

Angela Van-Den-Bogerd

From: Peter Prior-Mills
Sent: 20 January 2015 16:53
To: Angela Van-Den-Bogerd
Subject: Spoiling postage labels

Hello Angela,

On a call with Fujitsu earlier today I was made aware that there is an issue from mediation around spoilt postage labels, this is an area where I have been previously involved having worked on the improvements which correctly account for the reversal of VAT in such cases.

The problem originates when the clerk answers "yes" to the question on screen about whether the label printed correctly. If they have answered in this way when the label did not print fully or correctly, they should follow the spoilt label process to reverse the transaction correctly and all will be well. Should they answer "yes" when no label has printed at all they cannot use the spoilt label process as to do so they need the incorrectly printed label on hand (spoiling without this is fraud).

The reason behind this is that without the evidence of the faulty/misprinted label there is no proof that it was ever transacted at all, and there is therefore an open door to fraudulent abuse. Without the label as proof of printing someone has to pay for it. This is now more important than ever as to reverse the VAT correctly (some transactions are zero rated for VAT, others chargeable) the clerk needs the code characters from the label, without a label on hand you can't reverse the VAT correctly which is a very serious matter as far as HMRC are concerned.

If we are to provide postmasters with a fall back way of getting a refund even if they have no label on hand, it will be entirely at POL's expense (and we couldn't even claim back the VAT element legally).

In the end, our clerks need to pay attention and check there is a label before answering the question, that way they can recover the situation via the spoilt label process even if they answer the question on screen incorrectly.

I hope this helps.

Regards,

POSTAGE LABELS

Peter Prior-Mills | Lean Consultant / Business Analyst
Change Management

PO Box 634, Chichester, PO19 9HJ
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POL00107144

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Angela Van-Den-Bogerd

From: Kevin Lenihan
Sent: 20 January 2015 12:24
To: Angela Van-Den-Bogerd
Cc: Newsome Pete <GRO> (GRO)
Thompson Peter (GRO); James.davidson(GRO)
(GRO); Steve Beddoe
Subject: FYI : URGENT RESPONSE - AS REQUESTED

Cc – FYI

Angela,
I have attached the Fujitsu answer to your query for your reference.

In summary though, in answer to the questions that you raised yesterday :-

- Q. Whether we (POL) are aware of a problem with the postage label transaction as cited by Mr McCormack?
A. POL are not aware of a problem with the postage label as cited by Mr McCormack
- Q. Whether Fujistu is aware of such a problem?
A. Fujitsu is not aware of such a problem
- Q. If the answer to the above is no, is there any way we can establish from Fujistu if there is a problem with the transaction? (although at this point I think the problem is with the user accepting the label as correctly printed by mistake)
A. Fujitsu have explained how the process operates and they are not aware of any system problems as described by Mr McCormack. (see email detail attached).

If Mr McCormack can share the evidence to support his claim we can investigate accordingly. In the meantime, if you need to discuss further please let me know.

Thanks,
Kevin

Kevin Lenihan | Senior Information Services Manager

2nd Floor, 148 Old Street, London EC1V 9HQ

GRO Mobex GRO
kevin.lenihan(GRO)



From: Newsome Pete (GRO)
Sent: 20 January 2015 11:12
To: Kevin Lenihan
Cc: Thompson Peter; Davidson James; Jenkins Gareth GI
Subject: RE: URGENT RESPONSE REQUIRED

Kevin

We know of no issue with the system printing of labels. The system asks the user if the label has printed properly and will allow re-printing if No is chosen. There is also a procedure in place to enable Horizon users to report a spoilt label if they have a problem post printing with sticking the label on the parcel (this does require information from the label) which gives a credit for that label.

Regards

Pete

Pete Newsome
Business Change Manager
Post Office Account, Fujitsu UK&I
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Web: <http://uk.fujitsu.com>



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 Please consider the environment - do you really need to print this email?

From: Kevin Lenihan | [GRO](#)
Sent: 20 January 2015 10:23
To: Newsome Pete
Subject: FW: URGENT RESPONSE REQUIRED

Pete – as requested.

If any problem opening please let me know.

Essentially what is being asked is are FJS aware of any known printer faults linked to the Horizon system – if yes do they tie up with what is outlined. From a POL / Atos perspective we are not aware of any such fault either as a known problem or emerging incidents.

Thanks,
Kevin

Kevin Lenihan | Senior Information Services Manager

2nd Floor, 148 Old Street, London EC1V 9HQ

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kevin.lenihan@uk.fujitsu.com | [GRO](#)



From: Angela Van-Den-Bogerd
Sent: 19 January 2015 12:54
To: Kevin Lenihan
Subject: FW: URGENT RESPONSE REQUIRED

Hi Kevin,

Could you help me with this please – this is something I would have previously gone to Andy Holt with. The e-mail chain will give you the background but essentially what I'm trying to establish is a couple of things:

- Whether we (POL) are aware of a problem with the postage label transaction as cited by Mr McCormack?
- Whether Fujistu is aware of such a problem?
- If the answer to the above is no, is there any way we can establish from Fujistu if there is a problem with the transaction? (although at this point I think the problem is with the user accepting the label as correctly printed by mistake)

Thanks,
Angela

Angela Van Den Bogerd | Head of Partnerships

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From: Angela Van-Den-Bogerd
Sent: 13 January 2015 09:21
To: flagcaseadvisor; Belinda Crowe; Eamon Price; Melanie Corfield
Cc: Craig Tuthill; Rodric Williams; Contract Admin Team; Alwen Lyons; Nick Beal; Martin Humphreys; Connie Hewitt; Tom Wechsler
Subject: RE: (D.A)FOR ACTION: Ref: ECT 1153/14 Customer name: Tim McCormack Feedback due: 15/01/15 Case signatory: TBC

Donna,

Thanks for sight of this. Given the implications of Mr McCormack's claim then I suggest:

- we need join up with Royal Mail (cc'd to Eamon Price).
- we need a legal view – Rodric could you provide please.
- we need to flag to Fujistu. I'll pick this up with Belinda.
- we need Comms team input (cc'd to Melanie Corfield)

By way of background I spoke to Tim McCormack a few weeks ago; a lengthy conversation lasting 45 mins which concluded with me asking Tim to provide me with details of specific instances so that I could investigate the claims. He said that he was unable to do that as he was getting his information via closed Spmr forums and that Spmrs would not want him to share their details. I have since asked NBSC for call clogs of branches that have reported such claims

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Angela Van-Den-Bogerd

From: Rod Ismay
Sent: 20 January 2015 12:04
To: Angela Van-Den-Bogerd
Subject: RE: Postage Labels

Hi Angela,

Upon further discussion this morning, and having read Horizon Help on the intranet, I can see that there are references to "labels that did not print" and what should be done to respond to that.

If these processes are followed then a situation such as Tim alludes to should not happen. This would depend on the counter colleague properly checking the quantity and quality of labels printed and then pressing the right button when asked "did the labels print OK Y/N?"

I attach links and extracts from the processes at the foot of this note. If those are not followed (and if either a printed damaged label gets lost or a label never printed but the wrong choices were made in Horizon) then there could be a dispute situation, however, that would be due to conformance and lack of retained evidence. There has been acute fraud sensitivity on labels as the early days of labels saw several attempts at cash fraud via spoils. Hence the requirement for paper evidence.

