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**From:** Thompson Laura (Shareholder Executive)[/O=BIS PRODUCTION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=73D8709345C441479F0D7E2ADCE207C9-LATHOMPS]  
**Sent:** Wed 02/09/2015 11:12:42 AM (UTC)  
**To:** Odgers Anthony (ShEx) [GRO]; Kilgarriff Patrick (LEGAL B) [GRO]  
**Cc:** Callard Richard (ShEx) [GRO]  
**Subject:** FW: Post Office - Horizon  
**Attachment:** Post Office Meeting3.docx

Anthony, Patrick

Further to our meeting with Baroness Neville-Rolfe to discuss the Post Office Horizon matter, the Minister has received additional correspondence from Andrew Bridgen MP (sparked by the recent BBC Panorama programme) and has asked for further advice. Oliver Letwin is now a signatory to Andrew Bridgen's email which we believe has unsettled the Minister.

I'm drawing together a note for the Minister with handling and a proposed response to Bridgen, and we have commissioned some line-by-line rebuttal of the allegations raised in Panorama from Post Office. You'll see from the email below that the Minister would like the advice to be cleared by the senior officials she met before – that's you two! – so this email is to give you a heads-up on that and to check timings. I'll aim to send something round this evening if possible, so if you have a chance to take a look over the course of tomorrow morning that would be great. I am checking whether SpAds (Nick King) will have any opportunity to see and comment late tomorrow. Box deadline is midday Friday.

Thanks, and very happy to chat through any of this.  
Laura

Laura Thompson | Assistant Director | Shareholder Executive

[GRO]

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**From:** Neville-Rolfe MPST  
**Sent:** 26 August 2015 17:09  
**To:** McInnes Tim (ShEx)  
**Cc:** Thompson Laura (Shareholder Executive); Callard Richard (ShEx); SpAd Javid MPST; Neville-Rolfe MPST  
**Subject:** RE: Post Office - Horizon

Tim,

Baroness Neville-Rolfe has come back and has said that she would like ready for her return a substantive response to the MPs which addresses the points raised by Andrew Bridgen.

Alongside this she would also like fuller advice on the issues and on all the accusations in the programme as she is concerned that there are now 4 important people who are not going along with our approach along with an assessment of the tactical handling options and how these will play out, including the involvement of Tim Parker and how we use this to best effect.

Finally she would like the advice cleared by the senior officials present at the meeting about the post office held before recess. The minutes of this meeting are attached for reference.

Kind regards



**Andrew Smith**  
Private Secretary to Baroness Neville-Rolfe, Parliamentary Under Secretary of State and Minister for Intellectual Property

**GRO**

Department for Business, Innovation and Skills, 1 Victoria Street, SW1H 0ET

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**From:** McInnes Tim (ShEx)  
**Sent:** 25 August 2015 12:41  
**To:** Neville-Rolfe MPST  
**Cc:** Thompson Laura (Shareholder Executive); Callard Richard (ShEx)  
**Subject:** RE: Post Office - Horizon

Andrew,

Further to our conversation a minute ago please see below some square bracketed wording that touches on the possibility of having a meeting with Bridgen, after the meeting with Arbuthnot. The rest of the proposed wording is unchanged.

As discussed, as there was nothing new in the Panorama broadcast, as a meeting with Arbuthnot is already happening, as a meeting with Bridgen has already taken place, and as the Minister has already asked Tim Parker to take a fresh look when he arrives in October, we do not necessarily think a further meeting with Bridgen will achieve anything at the present time.

Clearly if you would like to discuss please do not hesitate to call me.

Thanks,

Tim

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**PROPOSED NEW WORDING**  
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Dear Andrew,

Thank you for your recent email.

As you are aware I am meeting with James Arbuthnot in September regarding Post Office and I expect that discussion to touch on a range of points, including the allegations raised in the recent BBC Panorama broadcast.

[At that meeting I will also make sure we discuss what further action might be appropriate. If a meeting with you

represents the right course of action at that point I would be more than willing to consider it.]

You will also be aware that I have asked Tim Parker, Post Office Limited's new Chair, to take a close look at Horizon when he takes up his role in October. Tim has a strong background working in a range of complex organisations, as a senior executive and as a Board member, and I am confident that his fresh pair of eyes will provide some further reassurance to you.

