



Solicitor to the Inquiry
Post Office Horizon IT Inquiry
PO Box: Post Office Horizon Inquiry
5th Floor, Aldwych House
71-91 Aldwych
London, WC2B 4HN

Herbert Smith Freehills LLP
Exchange House
Primrose Street
London EC2A 2EG
T **GRO**
F
DX28 London Chancery Lane

www.herbertsmithfreehills.com

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By email

Dear Solicitor to the Inquiry

Post Office Horizon IT Inquiry – Hard Copy Document Update

1. We refer to the Inquiry's letter dated 14 August 2023 and email dated 17 August 2023 requesting that POL provide an update in respect of the data being processed from the backup tapes identified at POL's Chesterfield site, as well as on POL's hard copy assurance review in general.
2. We also provide further updates in respect of POL's other ongoing workstreams relating to hard copy documents.
3. POL will continue to provide updates on the above workstreams as progress is made.
4. We further refer to our previous updates to the Inquiry on these matters in our letters of 2 February 2023, 3 March 2023, 28 April 2023 and 29 June 2023.

Back-up tapes

5. As set out at paragraphs 60 (A) to (C) of POL's Third Interim Disclosure Statement, in October/November 2022, POL identified 42 back-up tapes with unknown contents at its Chesterfield site. POL's Fourth Interim Disclosure Statement and our subsequent correspondence (dated 2 February 2023, 3 March 2023, 28 April 2023 and 29 June 2023) explain the steps that POL has taken to understand the contents of the tapes (which are very substantial in volume) and whether they might relate to the matters being examined by the Inquiry.
6. We set out below a summary of the steps that POL has taken to date to investigate the likelihood of these back-up tapes containing additional Inquiry relevant materials, along with POL's proposed next steps. However, we note at the outset, that as backup tapes ordinarily reflect a copy of data that exists elsewhere they are not ordinarily considered as key repositories to process and search for the purpose of disclosure. We also understand from POL that the files recovered from the datasets/sessions on the tapes (as further set out

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below) may be partially or significantly duplicative of the files already harvested, searched and disclosed to the Inquiry. This will become clearer once the processing exercise (including quality control checks of the data which has been processed) is complete and the contents of the tapes are analysed and deduplicated against the data already harvested by POL and contained on Relativity. This process is described further below.

7. In summary, in December 2022 and again in February 2023, POL instructed KPMG to prepare indices of the data stored on the tapes for POL to review. Each index relates to a single dataset that is backed up on a single tape – these datasets are known as 'sessions'. There can be multiple datasets/sessions on a tape and, therefore, there can be multiple indices per tape. The index is essentially a catalogue of the contents of the dataset/session.
8. As we explained in our 28 April 2023 letter, KPMG provided a total of 91 indices (covering the 31 accessible tapes), of which 21 (covering 17 tapes) were identified as appearing to refer to files stored in typical Microsoft Office formats, as well as some file types containing emails. On 13 April 2023, on a test basis, POL processed the files referred to in two of these indices (i.e., from two datasets/sessions) onto its Inquiry Relativity platform for further interrogation.
9. In our 29 June 2023 letter, we explained that, following preliminary investigation of the files, POL decided to process the files referred to in the remaining 19 indices (i.e., 19 datasets/sessions) onto a separate, dedicated, Relativity workspace for further examination. A separate workspace was considered to be the most appropriate solution because the volume of data was very substantial, exceeding 2.6 terabytes, and to ingest that size of data into POL's existing Inquiry database would slow the processing of data being harvested and processed from other repositories, which would have impeded POL's ability to provide timely disclosure in relation to other disclosure related workstreams. The processing of the additional 19 datasets/sessions began on 7 July 2023 and, on KPMG's initial estimate, was expected to conclude in mid-July.
10. Processing the data onto the Relativity workspace has taken much longer than anticipated. In our 8 August 2023 letter, we explained that the files from 15 of the 21 indices had been processed (made up of the two test datasets/sessions and 13 of the remaining 19 datasets/sessions). As at today's date, and subject to quality control checks on the data which will follow, the files from all 21 of the datasets/sessions have been processed - which equates to more than 2.6 terabytes of data. We understand from KPMG that the reason for the long duration of the processing exercise is essentially the irreducible 'machine time' that is needed to process the very significant volume from each dataset/session. This is partly due to the size of the data and the millions of individual folders and files that are being processed, and partly due to issues with processing legacy file types which have caused system errors leading to an inflation in the processing time. Whilst we anticipate further 'machine time' being encountered in POL's next steps (as further set out below), the most significant parts of the data processing have completed.
11. Deduplication, at the 'parent' document level, has been applied at the processing stage across the 19 datasets/sessions ingested into the separate Relativity workspace. There is very significant duplication as between the datasets/sessions: the documents processed have reduced from c. 19 million pre-deduplication to c. 4.8 million after deduplication. Because the data from the datasets/sessions are in a separate workspace, they have only been deduplicated as against each other. They have not yet been deduplicated against the materials that POL has already harvested from other sources, and which form the basis of the data that POL has disclosed to the Inquiry.