There is no documented process for the further, more extreme scenarios, (perhaps like Tim's) because those would be processes in the event of "correction process failure" following on from "transactional failure". Or it would be a scenario that we don't believe happens, but which has been alleged as a risk by SS, of a ghost transaction in the stack.

I have asked for stats on labels. I will update you on what we can obtain. It will depend on how the "items" are defined in Horizon but I am seeking totals for label sales, rejects and spoils.

We don't have stats on the type of incident Tim suggests. We are not aware of claims of it happening, just the conformance failures explained above. Whether he logged it at the time with NBSC and whether peers would have, would be only metrics we can think of, but given the inherent uncertainty of what is being described it is unlikely it would have its own call type indicator. It would probably be subsumed within general balancing calls.

We can establish a process for dealing with this extreme situation of no evidence. There would obviously be a risk with it due to lack of paper evidence, but with "realtime" Horice data and retrospective trend analysis etc we could monitor levels of cases to determine whether the new process flushed out a specific transactional issue or whether it became a new vehicle for attempted fraud. We would need to acknowledge the resource cost of such a new process and we should take counsel from POL Security before defining and deploying such a new process.

The references on Horizon Online Help are as follows:

\\portal.royalmailgroup.com@ssl\DavidWWWRoot\sites\POA003\HNGonline\HNGonline\HNG Help\postal\general_info_2\p\pl_rej_labels.htm

- A rejected label is a label that did not print properly or did not print at all, and you acknowledged this by selecting No at the screen prompt which says 'Was the print successful?' Selecting No at this screen will always reject the label.
- To ensure that the security of postage label production is maintained, you will not be able to use the Void or Reversal functions on the system once you have produced a label. It cannot be removed from the Basket.

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- You must always retain and reconcile all rejected labels with your stock unit balance snapshot. If you reject a label because it has not printed at all, you must print a session receipt and keep this in place of the rejected label.
- Associate all rejected labels (or in the case of labels which did not print at all, the relevant session receipts) with the postage label weekly report and file in your branch for two years (the report must be signed by the manager/postmaster as a declaration to confirm that all rejected postage labels are associated with the report).

\\portal.royalmailgroup.com@ssl\DavidWWWRoot\sites\POA003\HNGonline\HNGonline\HNG_Help\postal\general_info_2\p\pl_not_prt.htm

- If a postage label does not print correctly or does not print at all:
- Select No (the Horizon Online™ system will automatically reject the postage label, and generate a 'Rejected' postage label transaction)
- You will then be returned to the Mails screen.
- Insert another label into the printer and select Label to print the postage label again.
- Three transactions will appear in the Basket.
- Two will have positive values (one for the production of the correctly printed label, and one for the incorrectly printed label), and the third will have a negative value (for the rejected postage label). The positive value for the incorrectly printed label, and the negative value for the rejected label will cancel each other out, and as a result only the transaction for the correctly printed label will be accounted for.
- You must retain the rejected postage label
- Retain the receipt in place of the rejected label

Rejected Labels



If a rejected label did not print, you will not have a rejected label to retain. To prove you have rejected the label you must produce a session receipt at the end of the transaction session. To do this, press the receipt key on the keyboard after the transaction has been completed. This receipt will show the value of the rejected label.

Would you like us to do any Horice analysis and would Tim be amenable to attempting to provide more specific dates for his branch or for any colleagues if others have raised this with him?

Thanks, Rod

Rod Ismay | Head of Finance Service Centre

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From: Angela Van-Den-Bogerd
Sent: 19 January 2015 17:22
To: Rod Ismay
Subject: RE: Postage Labels

Rod,

Once a label has been accepted as printed correctly it cannot be reversed – hence the problem.

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Angela

Angela Van Den Bogerd | Head of Partnerships

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From: Rod Ismay
Sent: 19 January 2015 16:47
To: Angela Van-Den-Bogerd
Subject: RE: Postage Labels

Hi Angela,

I don't think it would be fair. But I don't think we are in that extreme position.

An Spmr is able to do a spoil either:

- In the customer session if they choose "N" when asked if it printed OK, or
- As a subsequent session ie. After completing the session where there is more in the stack (due to them pressing "Y" wrongly and then realising their error later)

We can run data that would tell us the levels of such spoils.

However, these would not have led to "debt". These would have resolved the record keeping at source.

I believe that the operational instructions advise branches how to do that spoil in the session or a spoil as a follow on session.

I will, however, confirm that.

For those situations then, and so long as the instruction is there, then I don't think we are in an unfairness situation. It may, of course, be prudent for us to review the intuitiveness of the instructions.

The area where we do seem to lack instructions is the more convoluted error scenario of wrongly pressing "Y" and then failing to do a corrective spoil at any point in the remainder of that Trading Period.

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Here the branch would find itself with an apparent shortage. If it remembered it was due to the label then the "help" option to call NBSC is always there. I sense we may need to add something to NBSCs scripting for this scenario, but in the case last week they referred the branch to FSC who are able to resolve it without it becoming a "debt" question.

We would not have stats on such shortages where they are unresolved and in reality if the branch had forgotten it had had a "spoil" issue then it could be subsumed with other gains and losses. It would not have a flag to enable us to run stats.

All we can run is the Y N transactional stats, not a stat of something where an issue arose but was not then processed.

I will talk this through with Gill in my stock team tomorrow though.

At a wider level, yes I can get a report of monthly and annual spoils but those are by their very nature resolved events, they would not have led to debt. And so they would be misleading as indicators of the type of incident Tim alleges. They are measures of satisfactorily resolved spoils, not indicators of the scale of a wrongful debt issue.

Does that make sense?

Happy to discuss

Rod

Rod Ismay | Head of Finance Service Centre

2nd Floor West Block, No 1 Future Walk, West Bars, Chesterfield, S49 1PF

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From: Angela Van-Den-Bogerd
Sent: 19 January 2015 16:28
To: Rod Ismay
Subject: RE: Postage Labels

Rod,

What you've set out is clear and is my understanding of the current process. The follow on question therefore is.....is it fair that a Spmr is held liable for a mistake at the counter that isn't actually a loss of money but is indeed a loss (by wrongly accepting that the label had been printed correctly) of the label? Should we not have a process in place that enables the Spmr to correct this mistake?

My view is that we should have a process in place whereby the Spmr is able to exceptionally claim as a spoilt label via the Horizon system. We'd need to agree a process and ensure we build in safeguards to protect against abuse of the process however this should all be doable. What I need to understand therefore is what is the monthly and annual claim for spoilt labels – could you provide me with this number please?

Thanks,
Angela

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From: Rod Ismay
Sent: 19 January 2015 16:09
To: Angela Van-Den-Bogerd
Subject: RE: Postage Labels

Hi Angela,

I have made some enquiries.

As regards your question, the short answer is no. However, let me expand on a potential conformance issue where a branch makes a wrong decision during a transaction.

It does seem that, if a branch does not know what to do and does not ask for help, then they could get in a position of confusion.

When serving a labels transaction, the counter colleague is prompted "did the labels print OK Y/N".

The labels would not go into the stack before that point.

If the clerk chooses "No" then it won't go into the stack at all. If they choose "Yes" then it does go into the stack.

