

From: Belinda Crowe[IMCEAEX-
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_CN=RECIPIENTS_CN=BELINDA+20CROWE79B93F11-569F-4526-A078-
F5B4958A8917220@C72A47.ingest.local]
Sent: Mon 07/04/2014 7:23:27 PM (UTC)
To: Chris Aujard[]; Lesley J
Sewell[]
Bcc: Belinda Crowe[]
Subject: Fwd: Outline objectives, services and deliverables... as discussed

For information. I have not looked yet.

Best wishes
Belinda

Belinda Crowe
148 Old Street, LONDON, EC1V 9HQ

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[]

Begin forwarded message:

From: "James, Gareth (UK - Manchester)" <[]>
Date: 7 April 2014 19:45:00 BST
To: "Belinda Crowe" <[]> <[]>
Cc: "Lauder, Chris (UK - Leeds)" <[]>, "Desourdy, Charlotte (UK - Leeds)" <[]>
Subject: Outline objectives, services and deliverables... as discussed

Good evening Belinda.

As discussed, please find below some of the key words which hopefully frame our discussions accurately as to the work you would like Deloitte to perform in support of your objectives. We've included Rodric's words in the Background. I will be progressing the more detailed engagement letter structure around these principles tonight. Do let me know if we've missed anything key from your perspective and also what times might suite Lesley for a conversation to progress to a final agreed scope tomorrow afternoon.

All the best

Gareth

Background and Objectives:

We understand that You are responding to allegations that the "Horizon" IT system, used to record transactions in Post Office branches, is defective and/or that the processes associated with it are inadequate (the "Allegations"). In order to respond to these Allegations (which have been, and will in all likelihood continue to be, advanced in the courts), POL wants to demonstrate that the Horizon system is robust, fit for purpose, and/or operates within an appropriate control framework. In response to this, POL have either been provided or have commissioned a number of independent assurance reviews into matters relating to Horizon's operating environment and processing integrity. The purpose of seeking input from Deloitte is to provide, based upon the information made available to us by You, an independently produced summary relating to these sources of assurance, for presentation to the POL Board and specialist resources to support You in potential further areas of assessment that You may decide that You require.

Services and Deliverables:

We propose to deliver our work in two parts:

- **Part 1 “Summary”:** Through review of information provided to us by You and interviews with key stakeholders, we will obtain a high level understanding of the key circumstances behind the allegations, key risks in the Horizon processing environment and the corresponding investigations, assurance activities and remediation actions which POL have undertaken. We will consolidate and summarise these matters in a way suitable for presentation to the POL Board on the 26th April, highlighting key areas that may place POL’s objectives at risk. You do not require Deloitte to comment on the quality of the assurance work performed, nor opine on its adequacy, sufficiency or conclusions.
- **Part 2 “Deeper Dives”:** Governed by Change Order procedures to our engagement letter, we will supply specialist resources to support You in further areas of assessment that You may decide You require. Examples of such support may include, but is not limited to:
 - Testing on data held within the system audit trails, to (for example) verify conclusions previously draw by non-independent parties into the extent of known deficiencies;
 - Assessment and profiling of system audit trails, to look for characteristics of and trends in unusual behaviours in the system transactional core;
 - Enquiry into the nature and extent of testing of the Horizon system during its implementation;
 - Examination and testing of the integrity of dataflows to and from certain external / third party systems;
 - Testing of responses to thematic concerns raised by other independent reviews.

We understand that our work will be produced for use by POL only, and is not envisaged to be shared with any other third parties.

Gareth James

Partner

Deloitte LLP

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Mobile: [REDACTED]

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