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12. POL has undertaken a preliminary analysis of the data from 13 of the datasets/sessions that have been processed:
 - 12.1 POL does not know with any certainty what data the datasets/sessions were created to back-up, that is, what was the original source of the data.
 - 12.2 Following an analysis of 4.5 million deduplicated documents on the 13 datasets/sessions analysed, we understand that approximately 3.4 million are 'user generated' – meaning that, based on their file type, they are likely to have been created by a person, as distinct from system or programme files. The amount and types of 'user generated' files will likely vary following an assessment of all the data that has been processed.
 - 12.3 POL has undertaken a date range analysis of the processed data from 12 of the datasets/sessions processed, and the majority of the files are from the period 2001-2008.
 - 12.4 A preliminary high-level review of the folder structures of some of the datasets/sessions on Relativity has also been undertaken – and it was during the course of that exercise that POL identified documents which appeared to relate to Alison Bolsover, which led to the production POL made to the Inquiry on 8 August 2023 under production number **PROD206A-B**.
 - 12.5 Some high-level, indicative search terms have also been applied to the 'user generated files' on 13 of the datasets/sessions processed, which resulted in approximately 440,000 unique 'hits' (approximately 675,000 documents when families are included); the word "Horizon" on its own is responsible for over 50% of those hits.
 - 12.6 The search terms run over the 13 datasets/sessions include the names of the Phase 4 witnesses, for which the unique hits amount to 45,955 documents (not including families), reducing to zero documents when the Phase 4 witnesses' name are combined with a 'w/40' operator of the word 'Horizon'.
13. POL recognises the importance of continuing to assess the likelihood of new Inquiry relevant documents being backed up on the 21 datasets/sessions. To do this, POL's current plan is as follows:
 - 13.1 Once the contents of all the datasets/sessions have been processed and quality checked, POL intends to run a set of high-level, generic search terms across the data set. This is to identify those materials which might potentially be relevant, in the broadest sense, to the Inquiry's Terms of Reference.
 - 13.2 Responsive documents to those high-level searches will then be moved to POL's Inquiry Relativity platform, which will involve some irreducible 'machine time' of approximately two weeks (subject to other general workspace activities on POL's Inquiry Relativity platform which may impact the 'machine time'). However, we note that this will be less 'machine time' than if the entire deduplicated data set (approximately 4.8 million documents), rather than just those files in the data set responsive to the search terms (currently approximately 675,000 including families), were to be moved.
 - 13.3 Once the documents have been migrated to POL's Inquiry Relativity platform, POL understands it is at this stage, that the materials can be deduplicated against the materials that are already on the Inquiry Relativity database (which will further incur 'machine time').
 - 13.4 Further, more targeted searches will be run across the transferred data set, with a view to searching for, as a priority, any material that seems likely to relate to Phase 4 which has not already been harvested from other repositories. To the extent that there are non-duplicative documents, POL will then consider appropriate next steps.

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14. POL recognises the importance of providing any additional Phase 4 material to the Inquiry as soon as possible, and is working to achieve that outcome either by confirming no additional material from these back-up tapes is likely to be forthcoming, or by providing additional material to the Inquiry. POL will provide an update on the anticipated timeline to reaching a review stage of any identified relevant materials as soon as possible.