If, however, the clerk then finds that they shouldn't actually have pressed "Yes" (ie. They didn't check their labels properly) then an extra layer of work can arise because you cannot reverse a label sale.

What you should do is to spoil the label (as a new session). However, since it is now in the stack (and not reversible) the branch would have to explain to the customer why the receipt is too much and then tackle the "spoil" as their next task.

In doing so they and the customer could be frustrated.

If the clerk then forgets to do the spoil in that Trading Period, then the cash figure in Horizon would be wrong (overstated because the spoil has not been dealt with).

And when they enter the next Trading Period, they are no longer able to spoil it at all.

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As I say, we are not aware of the simple case of "more in my stack than printed" but we did have a branch with the scenario above last week. In their case £500 was at stake and they were put through to my Stock Team who are agreeing a TC process to clear the discrepancy from the branch "debt" as clearly it is not debt. We are in the process of awaiting sight of the actual labels in question, in order to confirm authenticity of the chain of events.

We believe that because labels are not a "stock item" then the basic Horizon reversal process could not be adopted for Labels ie. A multi part process was needed with the spoil event.

We do not believe one would see any event in Horizon for the short scenario Tim describes, but in Horice or Credence we can run stats on levels of sales and spoils.

It seems to me in summary that this is another situation where:

- A mistake is made by the counter colleague
- The correction process exists in Horizon but the clerk may be unaware or confused
- And if left beyond the end of the Trading Period it enters an extra level of complexity which is not scripted and which perhaps now needs scripting

If Tim could give specific dates then we could try to provide more info on events and transactions but we believe the records would align with the stack, not with the allegation of less than the stack.

I hope that helps. Happy to discuss. I hope it was clearer setting it out though.

Rod Ismay | Head of Finance Service Centre

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From: Angela Van-Den-Bogerd
Sent: 19 January 2015 15:02
To: Rod Ismay
Subject: RE: Postage Labels

Rod,

Thanks for your voicemail.

I don't have a specific incident to quote which is why this is proving so difficult. Without this level of information what I'm trying to identify is the size of the problem hence my questions to you about spoilt and rejected labels.

Angela

Angela Van Den Bogerd | Head of Partnerships

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-----Original Message-----

From: Angela Van-Den-Bogerd
Sent: 15 January 2015 19:37
To: Rod Ismay
Subject: Postage Labels

Rod,

There is a bit of noise around postage labels reporting to the customer stack but not printing. SS and Tim McCormack (ex-Spmr) are generating a fair bit of this but if what I'm told is correct we need to correct the situation.

Are you aware of such a problem?

Are you able to see spoilt labels claimed by branches? Rejected labels also?

Please advise.

Thanks
Angela

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GRO

GRO

Angela Van-Den-Bogerd

From: Avene O'Farrell
Sent: 19 January 2015 11:03
To: Angela Van-Den-Bogerd; ECT; flagcaseadvisor
Subject: FW: Probably too late now

Hi Angela,

Please see a further email from Tim. Are you ok to go back to him?

Avene

Avene O'Farrell | Executive Assistant to Paula Vennells, Chief Executive

148 Old Street, London, EC1V 9HQ

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From: Tim McCormack GRO
Sent: 19 January 2015 09:25
To: Paula Vennells
Subject: Probably too late now

Hi

Shortly after receiving your email yesterday I received the email below from Angela. I presume the two events are linked.

Yesterday morning though I completed my report into this matter. On my own I have 'got to the bottom' of this matter and highlighted the issues that pertain to it.

Angela's email I am afraid is pretty damning in **many** respects, to you, to her and Post Office Ltd.

I could explain why but in order to do so you would first need to see my report and remind yourself of all the emails I have sent you on the subject since I first reported it to you. There isn't much new in the report - just a summation of what I have already passed on to you via email. Angela should have been able to produce something similar.

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Perhaps you have a copy already - I did send it to several people for comment who may or may not pass it on.

I am sorry you did not take this more seriously - I had no idea when I first got involved with this just how serious it would become.

I presume in due course it could lead to your resignation. I am truly sorry about that. Read my emails again and you will see I was trying to help you identify the weaknesses in your organisation that surround you. Angela has shown she is a prime example of what I was warning you about.

Perhaps there is a way out for you though. Should Angela 'leave' as a result of this and is replaced by someone who is capable of resolving issues like this one then all blame could be passed on to Angela. You would be seen as having taken decisive action. I do know of one person who would fit the bill completely and you know her quite well too. It is about time POL have a senior manager who was also a former subpostmaster.

For the sake of clarity I would stress that I am personally not interested in such a position nor am I seeking any form of compensation for my investigation. My involvement with all of this is purely altruistic being for the benefit of my former subpostmaster colleagues.

Tim

You learn more from one criticism than from ten compliments

From: angela.van-den-bogerd GRO
To: timandagi GRO
Subject: Bulk Postage Labels
Date: Sun, 18 Jan 2015 17:52:15 +0000

Hi Tim,

Since our conversation I have tried to source some information from NBSC but have drawn a blank. This may be because the issue hasn't been logged as a 'bulk postage label issue' or maybe as you have said previously that the branch is dealing with the issue in-branch and not reporting it.

The Branch User Forum met on Thursday 15th Jan and I took the opportunity to ask them if they had experienced this issue or knew of fellow Spmr who had. This also drew a blank other than one of the members (a Spmr) recalling that she had experienced something similar but had realised at the time that she had inserted the label incorrectly causing it to overprint. So her fault she concluded.

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It is important that I get to the bottom of this issue and would therefore appreciate you sharing any evidence of such events happening. You mention in your recent correspondence to Paula that CCTV is available. Would you please share the details of this Spmr so that I can make contact? This would be really helpful in assisting me trying to establish what's the cause of the incidents you've described to me.

With regards,
Angela

Angela Van Den Bogerd | Head of Partnerships

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From: Tim McCormack
Sent: 12 December 2014 11:41
To: Angela Van-Den-Bogerd
Subject: RE: Second Sight - Horizon Errors - Media Coverage

Hi

Brief update - certainly raised a big debate on the forum.

We have a new case - which I would have to question if the system was responsible - 71 labels requested - 71 labels printed - 70 labels on stack - transaction log checked - no rejects.

I think it is not worthy of investigation unless other examples of the same problem come to light and it certainly wouldn't be reported to NBSC.

Cheers, Tim

You learn more from one criticism than from ten compliments

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From: [timandagi](#)  GRO
To: [angela.van-den-bogerd](#)  GRO
Subject: RE: Second Sight - Horizon Errors - Media Coverage
Date: Fri, 12 Dec 2014 08:55:30 +0000

Hi

Sorry the folk remember it happening but not the actual dates.

I have one date from the incident with Cyril though - I should have looked closer at the photo of the label - I assumed it to be a recent event as his Facebook post was in the present tense. However it was details of an event he recorded that occurred in early 2013.

Paula can be assured he is fit and healthy.

The photo of the label suggests to me that the label was put into the printer slightly squint so again ruling out the possibility of an overprint and in any case this was 2 missing from a batch of 8.

What you could look at or find out for me is what type of data is sent to the printer. Epson receipt printers can print bitmap images as well as line by line printing. If it was a bitmap then I can see a possibility of how the errors might occur in that the printer fails to send or the PC fails to recognise a command that the printout was successfully completed (often CRLF) so that the PC sends down another image of a label which overwrites the image in the bitmap stored in the Printer.

