

DRAFT LETTER TO JAMES ARBUTHNOT

Thank you for your letter of 1 May. I too share your concerns about the progress of the Mediation Scheme, and appreciate that other MPs may become increasingly concerned the longer it is before we can update them.

I can assure you we remain determined to investigate cases as quickly as possible, which is why we have committed substantial resources to support the Scheme, including paying professional advisers to help the applicants, appointing 22 investigators alongside our dedicated programme team, and paying Second Sight to review each investigation. Of the 138 applications now in the Scheme we have received 77 detailed applications, and Post Office has completed 22 investigations with the others currently underway.

However, every stage in the process is taking longer than originally envisaged, and significantly, Second Sight are yet to complete a case review. Whilst their first case review is due to be submitted in the coming days - a significant milestone - this highlights the substantial volume of work still to be completed.

Furthermore, my understanding is that Second Sight's interim report on thematic issues, originally intended for March, is yet to be completed. But given the slow progress of the investigations, my strong view is that Second Sight's focus at this stage should be on completing the individual case reviews. Indeed, the content of the thematic report is dependent on the facts and evidence derived from investigating these cases, and therefore it would be premature to produce and release such a report before more progress had been made on the investigations.

There is one other issue which I would like to take this opportunity to address. I am aware that you have received a copy of some correspondence between Alan Bates and Jenny Willott MP. It is worth noting that the Working Group Chair has felt that he should write to the Minister addressing the points made in Mr Bates' letter. I too have written to the Minister outlining my concerns with the letter which I believe risks undermining the proper operation of the Working Group (and, in turn, the Scheme itself). In particular:

1. Contrary to the Working Group's Terms of Reference, the content of the letter discloses information that is confidential to the Working Group.
2. It contains several factual inaccuracies and paints a picture which is inconsistent with both the current and historic position. For example, the Post Office had produced 20 reports for the Working Group's consideration at the date Mr Bates wrote, rather than none as he suggests.
3. The fact that Mr Bates has bypassed the structure of the Working Group to raise concerns is disappointing and, in my view, contrary to the spirit of the Working Group.

This clearly remains a complex and challenging programme, and we need to focus on how best to resolve the cases in as swift and orderly fashion as possible. I hope what I have set out above demonstrates that the sensitivities we are dealing with go beyond the individual cases. Whilst I understand your desire to dampen expectations about the possibility of a July meeting, I am not convinced that sharing the exchange of correspondence between the two of us is the best way to achieve that.

I am very happy to keep you updated and to take your views on matters relating to the Scheme and would also welcome the opportunity to discuss some of the above in more detail if that would be useful. As part of that discussion we can consider how best to provide further updates on the Scheme to other interested parties.