



Authorised & Regulated by the SRA # 630080
Registered Office: Cartwright King Limited, Lock House, Wilford Street, Nottingham, Nottinghamshire, NG2 1AG
Registered in England and Wales, Company Registration No. 10143062

CartwrightKing
SOLICITORS

Offices Nationwide
www.cartwrightking.co.uk

Fax: **GRO**
DX: 10032

Private and Confidential
Rodric Williams
Post Office Ltd
Finsbury Dials,
20 Finsbury Street,
LONDON
EC2Y 9AQ

Private & Confidential - Urgent

Date: 13 January 2020
Our Ref: SC2/123600

Post Office Ltd and Cartwright King Solicitors - Continuing the Relationship

Cartwright King Solicitors (CK) has been pleased to act for Post Office Ltd (POL) since the separation of POL from the Royal Mail Group (RMG) in April 2012. We consider that relationship to have been very successful and very much hope that POL holds to the same opinion.

Given the length of our relationship, CK has recently completed a review of the work we undertake for POL and the way in which that work is instructed, managed and remunerated, and we have concluded that there are a number of improvements and changes in practice to be made, such that our close working relationship becomes stronger and the more effective. I set out our proposals in this letter, but first I identify some of those issues which, for us, seem in need of change or improvement.

1. It is becoming increasingly clear to us that POL, WBD and HSF endure sometimes lengthy delays in awaiting our responses to email or telephone requests for advice and assistance. Whilst we understand the often urgent nature of an enquiry or request for advice, the three CK-lawyers with conduct of POL matters are often engaged with other, non-POL, client-work or court commitments and are consequently forced to actively manage calls upon their time.
2. We note the increasing frequency with which we are asked to undertake what appear to be fairly small pieces of work but which, upon closer analysis, require a greater degree of work than was initially anticipated. An example of this phenomenon is the request by BAQC to review the state of knowledge within RMG and POL of a certain Horizon 'bug' and the extent of any dissemination of that knowledge, if any. Whilst on the face of it such a task seems relatively simple, we have concluded that it cannot be undertaken in isolation, not least because the task

involves (a) a consideration of pre-POL prosecutions; (b) the request arises out of the findings by the Judge and set out in his Judgment in the Horizon trial; to undertake this task without having considered the context within which it arises by a reading of the Judgment would be to risk providing POL with incomplete or inaccurate advice; and (c) a consideration of the disclosure landscape as it pertains to those convicted SPMRs, for again a failure to do so would amount to a breach of POL's (and CK's) duties within the wider disclosure process.

3. Further to the two points noted above, we are becoming increasingly concerned at the somewhat disjointed way in which we presently approach POL work. This arises largely because there is no single dedicated point-of-contact within CK for POL, as witnessed by the common use of cc'd emails to all three CK lawyers undertaking POL work. The problem here is that of a lack of continuity on individual pieces of work together with a deficit in oversight over the landscape in which CK meets POL requirements and advises thereon. In plain English, this means that there is an increasing risk that advice on one topic might fail to take into account the impact of that topic on another area of POL work, with the consequent risk that POL, and CK, are exposed. Of particular concern here is POL's disclosure duties arising out of the recent judgment, and the need to advise POL on current and future Crown Prosecution Service prosecutions.

We have taken some time to consider these issues and our overall relationship with POL and make the following proposal to mitigate these issues and to provide POL with a much more joined-up and efficient service in the future.

Proposal

CK will provide POL with:

- i. a designated on-call lawyer for 7-hours per day, Monday to Friday, with an urgent-matter contact number for weekends; this lawyer will be directed to work on all POL, WBD and HSF matters during the 7-hour period;
- ii. a dedicated telephone-number available only to POL, WBD and HSF and with direct access to the on-call lawyer;
- iii. a POL-only dedicated email address, accessible only to POL, WBD and HSF;
- iv. the designated on-call lawyer shall be Simon Clarke, Martin Smith or Harry Bowyer, but most likely Simon Clarke.

The formula proposed above will, we believe, enable CK to provide a service which removes those issues identified above and provides POL with a dedicated lawyer working exclusively on POL work.

It would be expected that the CK POL designated lawyer would provide POL with sound value-for-money on the basis that he would undertake to completion all of those matters presently under instruction and any new matters arising, of which we are informed is a likely prospect.

Any work requiring the service of more than a single lawyer (an unusual scenario) would be discussed prior to the start of any such work and with a view to agreeing a Fixed Fee agreed reflecting only the additional lawyers' work on the matter.

Costs

CK's present billable hourly-rate to POL is £300 per hour plus VAT. That rate would indicate a daily charge-out cost of £2,100 per day, or £10,500 per week. We would propose to mitigate those figures substantially, down to £1,750 per day and £8,750 per week (all sums net of VAT). These costs would be invoiced on a 30-day repeating cycle and payable 30-days thereafter.

Conclusion

Our proposal is tendered in respect of any new instructions received and accepted by us from POL, WBD or HSF from 13 January 2020 forwards. Were POL to favour this proposal then any instructions received prior to 3 February 2020 would fall within the February retainer, although of course work would commence immediately. In that respect we are aware of a number of matters upon which POL, WBD or HSF wishes to discuss with CK, e.g. the 2011 'bug' identified the recent Horizon litigation judgement; a current Crown Prosecution Service prosecution; and a number of other matters presently under consideration.

We shall of course continue to work on all eSRF's presently under instruction and await your response to our proposal.

We look forward to receiving your response.

Yours faithfully

A handwritten signature in black ink, appearing to be a stylized 'C' or 'K' with a loop, enclosed within a circular outline.

Cartwright King Solicitors