

OFFICIAL SENSITIVE: COMMERCIAL

POST OFFICE HORIZON: UPDATE FOR SECRETARY OF STATE

Recommended lines to take:

- **The mediation scheme is independent of Government, and details of individual cases are confidential**
 - **Government has offered to convene a meeting between MPs and Post Office to allow each side to understand each other's views better.**
 - **There is no evidence of systemic flaws in the system, and legal avenues exist if people feel their convictions are unsafe. There is no need for a judicial inquiry.**
1. Andrew Bridgen MP has led calls for a judicial inquiry into the small number of alleged complaints about the Horizon IT system, at an adjournment debate on Monday last week (29 June).
 2. We recommend strongly that a judicial inquiry is neither necessary nor appropriate. The matter is independent of Government, there is no evidence of systemic flaws in the system or of miscarriages of justice, and legal avenues (the Criminal Cases Review Commission) exist if individuals feel their convictions are unsafe. Twenty people have applied to the CCRC.
 3. George Freeman (responding in the Commons) has offered a meeting between Mr Bridgen and other MPs and Post Office Limited, an offer which the PM repeated at PMQs last week (see excerpt at end).
 4. Baroness Neville-Rolfe wrote to Mr Bridgen and to Post Office on Thursday (2 July) to arrange a meeting. No response has been received yet and a date is yet to be fixed (but we intend it to happen before summer recess).
 5. Given that this matter is independent of Government, plus the significant legal risks to Post Office Limited, we have offered a private meeting of 2-3 MPs, POL, and Ministers, which will not look at specific case details or undermine the work of the Criminal Cases Review Commission.
 6. Rather, it will look at the more general points that MPs raised during the debate, with the ambition of taking some of the heat out of the debate and allowing MPs to hear POL's side of the story. POL have repeatedly offered to meet with MPs and have rebutted some of the false allegations against them, yet MPs continue to decline to meet but repeat the allegations.

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7. Subpostmasters' representatives have not been invited to attend that initial meeting. This may attract criticism, not least because the offer (repeated by the PM) included subpostmasters' representatives. However, it is important that confidentiality is respected and we consider it essential that no individual with a case in the scheme is present in the meeting. If all parties decide they would prefer representatives to attend then we would invite the National Federation of Subpostmasters, who are the representative body with around 7,000 members (and who have to date agreed with POL that there are no systemic issues with Horizon).

Excerpt from PMQs (Wednesday 1 July)

Andrew Bridgen (North West Leicestershire) (Con):

Owing to ongoing issues with the Post Office's Horizon software accounting system, I believe that many honest, decent, hard-working sub-postmasters and sub-postmistresses have lost their reputations, their livelihoods, their savings and, in the worst cases, their liberty. This is a national disgrace. Will my right hon. Friend consider the requests from Members across the House for a judicial inquiry into this matter and bring it to a conclusion?

The Prime Minister:

My hon. Friend has done a real service in campaigning tirelessly on this issue, and I know that he has led a debate in the House on it as well. The Post Office's answer is to say that it set up an independent inquiry which has not found evidence of wrongdoing, but, clearly, that has not satisfied many Members on both sides of the House who have seen individual constituency cases and want better answers.

What I think needs to happen next is for the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Mid Norfolk (George Freeman), to convene a meeting involving Members of the House, the Post Office and representatives of sub-postmasters to discuss their concerns and see what should happen next. I would hope that it would not be necessary to have a full independent judicial inquiry to get to the bottom of this issue, but get to the bottom of it we must.

Laura Thompson, Shareholder Executive

7 July 2015