Its not the only way it could happen but it is where I would start looking.

I cannot obviously reveal the date or branch code for Cyril's case. But a search of NBSC records will surely throw up multiple instances of this problem. I would be interested to know how many but I guess you won't be able to tell me.

Cheers, Tim

You learn more from one criticism than from ten compliments

From: [angela.van-den-bogerd](#)  GRO
To: [timandagi](#)  GRO
Subject: Re: Second Sight - Horizon Errors - Media Coverage
Date: Fri, 12 Dec 2014 05:59:24 +0000

Tim,

Thank you. If you are able to give me specifics that would be helpful for me going forward.

Kind regards
Angela

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07801091624

From: Tim McCormack **GRO**
Sent: Thursday, December 11, 2014 07:24 PM
To: Angela Van-Den-Bogerd
Subject: RE: Second Sight - Horizon Errors - Media Coverage

Good to talk to you today. Sorry I didn't realise it went on so long!

A quick update - after we finished I put out a request via a forum and despite it being Xmas and Dinner time I have already 4 new incidences of the same problem plus a very quick scan through the history files revealed 3 more.

Earliest occurrence pre-june 2013

Several reported to NBSC and got several different replies! One recalls several happening in rapid succession which clearly discounts overprinting in my opinion - if you did overprint once or twice you would certainly learn your lesson - in this case 6 times he recalls.

Cheers, Tim

You learn more from one criticism than from ten compliments

From: angela.van-den-bogerd **GRO**
To: timandagi **GRO**
Subject: RE: Second Sight - Horizon Errors - Media Coverage
Date: Thu, 11 Dec 2014 08:48:04 +0000
Dear Tim,

Are you available to have a chat this afternoon sometime after 3pm? Is so, what number should I call you on.

Best regards,
Angela

Angela Van Den Bogerd | Head of Partnerships

 Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ
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From: Avene O'Farrell **On Behalf Of** Paula Vennells
Sent: 10 December 2014 13:48
To: Tim McCormack
Cc: Gavin Lambert; Angela Van-Den-Bogerd; Rod Ismay; Lesley J Sewell; Kevin Gilliland
Subject: RE: Second Sight - Horizon Errors - Media Coverage

Tim, hi.

If there is one thing you should know about me is that I do listen.

But please be careful that you don't over generalise or conflate different points.

We are not defending the indefensible - all systems have issues from time to time. And they need to be (and are) fixed when they occur. We have records of when that has happened, of alerting users and then putting in place an appropriate fix. We operate in a dynamic market and Horizon, like all epos systems is constantly updated.

To your challenges. I listen and I'm therefore concerned at what you say. I'm copying three people who I expect to get to the bottom of it. And who I trust to do so: Gavin Lambert who works directly for me, Angela van den Bogerd, and Rod Ismay. I am also copying Lesley Sewell (CIO) and Kevin Gilliland. I want Lesley and Kevin to be in the loop - they are the directors responsible for ensuring our branches have the appropriate service.

Angela will be in touch with you directly.

In the meantime, I wish you a happy Christmas when it comes.

Paula

Ps. If the colleague you mentioned needs support, please let Kevin know.

From: Tim McCormack [REDACTED] **GRO**
Sent: 10 December 2014 08:00
To: Paula Vennells
Subject: FW: Second Sight - Horizon Errors - Media Coverage

Angela ...

I think you should make sure that Paula gets to read the message below.

In an absolutely bizarre coincidence shortly after sending the email I was made aware that yesterday, as a result of the stress caused by an occurrence of this problem and

the subsequent refusal by NBSC to acknowledge that it could happen, a Subpostmaster was rushed to hospital with stress related heart problems. He had the presence of mind to record details of the incident as proof that it had happened which for the first time gave me an indication of what might be happening to cause it.

This could well make the news today or at the weekend as a follow up to yesterday's events. Paula should be prepared to answer the obvious questions.

Cheers, Tim

PS I have never in my life come across such an amazing coincidence - if I was in the least bit religious and knowing of Paula's faith I would declare it a divine intervention.

You learn more from one criticism than from ten compliments

From: timandagi [REDACTED] GRO [REDACTED]

To: Paula.Vennells [REDACTED] GRO [REDACTED]

Subject: Second Sight - Horizon Errors - Media Coverage

Date: Wed, 10 Dec 2014 00:04:28 +0000

Dear Paula

Yet again today Mark Davies, speaking on behalf of POL, relied on the defence that there are no systemic errors in Horizon and this is proved because we deal with so many customers per day in so many branches. I think Mark and yourself might like to review the periodic Message to Branches that are sent out via Horizon. There are a catalogue of systemic errors that arise from time to time and are fixed. Some involving automatic transaction corrections.

Paula, as I keep saying, you are surrounded by people in your office that tell you all is well. You have no personal knowledge of operating Horizon nor probably any in depth technical knowledge. What if the people that are telling you all is well have the same attributes?

So forget systemic errors for the moment and consider 'intermittent' errors which by and large are caused by communication problems.

I know of more than one but one in particular:

It exists.

It occurs at different times in different branches.

It is noticed.

They are reported to NBSC (I would really like to see the number of times this has been reported to NBSC)

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It causes a financial loss to the SPMR.

They are not fixed BUT the wise SPMR knows how to get his money back so you don't hear many complaints. You would from the Audit team if they caught someone doing it though.

So why haven't these intermittent errors been fixed. To put it simply - because they are intermittent. There is no known sequence of events that can cause this error to re-occur in any particular branch. How can you fix something if you don't know what caused it in the first place? You have to throw the whole thing out and start all over - the only way.

On our 'chat' forums, there are documented reports over the years of the same error repeating itself randomly in a wide number of branches, including at Duns and my previous PO.

I am pretty sure I can arrange for the error to be replicated though by asking a large sample of offices to repeat the process until the error occurs - and I am also sure that I can obtain transaction logs and associated CCTV coverage of the error manifesting itself.

I can show you it happening. I can explain the financial consequences but neither I nor your best technical team will be closer to fixing the underlying problem. You cannot make it go away.

I would also be happy to stand up in court and declare that Horizon has intermittent faults, probably caused through communication errors, provide clear and undeniable evidence as well as bring along a fair number of your most trusted SPMRs to bear witness that it has happened to them too.

I hope you get my point - I can show one error occurring that you can't fix nor can you explain - if you could explain it then you could probably fix it - so how many other intermittent errors like this are in the system that cause unexplainable financial losses to SPMRs?

I am trying to help you but the hole you are digging for yourself is getting deeper by the day. Please stop trying to defend the indefensible.

Cheers, Tim

Angela Van-Den-Bogerd

From: flagcaseadvisor
Sent: 13 January 2015 09:51
To: Angela Van-Den-Bogerd; Belinda Crowe; Eamon Price; Melanie Corfield
Cc: Craig Tuthill; Rodric Williams; Contract Admin Team; Alwen Lyons; Nick Beal; Martin Humphreys; Connie Hewitt; Tom Wechsler
Subject: RE: (D.A)FOR ACTION: Ref: ECT 1153/14 Customer name: Tim McCormack Feedback due: 15/01/15 Case signatory: TBC

Hi Angela,

Many thanks for the update.