POL's hard copy assurance exercise

15. We explained in our letter of 29 June 2023 that the one outstanding issue in the hard copy document assurance exercise arose from the fact that three documents that are responsive to Rule 9 Request 14 (Q42) had been identified in an office located above POL's Old Swan branch, which POL staff had not been able to access when completing their responses to POL's paper-based assurance exercise. Our letter noted that POL was conducting an exercise to provide reassurance that all parts of POL's operated sites were checked during its paper-based assurance exercise. At that time, POL was focussing its investigations on those POL sites which had office space attached to them (that is, equivalent sites to POL's Old Swan branch) and had identified approximately 13 such sites.
16. Since then, in order to provide additional assurance, POL has broadened its investigation to the majority of the 138 POL operated sites (including the 13 sites referred to above) involved in the paper-based assurance exercise: two of the 138 sites were not recontacted because POL already obtained assurances regarding the status of documents held at those sites, following the paper-assurance exercise. In respect of the remaining 136 sites, POL asked each of these sites to confirm whether there were any spaces – offices or otherwise – which were not able to be accessed during the paper-based assurance exercise. All 136 sites have responded. Of these, 129 sites confirmed that there were no such spaces, and eight sites confirmed there were areas which they were not able to access. Of these eight sites, POL sought confirmations from the relevant teams who use the areas at five of these sites. Of the five teams contacted, POL has received confirmation from three teams that the spaces used by them had previously been searched for Inquiry relevant materials, with responses from two teams outstanding. The remaining three sites confirmed that there were locked rooms at their site that they did not hold the keys for. POL is working to gain access to these rooms.
17. As such, POL has made significant progress towards resolving this issue. However, there are still outstanding questions regarding (a) the teams using certain sites that have not yet responded; and (b) the three sites that cannot presently be accessed. POL is continuing to progress this and if any further potentially relevant materials are identified, they will be further investigated and, where appropriate, reviewed against existing Rule 9 Requests. Any relevant material will be produced to the Inquiry as soon as possible.
18. Our previous update letter of 29 June 2023 noted a number of further workstreams arising out of the hard document workstreams. For completeness, we set out an update in relation to those matters below.

POL vacating Finsbury Dials

19. In our 29 June 2023 letter, we informed the Inquiry that POL had recently finished relocating its Head Office from Finsbury Dials to 100 Wood Street, and that POL was investigating a small number of hard copy materials identified during the course of the move as being potentially relevant to the Inquiry. On 14 July 2023, POL produced 39 relevant hard copy materials (responsive to Rule 9 Requests 10, 14, 30 and 33) under production number **PROD194A-D**.

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20. In our 21 August 2023 letter, we informed the Inquiry that whilst reviewing the boxes of material containing hard copy materials, POL also came across some CDs and a hard drive that it considered warranted further consideration for materials relevant to the Inquiry. We have investigated two of the CDs and the hard drive, and following those investigations, POL produced **one** document (being a video file relevant to Rule 9 Request 10: Q11) under production number **PROD202**.
21. Peters & Peters are further investigating some of the CDs considered by HSF, and to the extent they identify any further relevant materials, these will be disclosed to the Inquiry.
22. In relation to the hard drive specifically, as we noted in our letter of 21 August 2023, this was labelled 'Righthand PC Horizon Data'. When we reviewed the hard drive, we did not identify any potentially relevant materials amongst the documents that we were able to access. However, some of the data was unintelligible to us, appearing as unreviewable code. POL has itself undertaken further investigations into that data, and has confirmed that it was originally transaction data flow from Horizon to Credence but appears now to have lost its integrity. As such, it is unlikely to store potentially relevant materials to the Inquiry. Therefore, subject to any questions the Inquiry may have, POL does not propose to conduct further investigations into these materials.
23. As noted above, some of the data on the hard drive was inaccessible. POL has instructed KPMG to further interrogate these inaccessible files. Based on the investigations conducted to date, it appears unlikely that any additional materials stored on this hard drive will be potentially relevant to the Inquiry, but POL will of course continue to keep the Inquiry informed of these investigations.

