

OFFICIAL SENSITIVE: COMMERCIAL

To: Baroness Neville-Rolfe
From: Laura Thompson, UKGI (x4240)
Date: 3 May 2016

Subject: **Post Office Horizon: update on group legal action**

Purpose: A further update on the group action lodged by the campaign group Justice for Subpostmasters Alliance (JFSA) against Post Office Limited in relation to the Horizon IT system.

Recommendation: That you note this update and agree that we should continue to maintain that this is a matter for Post Office.

Timing: Routine

Summary

1. My note of 14 April advised that Post Office had received a letter from Freeths, a firm of solicitors instructed by the Justice for Subpostmasters Alliance (JFSA) regarding proceedings lodged against Post Office at the High Court. The JFSA are the campaign group of mostly former subpostmasters who alleged that there were faults in the Horizon IT system used in Post Office branches and that a number of individuals had been wrongly convicted. JFSA were involved throughout the mediation scheme established by POL to look at this matter.
2. Post Office have now received the formal “letter of claim”, which is the document which sets out the actual factual and legal basis of the claim and the remedies sought, on behalf of the 91 claimants. Post Office are now reviewing the letter carefully with their legal advisors. They have three months to respond to the letter. We understand from Post Office that the amount of damages sought has not been quantified.
3. You discussed this with Tim Parker (Post Office Chair) at your meeting on Wednesday. Post Office’s Board are due to discuss this at their May Board meeting (24 May). As far we are aware, the litigation is not affecting the last pieces of work underway in Mr Parker’s review of the matter – as you heard on Wednesday, that remaining work (with Deloitte) may take another month or so.
4. There were two articles on the proposed litigation over the weekend, in the Daily Mail and Sunday Times. Neither raised any new allegations. As Mr Parker advised when you spoke, now that this matter is subject to court proceedings, Post Office’s response to media enquiries will be limited to saying that they will be responding to the claim through legal processes.
5. We recommend that Government maintain the position that this is a matter for Post Office, that we direct any media enquiries to Post Office, and that we do not

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comment further given that legal proceedings are underway. We suggest the following line to be used only if absolutely needed:

“This is an operational matter for Post Office Ltd. As legal proceedings have been announced, we are unable to comment further.”

6. The Daily Mail article reports that the Criminal Cases Review Commission “is likely to make a ruling next month”. A source is not given. Post Office are continuing to engage with the CCRC to enable them to undertake their reviews, and will seek an update on timings on the basis of this report. Post Office have confirmed that they have not yet been informed by the CCRC of any proposed timing to publish their findings.
7. We will keep you updated with any further developments as appropriate.

Copied to: Ministers’ offices, SpAds, Perm Sec, Mark Russell, Justin Manson, Patrick Kilgariff, UKGI POL team, Claire French.

Advice received from:

Finance	SpAds	Press	Legal	Analysts
No	In parallel	Claire French	Patrick Kilgariff	No