Regards

Donna Alder
Chief Executive's Correspondence Team
148 Old St. London EC1V 9HQ
GRO

From: Angela Van-Den-Bogerd
Sent: 13 January 2015 09:21
To: flagcaseadvisor; Belinda Crowe; Eamon Price; Melanie Corfield
Cc: Craig Tuthill; Rodric Williams; Contract Admin Team; Alwen Lyons; Nick Beal; Martin Humphreys; Connie Hewitt; Tom Wechsler
Subject: RE: (D.A)FOR ACTION: Ref: ECT 1153/14 Customer name: Tim McCormack Feedback due: 15/01/15 Case signatory: TBC

Donna,

Thanks for sight of this. Given the implications of Mr McCormack's claim then I suggest:

- we need join up with Royal Mail (cc'd to Eamon Price).
- we need a legal view - Rodric could you provide please.
- we need to flag to Fujistu. I'll pick this up with Belinda.
- we need Comms team input (cc'd to Melanie Corfield)

By way of background I spoke to Tim McCormack a few weeks ago; a lengthy conversation lasting 45 mins which concluded with me asking Tim to provide me with details of specific instances so that I could investigate the claims. He said that he was unable to do that as he was getting his information via closed Spmr forums and that Spmrs would not want him to share their details. I have since asked NBSC for call clogs of branches that have reported such claims however despite a search they could not provide me with anything. So it would appear that branches are not reporting the issues but perhaps as Tim suggests dealing with the issues themselves. I will go back to Tim and ask him for the CCTV footage details as without specifics we will struggle to put this to bed.

Thanks,
Angela

Angela Van Den Bogerd | Head of Partnerships

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Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ
 Mobile GRO Mobex GRO
 angela.van-den-bogerd@ GRO



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From: flagcaseadvisor
Sent: 12 January 2015 14:28
To: Belinda Crowe; Angela Van-Den-Bogerd
Cc: Craig Tuthill; Rodric Williams; Contract Admin Team; Alwen Lyons; Nick Beal; Martin Humphreys; Connie Hewitt; Tom Wechsler
Subject: (D.A)FOR ACTION: Ref: ECT 1153/14 Customer name: Tim McCormack Feedback due: 15/01/15 Case signatory: TBC

POST OFFICE LTD
CHIEF EXECUTIVE CORRESPONDENCE TEAM

INVESTIGATION & FEEDBACK REQUIRED

CASE REF NO: ECT 1153/14

COMPLAINT RECEIVED: 12/01/15

DEADLINE FOR FEEDBACK TO ECT: 15/01/15

CUSTOMER DETAILS: Tim McCormack

SUBJECT: Problems with Horizon

BRANCH NAME: Duns ? BRANCH CODE: 108 803

FOR THE SIGNATURE OF: TBC

Dear All

Please find some emails pasted below and copies also attached sent to Paula Vennells & Moya Greene.

As this appears to be an ongoing matter, can you let me know what the current position is and what the response to Mr McCormack will be. I will send the usual acknowledgement.

Angela - In one of the emails he mentions talking to you so not sure if he was expecting a response off the back of your conversation.

Nick - Copied for your information only at this point.

Please reply to : ECT GRO

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Thank you

Donna Alder
Chief Executive's Correspondence Team

GRO

N.B. Should you have any problems meeting this deadline or need to discuss further, please contact the Chief Executive's Correspondence Team at ECT (**GRO**)

From: Tim McCormack (**GRO**)
Sent: 10 January 2015 10:59
To: Moya Greene
Subject: FW: New Year Update - This has now got quite serious

Hi

My name is Tim McCormack and I was previously a Subpostmaster.

I have been in communication with Ms Vennells regarding an intermittent problem with Horizon whereby when a SPMR requests a batch of labels to be printed, one or more labels are in fact not generated by the system. The POL Help desk, when informed of such an error by the SPMR explains to the SPMR that there is no problem with Horizon, the error is the SPMRs fault and they must make good the cost of the missing labels from their own pocket. In my opinion this happens as a result of a poor communication link between printer and the Horizon terminal and I have examples of it occurring from all around the country in a multitude of unrelated sub post offices.

As you can see from the example below in the Email to Paula I explain how both RMG and POL profit from this error which may or may not be the fault of the SPMR.

The Theft Act clearly defines this as Appropriation - I am not a lawyer and could not advise whether or not you should face criminal charges - but I must admit it does look likely.

Indeed in my personal opinion, having knowledge now that your company has obtained money in such a way and recorded that in their accounts it could be held as False Accounting - a term I am sure you are familiar with.

I have offered a solution to the problem below. I trust you take this seriously enough to act upon it in conjunction with POL and Paula.

Kind regards

Tim McCormack

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From: timandagi GRO
To: paula.vennells GRO
Subject: RE: New Year Update - This has now got quite serious
Date: Sat, 10 Jan 2015 08:46:56 +0000

Hi

I hope you don't mind but I have copied Moya Greene as she should know of this.

I had quite a long chat yesterday with a representative of the BBC who contacted me for some background information on POL and the NT program and it was while I was trying to explain the label problem to them briefly it dawned on me that this is more serious than it looks.

An example using some easy figures rather than real ones:

A SPMR requests 10 £5 postage labels from Horizon for a customer who obviously has 10 parcels to post.

As a result of the error I have pointed out to you only 9 are printed yet 10 are on the stack.

The Help Desk informs the SPMR that it is their loss and they have to make good the missing label.

So the customer pays £50 to the SPMR for the Postage.

The SPMR pays £5 for the extra label.

BUT only 10 labels have been produced and RMG incur the cost of delivering these to their destination.

For simplicity sake the breakdown of costs for each label are £1 TRP to the Subpostmaster, £1 Profit/Handling Fee to POL and £3 Profit/Handling Fee to RMG.

So therefore POL have received £1 for a label that was never printed, and RMG £3 for a package that never existed.

This despite POL being informed by the SPMR that the label never appeared.

I have been informed that such circumstances are covered by the Theft Act and it is perfectly possible that both POL and RMG could be held liable.

Proof: Other than CCTV footage there can be no proof that these events occur by their very nature on an individual basis. (e.g. think of someone who puts £1 in a vending machine and the chocolate bar does not appear). However there is clear and overwhelming evidence from around the country just from my enquiries alone that this error occurs quite frequently at random times. There is also a clear paper trail of POL

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having been informed of this error multiple times via the Help Desk over a number of years. Plus of course the fact that you were personally made aware of this error by myself before Xmas yet nothing has been done about it yet.

Overprinting: The SPMR can also cause this error to manifest itself in another way by re-inserting a label that has already been printed and I have received several messages from SPMRs that they readily admit to having done this. This is just as serious or perhaps even more serious, because POL's stance on this is that in this case the SPMR should still make good on the missing label as the SPMR has confirmed via Horizon that the label had printed correctly. POL's correct course of action in these cases would be at a minimum not to seek financial gain and indeed RMG should not receive consequential financial gain. In POL's case they have lost only the intrinsic value of the label that has been printed which is clearly negligible.

Recovery of Loss by SPMR: As I have previously mentioned to you, the majority of colleagues I have communicated with regarding this problem recover their losses arising from such an error by fraudulent means. Should POL find out that this is what they are doing then it is clearly a criminal offence for which they could be prosecuted. It would make for a very interesting court case should it go that far.