POL's indexing/reindexing exercise

24. By way of reminder, the indexing/reindexing exercise process is separated out into the following stages:
 - 24.1 Stage III indexing - being the reindexing of certain materials stored by POL at Winchester Oasis (as further described at paragraph 71 of POL's Second Interim Disclosure Statement); and
 - 24.2 Stage IV indexing - being the indexing of certain items that were stored at POL's Chesterfield site and moved to storage at Winchester Oasis (as further described at paragraph 73 of POL's Second Interim Disclosure Statement).
25. Our letter of 29 June 2023 notified the Inquiry that certain items (being boxes or files) subjected to the above exercise were quality assured by Peters & Peters. Our letter explained that of the 200 items from stage III indexing that were quality assured, Peters & Peters identified six items' descriptions that constituted 'major' inaccuracies and also some 'minor' inaccuracies. Of the 110 items from stage IV indexing that were quality assured, Peters & Peters did not identify any 'major' inaccuracies. They did however identify some items' descriptions which constituted as 'minor inaccuracies'.
26. Our letter explained that whilst POL considers that the results from the quality assurance exercise did not indicate systemic issues, POL had nonetheless decided to re-do the stage III and IV indexing and, where an error is found in the items' indexing, update the index to correct the error.
27. POL has split this additional exercise into the review of the indexing for:



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- 27.1 'neat' items – being files or boxes, some of which originally had labels on them to describe their content; and
- 27.2 'complex' items – being a collection of 'loose' documents stored in boxes or files that did not originally have labels describing the documents within them.
- 28. As with the original stage III and IV indexing exercise, POL has divided the review of 'neat' items and 'complex' items into the review of the items which were re-indexed (stage III indexing) and indexed (stage IV indexing).
- 29. From the Inquiry's perspective, POL recognises that its interest in this exercise is the extent to which it may result in additional relevant documents being identified. In this regard, we note that the quality assurance exercise did not identify any 'major' inaccuracies (those being errors that are most likely to impact the retrievability of an item for Inquiry purposes) in the stage IV indexing. POL has, therefore, started this exercise by first reviewing the 'neat' items from stage III indexing (which had six 'major' inaccuracies identified by Peters & Peters in the quality assurance review). This review consists of 605 boxes. POL anticipates that this review, which is being conducted by Oasis (POL's storage provider), will be completed by no later than 5 October 2023.
- 30. POL anticipates that Oasis will complete the review of the 'neat' items from stage IV indexing – which consists of 1,828 boxes – by the end of this year. POL intends to circulate to its legal advisors any updated indexing descriptions arising from these reviews on a rolling basis. Should any items appear to be potentially relevant to the Inquiry's Terms of Reference that have not already been reviewed, the items will be reviewed against all Rule 9 Requests, where appropriate, and produced to the Inquiry.
- 31. POL has also commenced the review of the indexing of some of the 'complex' items and is continuing to assess how the remaining 'complex' items' indexing will be reviewed, and the timeline for doing so. Only the 'complex' items which were indexed by Oasis and not reviewed by POL in the original exercise will be rereviewed. This amounts to approximately 5,723 boxes, with 3,068 concerning stage III indexing and 2,655 concerning stage IV indexing. POL intends to progress the review of the relevant 'complex' items by reviewing stage III indexing first and stage IV indexing second. POL will continue to provide updates to the Inquiry on the same, including the likelihood of this review resulting in additional materials being produced to the Inquiry.

Electronic documents identified from POL's Chesterfield site

- 32. As the Inquiry is aware, in October/November 2022, in addition to the 37 back-up tapes referred to above, POL identified at its Chesterfield site 459 encrypted CDs and, since then (as summarised in our 28 April 2023 letter), POL has been taking steps to determine whether they contain documents that are potentially relevant to the Inquiry's Terms of Reference and, if they do, to produce them to the Inquiry.
- 33. As part of this exercise, POL has been seeking to access and catalogue the CDs. Our 29 June 2023 letter noted that, following KPMG's manual searches across certain custodian mailboxes, POL had identified 60 passwords/phrases. These passwords were run over a sample of the encrypted CDs which resulted in identification of passwords/phrases for 34 of the 42 CDs sampled.
- 34. Of the 34 accessible CDs, 13 were CDs labelled 'passphrase' (indicating that they contain another password) and 21 were ARQ CDs (which the Inquiry will be aware is Horizon audit data that was used in some prosecutions, with evidence from Fujitsu in support). The

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decrypted 21 ARQ CDs have been considered and their meta data has been identified as concerning data post 2015, which is therefore unlikely to relate to the individuals who were the subject of Rule 9 Requests 6, 14, 17 and 22.

