subpostmaster during the mediation meeting (typically a ½ day or full day meeting). It was felt that this would cost approx.£500 keeping within our original budget.
- Invoices would be scrutinized by the working party for value for money before approving. We also agreed that in some complex cases more time would be required, in these cases the subpostmaster would have to petition the working party for extended funding.
- We agreed the rate for an independent advisor will be the legal aid rate of £120 per hour. The view is that this is the lowest rate we can charge and still attract credible candidates.
- In terms of mediators, the view from the working party is to use an established Mediation company, like CEDR, who will provide national coverage, expertise and administration. We would also seek to negotiate a discount for bulk purchase.
- We spent some time discussing the role of the Working Party; which would oversee the working of the process and provide assurance that the process was working well, review rejected cases (cases can be rejected by SS as not suitable for mediation), application for additional funds and ensure that all parties

stick to the agreed timescales.

- The appointment of an independent chair of the Working Party was discussed. Kay Linnell had some ideas (eg some ex-Law Lords and ex-high court judges she knows). She is going to let us have a list. We are writing the terms of reference for the Working Party from which the Chairman's job description will be derived. The weekly steering board will be asked to approve the TOR next Thursday.

Improvements Project

- Angela and Gayle Peacock held a workshop this week to kick off the improvements project, with representatives from areas across the business. Feedback from the meeting was very positive, with everyone accepting the challenge and seeing this as a once in a life time opportunity to address these concerns. The group will now focus on identifying the "as is" process in order to understand where the gaps are and will also identify any "quick wins".
- IT are working with Gayle to identify improvements to Horizon that could help the day to day life of Subpostmasters. Fujitsu have agreed to contribute £100K towards these costs (this was negotiated earlier this year as a result of last year's service disruptions). One area that we are looking at is reporting; one of the items identified in the report the lack of information readily available to subpostmasters to analyse their own transactions. The weekly steering board, at the end of August, will review the proposed recommended Horizon improvements. It is expected that most will be implemented at part Horizon release 10 (scheduled for March 2014)

Second Sight

- We are progressing with the plan of augmenting Second Sight with Post Office resources. The Post Office resources will be led by Angela. In this model Second Sight step back from the details and perform an oversight role and when the right time the internal team replaces Second Sight – this will obviously need to be managed very carefully with JA, other MPs and JFSA.
- We discussed the second sight costs at the weekly steering board. The view is that now would not be the right time to ask Second Sight for a fixed cost, because it would be high and they would ensure they billed us for it. Instead, we need to get our augmented team up and running so Second Sight can get a feel for how much work will be required of them to complete the work doing an oversight role.
- Angela is crucial for this strategy to work, she needs to prove to Second Sight and JFSA that she can operate in an unbiased manner and has the resources she needs to make good progress. We need to ensure that she is given all the support she requires. I have asked her to think about how to resource this team so that we make sure that we have the right level of resources.

Comms

- The comms team have produced their strategy on how we will engage with MPs and key stakeholders, we will be reviewing this next week.
- I will be contacting Janet next week and arranging a face to face meeting to give her an update on the Working Party, the mediation process and get her thoughts on the independent chair

Legal

- Criminal process is on going with three cases being discontinued following review as no longer being in the public interest, there are approximately 50 files which still need to be reviewed with 37 to come from RMG. As yet we have not received any notice of appeal or any queries from the defence lawyers.
- Brian Altman QC has been asked to review the process being undertaken but Cartright King (our external criminal lawyers) and found that the current process CK have adopted is broadly fine. He raises some issues and we have given the report to CK and they are preparing a written response with a view to a face to face meeting in late August when Brian Altman is back from holiday.
- Terms of reference for the review by Brian Altman has been drafted and needs to be agreed by end of August when he is back from holiday.

Susan