Possible Solution: The SPMR is not provided with the means to print duplicate labels without first confirming to HOL that the label did not print correctly. This is for obvious reasons but as I have pointed out there is clearly a requirement for POL to allow this. If you consider that a SPMR may decide to scan several DG barcodes in order to recover his losses on the missing label then this is clearly just as unacceptable and hard to track. POL do not even get to hear about the original lost label. If a system was put in place to allow the SPMR to use official postage to replace the missing label and having to indicate via HOL the reason was because of this label printing problem, then POL (and RMG) would no longer be liable under the Theft Act, POL could make allowances for these errors in settlement with RMG so that would absolve RMG, and the SPMR would suffer no loss and no longer be tempted to perform a criminal act. In addition you would get a clear audit trail of the extent of this problem throughout the network which may help you track down the source.

Clearly it will be difficult to monitor misuse of the system but a track record of frequency of missing labels per branch could be built up over time and a warning issued to a SPMR that an auditor / engineer will spend two weeks in his branch in order to see the problem occurring will quickly stop that SPMR from misusing the system.

I think the solution I propose would be acceptable all round however it does not cover the losses that many SPMRs have incurred over the years. May I respectfully suggest that you offer a settlement to all SPMRs based on a percentage of the number of labels they print per annum? It should cover the period from the introduction of Label Printing to the time you put in place a solution to the problem.

Hope this helps.

Cheers, Tim

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From: timandagi GRO
To: paula.vennells GRO
Subject: New Year Update
Date: Tue, 6 Jan 2015 21:25:15 +0000

Hi

Happy New Year to you and your colleagues.

Subsequent to my phone call with Angela and my search for other examples of the intermittent Horizon fault I reported to you I was contacted discreetly (off forum) by an SPMR who claims to have CCTV footage of the Horizon screen when such a fault occurs showing the system adding two printed labels to the stack when only one was printed.

They want to remain anonymous because of the way they handle the error - i.e. the way they collect back the money from POL.

That got me thinking ...

I know of many ways to extract money from POL ranging from the downright dishonest methods to the ones that are no more than mischievous (although your organisation would of course not approve)

Last Summer I helped an SPMR in reviewing his last 6 months pay slips and calculating for him how much he would earn (stand to lose) if he converted to Mains. Looking at his transactions there was something so obviously wrong in what he was doing that I called him and warned him to stop as he would be found out. Despite spending several hours doing unpaid work for him that was the last I heard from him. He was clearly embarrassed at what I had seen. Not only this but I know he is a senior local councillor of many years good standing.

So I wondered what if a Horizon error such as the ones that have happened to at least a few of the Second Sight cases had happened to me. Several thousand pounds short, what would I have done? I don't know the details but I assume in most of these cases the total amount is a result of accumulated losses of smaller amounts. I could easily generate £50 to £100 of additional income from POL related sources each day. You don't have to be particularly smart to know how to do this - just dishonest.

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So why did these people not resort to similar tactics to cover their losses? Don't you think if they were dishonest they would do this? It doesn't add up. It doesn't make sense. These are surely honest people (for the most part) that have had their lives destroyed by POL. Do you feel no compassion towards them?

You have a chance to put this right. Put in place the Second SIght recommendations to prevent re-occurrences, eliminate the shock and terror tactics of the auditors and arrange a blanket settlement. As I keep repeating you need to look seriously at the people who continue to advise you that there are no problems with your organisation in the face of clear evidence to the contrary. Have you ever heard of the Peter Principle?

I sincerely hope you take my advice.

Kind regards

Tim

PS We all make mistakes - after we closed the PO - the Audit team had been and gone - the night before we realised a £500 gain which we pocketed - fair enough. Later that week I was dismantling our combi till and stuck between the top of the drop safe and the counter was a cash cassette containing £200 - in hindsight a simple mistake to make as there is very little distance between the two openings.

So whose money was that? Obviously mine. £700 up at the end of 4 years trading?? Don't start jumping to conclusions with regard to what I said earlier - I am honest through and through as is my wife. Remember also you only hear about the mistakes that cause losses not the ones that produce gains.

But consider this. The same mistake made but with £2k in the cassette instead, just before the Auditors walk in? What then? £2k down and money nowhere to be seen? I would be adamant that nothing untoward had happened. Not a Horizon error this time a physical error. No money missing, just hidden by a design fault. End up in Jail for something like that - you have to be kidding.

PPS Branch Finder - you do know its been out of commission for some time now? You do know how they have been phoning the branches to find out their opening hours - operative word 'how' as in method. Totally bizarre.

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Flag Case Fact Sheet: The information contained in this sheet will be used to prepare the final response and will be shared with the signatory. It may also be recalled in any FOI enquiry.	
Background information & actions taken This should include details relating to customer complaint. (what went wrong/why it went wrong/ what has been done about it)	
Additional Information: Please supply any additional information - including any In Commercial Interest or In Confidence, which may assist in completing response or provide a better understanding to the background. Also advise if information can be used in response.	
Information supplied by:	

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Angela Van-Den-Bogerd

From: Judy Balderson
Sent: 05 January 2015 09:13
To: Angela Van-Den-Bogerd
Subject: RE: Second Sight Question - further info required please

Morning Angela

I have spoken to NBSC a very helpful gentleman.

If the operator incorrectly selects yes the label printed correctly but it did not then this would be a loss to the branch as there is no label to spoil.

If the amount is in the basket and the customer is paying by card they would recommend using the part cash icon to settle the defective label to cash and create a loss to the branch for that element and then settle the remainder of the basket by card.

He could not supply a screen shot of the knowledge base to me but confirmed this information was contained within it. I need to ask Kendra for the screen shot which I presume you will require? If you could let me know I will ask for the information.

Regards Judy

Judy Balderson Field Team Leader
Central Team

C/O Network Field Support 4th Floor 120 Bark Street
Bolton BL1 2AX

GRO	Mobex	GRO
Judy.balderson	GRO	

From: Angela Van-Den-Bogerd
Sent: 04 January 2015 21:06
To: Judy Balderson
Subject: Re: Second Sight Question - further info required please

Judy

This is really helpful. If you could find out the correct procedure ie that is detailed in the Ops Manual or other instructions to branches that would be really helpful. I would also like to see what NBSC advice is - I presume this can be extracted from the KB?

Thanks again
Angela

GRO

From: Judy Balderson
Sent: Sunday, January 04, 2015 08:56 PM
To: Angela Van-Den-Bogerd

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Subject: RE: Second Sight Question - further info required please

Hi Angela

OK the full response now:-

If a clerk answers that a label has printed correctly but it has not this creates a problem as Horizon will obviously record this as a sale and add the amount to the customers basket. It is not possible to remove the item as you can for example a bill payment using the "remove item" icon as this is not permitted likewise a postage label cannot be reversed. I will refer to the label that has not printed correctly but been recorded as such, henceforth as the defective label.

If the customer is paying by cash then the clerk has to manually deduct the cost of defective label from the amount due from customer. The customer pays for any other items in his basket and the customer is happy. The clerk then has a sale recorded that he has not received payment for and is therefore short, the label cannot be reversed as there is no facility on Horizon to reverse a label. The defective label can be treated now as a spoilt label provided it has not been peeled off the backing of the label. It all now depends on exactly what state the defective label is in, as to spoil a label certain information printed on it has to be input to Horizon. If the label can be read sufficiently to input the required information to Horizon then this is acceptable and this action would bring the branch back into balance. If the label cannot be read sufficiently to input the details to Horizon then my understanding is this is an Operator error and the branch has to stand the loss.