35. POL has instructed KPMG to apply the 60 identified passwords over the remaining 417 encrypted CDs. This exercise can be broadly split into two stages: KPMG must first catalogue which of the 417 encrypted CDs are labelled 'passphrase' and which are labelled ARQ CDs, before processing the data from each of the CDs onto a secure workspace. The second step is for KPMG to apply the 60 passwords across the 417 CDs, as well as any additional passwords identified on any decrypted CDs during this decryption exercise (i.e., from the CDs labelled 'passphrase'). For completeness, KPMG is also applying a list of approximately 4,000 known passwords across the CDs (which we note was not successful in decrypting the 42 sample CDs).
36. To date, KPMG has catalogued all 417 CDs. Of these, 381 concern ARQ data and 33 concern passphrase CDs, with three CDs labelled with miscellaneous names. KPMG has been able to extract data from a total of 408 CDs (with the remaining 9 CDs either containing no data or data that cannot be copied). In parallel, KPMG is running the passwords over the CDs. Thus far, KPMG has run the passwords over 134 CDs, with 104 ARQ CDs being successfully decrypted.
37. Once these steps have completed, POL will consider the content of the decrypted ARQ CDs to determine whether the data contained on the CDs concerns any of the individuals who were the subject of Rule 9 Requests 6, 14, 17 and 22 and, if so, POL will produce the material as soon as possible. POL will provide an update to the Inquiry on its indicative timeline for concluding this review as soon as possible.

Electronic documents identified during the hard copy assurance exercise

38. As we have previously explained, during the course of POL's hard copy assurance exercise, POL (and Innovo – its independent search expert) identified some electronic materials (e.g., hard drives, USBs, CDs etc.). The electronic materials fell outside the scope of POL's hard copy document assurance exercise, but a record of the materials was taken to allow POL to consider appropriate next steps in relation to the same.
39. POL has been considering the likelihood of the electronic materials recorded in the assurance exercise containing documents that are potentially relevant to the Inquiry's Terms of Reference. To this end, POL has prepared a list of the electronic materials that it is possible might contain potentially relevant documents, based on the high-level descriptions recorded at the time of the document assurance exercise and an assessment of whether they were found with potentially relevant hard copy documents.
40. POL is considering how best to progress its review of these materials. As a first step, POL intends to retrieve the electronic items which are available from Winchester Oasis. POL is then considering whether to undertake an initial, high-level assessment of the materials (such as a physical inspection of e.g., any labels on CDs; or an electronic inspection of e.g., a USB stick or a CD) to see whether there is anything that indicates the item might warrant further interrogation for Inquiry related reasons.
41. POL will continue to update the Inquiry in this respect.
42. POL will continue to investigate other electronic materials that it identifies during non-Inquiry related workstreams. POL will keep the Inquiry informed of any materials it identifies as requiring further interrogation from an Inquiry perspective.



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Proactive review of notebooks

43. POL continues to take steps to review the notebooks identified by certain POL employees in their Custodian Document Questionnaire responses, as well as other notebooks considered to be potentially of interest, to assess whether they contain material potentially relevant to the Inquiry's Terms of Reference. As indicated previously, should POL identify any documents that need to be produced to the Inquiry against existing Rule 9 Requests during the course of this harvesting exercise, POL will produce the documents as soon as possible.

Additional RMG files

44. As we explained in our 27 June 2023 letter, on 23 June 2023, RMG notified POL that it had found additional POL documents, which RMG provided to POL on 26 June 2023. The documents comprised 125 files consisting of 124 'Horizon' related files and one file concerning Julie Wolstenholme. POL prioritised the review of the file concerning Mrs Wolstenholme and on 30 June 2023 produced the contents of the file in response to Rule 9 Request 29 (**PROD184**).
45. On 7 July 2023, and as explained in our letter of the same date, POL produced the balance of relevant materials identified from these files, which included an additional 2 documents concerning Mrs Wolstenholme (**PROD187**).

Brian Trotter Materials

46. As we explained in our 9 August 2023 letter, Brian Trotter (who provided evidence to the Inquiry on 2 March 2023) left the employment of POL on 3 July 2023. During the course of his departure, Mr Trotter identified a small number of hard copy documents at his home and POL's Glasgow training centre. From these, the potentially relevant materials were reviewed and, on 9 August 2023, 21 documents were produced to the Inquiry as responsive to Rule 9 Requests 10 and 14 (**PROD209A-B**).

If the Inquiry would be assisted by receiving further information in relation to the above, please do not hesitate to contact us.

Yours faithfully

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Herbert Smith Freehills LLP