If the customer is paying by card then as a defective label amount cannot be removed from the basket there is a problem. There are two ways to resolve the issue.

- 1) The customer pays the full amount on his card and the cost of the defective label is handed back in cash to the customer.
- 2) The customers transaction is completed and the total of the amount from the customer is noted or a receipt printed. The cost of the defective label is then deducted from this amount and the revised total input to Horizon as an 'open postage' sale. This is then settled to card and the customer has only paid for the labels actually purchased. The clerk then reverses out the 'open postage' sale.

Neither option is actually allowed but it does resolve the problem created by the original operator error and the customer is not overcharged. In reality the second option is used in branch.

Whichever option 1 or 2 is used to resolve the cash difference, the defective label is then accounted for (if it is possible to do so) in the same way as it would be if the customer was paying cash.

I am not sure what NBSC would advise in this situation if the customer is paying by card and/or the label cannot be read and therefore cannot be spoilt, I can check with them tomorrow (Monday) as I am not out and about if that would assist you and they may have a 'correct' procedure.

Sorry this is long winded

Regards Judy

Judy Balderson Field Team Leader
Central Team

C/O Network Field Support 4th Floor 120 Bark Street
Bolton BL1 2AX

GRO	Mobex	GRO
Judy.balderson		GRO

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From: Angela Van-Den-Bogerd
Sent: 04 January 2015 20:09
To: Judy Balderson
Subject: FW: Second Sight Question - further info required please

Hi Judy,

Would you mind answering this for me as I'm not sure Andy Winn is best placed to do so. My question is in the comments section.

Thanks,
Angela

Angela Van Den Bogerd | Head of Partnerships

 Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ

 Mobile: Mobex:

 angela.van-den-bogerd@GRO



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From: Mark Underwood1
Sent: 04 January 2015 12:47
To: Andrew Winn
Cc: Angela Van-Den-Bogerd
Subject: RE: Second Sight Question - further info required please

Hi Andy,

Sorry to trouble you again, but could you also address the additional question posed to the answer provided ie. Can transactions be reversed after the Clerk incorrectly pressed Y – I presume they must be able to?

Could you also let me know where about on horizon online I would be able to find the instructions in relation to dealing with spoilt labels? I will then get them PDF'd and embedded.

Thanks again
Mark

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1. Transaction anomalies associated with Stamps, Postage Labels, Phone Cards or Premium Bonds

1.1. We are aware that occasionally postage labels are purchased by customers, but the printer fails to print correctly. Please describe the procedure whereby the Subpostmaster can recover the cost of the missing label in circumstances where the missing label has not been processed as a 'reject'.

After printing, Horizon explicitly asks the clerk "has this label printed correctly Y/N".

The clerk can therefore flag the issue there and then.

If for some reason the label had not printed and the clerk chose to press Y then that is user error. If the clerk presses No, then they get chance to print the label again.

Post Office is aware of situations of damage in the printing process and there is a process to "spoil" them so that the Branch is not disadvantaged. There is a clear process in Horizon and the Branch is required to retain the spoilt label.

In terms of missing labels, if the Branch has chosen to hand the damaged label to the customer then Post Office has no evidence of the spoil and the Branch would be liable because there is no evidence that it was not spoilt.

From: Mark Underwood1
Sent: 04 January 2015 12:31
To: Andrew Winn
Cc: Angela Van-Den-Bogerd
Subject: Second Sight Question - further info required please

Hi Andy,

One of the answers you have provided (7.9a and pasted below for ease). Do you have a copy of the recovery instructions referred to that you could forward on please?

Many thanks

Mark

1.1. We are aware that in some circumstances Horizon does not record transactions accurately. Specific examples include:

a) Where, during Horizon's recovery mode processing, some transactions, that were not processed, or were only partially processed, may not be properly corrected when the system invites the counter clerk to correct the errors or omissions and, if the screen instructions to the counter assistant are interrupted (as would be likely to happen where there are telecommunications or power interrupts) then discrepancies may ensue;

The transaction may not be recorded accurately but that is due to how the clerk applies and follows the "recovery instructions" which have been issued to branches. Whilst it may have been the system that had a connectivity issue, the error in accounting would be due to subsequent user conformance with a defined process, not a failure by Horizon to record it accurately. Accounting process is covered by the Recovery Instructions.

Mark Underwood
Complaint and Mediation Scheme
GRO

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Angela Van-Den-Bogerd

From: ESG
Sent: 05 January 2015 15:14
To: Angela Van-Den-Bogerd
Cc: Judy Balderson; Ibrahim Kizildag; Kendra Dickinson; Andrew J Perkins
Subject: RE: Spoilt labels

Hello,

The only thing I can find is as below, I have copied this from the HOL Help pages (page ref pl_spo_labels v1.0). I have highlighted the information that would suggest without a label to spoil there would be no way to claim back the cost of it. I don't think there is any process on how to deal with the transaction in the basket being paid by debit card but the advice given was correct. Settle part payment to cash for the required value and then the balance to the customers card, alternatively if payment has already been taken then a cash refund can be offered as highlighted below.

Generally HOL Help and the information we work with is how a transaction should be done and doesn't usually advise on how to resolve something that has been done incorrectly.

All Horizon Online postage labels now have extra code characters printed on them for the spoilt postage label accounting process. These codes will need to be entered onto Horizon Online to process a spoilt label. The codes ensure the label being spoiled is correctly accounted for by product and VAT type.

Royal Mail labels

A one code character (**a letter**) will appear at the end of the Royal Mail line of the label, the other code character (**a number**) will appear at the end of the Postage Paid line.

Parcelforce Worldwide labels

Similar to the Royal Mail arrangement except that both the code character at the end of the Parcelforce line and the one at the end of the Postage Paid line are numbers.

Counter Procedure

The new Spoilt Postage Label process is accessed via the **[Spoilt Label]** button on the **Postal Services [F1]** Home screen. The onscreen prompts will let you know what information you need to input.

A label can only be spoilt if the label is on hand (Horizon Online will remind you of this when you select the Spoilt Label button).

When you have selected **Spoilt Label [83]**, you're prompted to select the carrier **[Royal Mail]** or **[Parcelforce]** named on the label, then the first code character on the label (a letter for Royal Mail, a number for PFW).

You will only be asked to select the second code character where there is more than one possible option.

Horizon Online will summarise the entries you have made and ask you to confirm if they are correct. (see image on right).

You will then be asked to write "SPOILT" across the label, add it to the printed system receipt and store these safely in branch for two years.

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The credit value due to the customer should normally be used to transact a new label of the appropriate type.
Only in exceptional circumstances should a cash refund to the customer be necessary.

Kind Regards

Annette Caddick | NBSC ESG

Dearne House, Cortonwood, Barnsley, S73 0UF
GRO
annette.caddick GRO



From: NBSCEnquiries
Sent: 05 January 2015 14:20
To: ESG
Subject: FW: Spoilt labels

Hello

No doubt you will get this from Kendra as well

Alan Brown | NBSC Admin Section

Post Office Contact Centre
Dearne House
Cortonwood Drive
Brampton
Barnsley
S73 0UF

Desk Phone: GRO

alan.x.brown GRO



From: Judy Balderson
Sent: 05 January 2015 12:45
To: Kendra Dickinson
Cc: NBSCEnquiries
Subject: Spoilt labels

Morning Kendra

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Hope you are well and Happy New Year to you and your team.

I have been looking at the spoilt label process for Angela Van Den Bogerd and in particular the advice we give to branches if they select Yes when asked by Horizon if a postage label has printed correctly but in actual fact it had failed to print correctly.

I spoke to a very nice gentleman at NBSC this morning and he confirmed my thinking that in this situation a loss would be proper to the branch as it was an Operator error. Although your operator gave the information off the top of his head he confirmed, when I asked, that this information was held on your KB. Angela would like sight of the relevant information that you hold is that possible please?

Likewise I went on to ask if the customer was paying by card how would the amount for the label that failed to print, although confirmed by the Operator that it had and consequently in the customer's basket, be deducted from the basket and was advised to use the part cash settlement for the label amount and then settle the remainder to card. Again Angela would like the information you hold on the KB to confirm this. Is this possible please?

If you want to send this information direct on Angela that is fine with me but please copy me in so that I know Angela has what she requires. Alternatively I can send on to Angela if you would prefer.

If you have any questions please let me know (telephone number below if easier for you).

Thanks very much in anticipation

Judy

**Judy Balderson Field Team Leader
Central Team**

C/O Network Field Support 4th Floor 120 Bark Street
Bolton BL1 2AX

GRO	Mobex	GRO
Judy.balderson	GRO	

Angela Van-Den-Bogerd

From: Tim McCormack < GRO>
Sent: 11 December 2014 09:33
To: Angela Van-Den-Bogerd
Subject: RE: Second Sight - Horizon Errors - Media Coverage

Hi

Any time should be OK - **GRO**

Cheers, Tim

You learn more from one criticism than from ten compliments

From: angela.van-den-bogerd < GRO>
To: timandagi <**GRO**>
Subject: RE: Second Sight - Horizon Errors - Media Coverage
Date: Thu, 11 Dec 2014 08:48:04 +0000

Dear Tim,

Are you available to have a chat this afternoon sometime after 3pm? Is so, what number should I call you on.

Best regards,
Angela

Angela Van Den Bogerd | Head of Partnerships

 Ty Brwydran House, Atlantic Close, SWANSEA SA7 9FJ

 Mobile <**GRO**> Mobex <**GRO**>

 angela.van-den-bogerd <**GRO**>



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From: Avene O'Farrell **On Behalf Of** Paula Vennells
Sent: 10 December 2014 13:48
To: Tim McCormack
Cc: Gavin Lambert; Angela Van-Den-Bogerd; Rod Ismay; Lesley J Sewell; Kevin Gilliland
Subject: RE: Second Sight - Horizon Errors - Media Coverage

Tim, hi.

If there is one thing you should know about me is that I do listen.

But please be careful that you don't over generalise or conflate different points.

We are not defending the indefensible - all systems have issues from time to time. And they need to be (and are) fixed when they occur. We have records of when that has happened, of alerting users and then putting in place an appropriate fix. We operate in a dynamic market and Horizon, like all epos systems is constantly updated.

To your challenges. I listen and I'm therefore concerned at what you say. I'm copying three people who I expect to get to the bottom of it. And who I trust to do so: Gavin Lambert who works directly for me, Angela van den Bogerd, and Rod Ismay. I am also copying Lesley Sewell (CIO) and Kevin Gilliland. I want Lesley and Kevin to be in the loop - they are the directors responsible for ensuring our branches have the appropriate service.

Angela will be in touch with you directly.

In the meantime, I wish you a happy Christmas when it comes.

Paula

Ps. If the colleague you mentioned needs support, please let Kevin know.

From: Tim McCormack [REDACTED] **GRO**
Sent: 10 December 2014 08:00
To: Paula Vennells
Subject: FW: Second Sight - Horizon Errors - Media Coverage

Angela ...

I think you should make sure that Paula gets to read the message below.

In an absolutely bizarre coincidence shortly after sending the email I was made aware that yesterday, as a result of the stress caused by an occurrence of this problem and the subsequent refusal by NBSC to acknowledge that it could happen, a Subpostmaster was rushed to hospital with stress related heart problems. He had the presence of mind to record details of the incident as proof that it had happened which for the first time gave me an indication of what might be happening to cause it.

This could well make the news today or at the weekend as a follow up to yesterday's events. Paula should be prepared to answer the obvious questions.

Cheers, Tim

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PS I have never in my life come across such an amazing coincidence - if I was in the least bit religious and knowing of Paula's faith I would declare it a divine intervention.

You learn more from one criticism than from ten compliments

From: timandagi GRO

To: Paula.Vennells GRO

Subject: Second Sight - Horizon Errors - Media Coverage

Date: Wed, 10 Dec 2014 00:04:28 +0000

Dear Paula

Yet again today Mark Davies, speaking on behalf of POL, relied on the defence that there are no systemic errors in Horizon and this is proved because we deal with so many customers per day in so many branches. I think Mark and yourself might like to review the periodic Message to Branches that are sent out via Horizon. There are a catalogue of systemic errors that arise from time to time and are fixed. Some involving automatic transaction corrections.

Paula, as I keep saying, you are surrounded by people in your office that tell you all is well. You have no personal knowledge of operating Horizon nor probably any in depth technical knowledge. What if the people that are telling you all is well have the same attributes?

So forget systemic errors for the moment and consider 'intermittent' errors which by and large are caused by communication problems.

I know of more than one but one in particular:

It exists.

It occurs at different times in different branches.

It is noticed.

They are reported to NBSC (I would really like to see the number of times this has been reported to NBSC)

It causes a financial loss to the SPMR.

They are not fixed BUT the wise SPMR knows how to get his money back so you don't hear many complaints. You would from the Audit team if they caught someone doing it though.

So why haven't these intermittent errors been fixed. To put it simply - because they are intermittent. There is no known sequence of events that can cause this error to re-occur in any particular branch. How can you fix something if you don't know what

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caused it in the first place? You have to throw the whole thing out and start all over - the only way.

On our 'chat' forums, there are documented reports over the years of the same error repeating itself randomly in a wide number of branches, including at Duns and my previous PO.

I am pretty sure I can arrange for the error to be replicated though by asking a large sample of offices to repeat the process until the error occurs - and I am also sure that I can obtain transaction logs and associated CCTV coverage of the error manifesting itself.

I can show you it happening. I can explain the financial consequences but neither I nor your best technical team will be closer to fixing the underlying problem. You cannot make it go away.

I would also be happy to stand up in court and declare that Horizon has intermittent faults, probably caused through communication errors, provide clear and undeniable evidence as well as bring along a fair number of your most trusted SPMRs to bear witness that it has happened to them too.

I hope you get my point - I can show one error occurring that you can't fix nor can you explain - if you could explain it then you could probably fix it - so how many other intermittent errors like this are in the system that cause unexplainable financial losses to SPMRs?

I am trying to help you but the hole you are digging for yourself is getting deeper by the day. Please stop trying to defend the indefensible.

Cheers, Tim

You learn more from one criticism than from ten compliments

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