In light of the above and, in addition, given both Post Office's ongoing commitment to the mediation scheme and the applications by subpostmasters that have been made to the Criminal Case Review Commission, I do not believe that it would be appropriate for Government to take any further action at this time. This includes launching an independent investigation into Horizon.

I look forward to discussing the matter with James Arbuthnot next month.

Kind regards,

[•]

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**From:** McInnes Tim (ShEx)  
**Sent:** 25 August 2015 10:43  
**To:** Neville-Rolfe MPST  
**Cc:** Thompson Laura (Shareholder Executive); Callard Richard (ShEx)  
**Subject:** RE: Post Office - Horizon

Andrew,

Further to your email and our conversation from yesterday please see below a little background on the points raised by Andrew Bridgen and a proposed response to his email. I have discussed the proposed response with Richard.

Post Office have also confirmed that the subpostmaster in Oliver Letwin's constituency is Tracey Merritt, who was mediated in November 2014. No prosecution was mounted against her, and while settlement options were discussed in the mediation process no agreement was ultimately reached. As I am sure you understand, Post Office are unable to share the details of this mediation process. In addition Post Office have assured us that they did everything in their power to try and reach a reasonable outcome, and that this has been confirmed by a confidential email from the mediator involved.

If any of this is unclear, or you have any questions please give me a call.

Many thanks,

Tim

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**BACKGROUND INFORMATION**  
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1.) Fujitsu Remote Access

- Horizon does not have functionality that allows Post Office or Fujitsu to edit or delete the transactions recorded by branches. There has been no evidence in any case reviewed as part of the Scheme that shows that these controls have failed or that the above statement is incorrect.
- It has however always been possible for Post Office to correct errors in and/or update a branch's accounts. This is most commonly done by way of a transaction correction however it could also be by way of a balancing

transaction or transaction acknowledgement. A Post Office employee could also, in special circumstances, log on to a branch terminal locally (i.e. by being physically in a branch) using a new User ID and password and then conduct transactions (though these would register against that unique User ID).

- All of the above processes for correcting / updating a branch's accounts have similar features. All of them involve inputting a new transaction into the branch's records (not editing or removing any previous transactions) and all are shown transparently in the branch transaction records available to Subpostmasters (as well as in the master ARQ data).

## 2.) Second Sight Allegations

- Second Sight has written to Ministers to complain its report has been misrepresented and now appear to be asserting that systemic flaws in Horizon do exist. Second Sight's reports have not identified any link between Horizon and the losses to the postmasters in the cases they reviewed, nor has it identified any transaction caused by a technical fault in Horizon which has resulted in a postmaster wrongly being held responsible for a loss. There is no evidence that the Horizon system does not work as it should.
- There is, in fact, overwhelming evidence that the losses complained of were caused by user actions, including in some cases, deliberate dishonest conduct.

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**PROPOSED RESPONSE**  
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Dear Andrew,

Thank you for your recent email.

As you are aware I am meeting with James Arbuthnot in September regarding Post Office and I expect that discussion to touch on a range of points, including the allegations raised in the recent BBC Panorama broadcast.

You will also be aware that I have asked Tim Parker, Post Office Limited's new Chair, to take a close look at Horizon when he takes up his role in October. Tim has a strong background working in a range of complex organisations, as a senior executive and as a Board member, and I am confident that his fresh pair of eyes will provide some further reassurance to you.

In light of the above and, in addition, given both Post Office's ongoing commitment to the mediation scheme and the applications by subpostmasters that have been made to the Criminal Case Review Commission, I do not believe that it would be appropriate for Government to take any further action at this time. This includes launching an independent investigation into Horizon.

I look forward to discussing the matter with James Arbuthnot next month.

Kind regards,

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**From:** Neville-Rolfe MPST  
**Sent:** 24 August 2015 13:49  
**To:** McInnes Tim (ShEx)  
**Subject:** FW: Post Office - Horizon

Tim,

Apologies copying you in as per Richard's out of office.

Kind regards

Andrew Smith

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**From:** Neville-Rolfe MPST  
**Sent:** 24 August 2015 12:54  
**To:** Callard Richard (ShEx)  
**Cc:** Thompson Laura (Shareholder Executive); Dollin Michael (Shareholder Executive); SpAd Javid MPST; Neville-Rolfe MPST  
**Subject:** FW: Post Office - Horizon

Richard,

Please can I have some urgent advice regarding this e-mail.

Kind regards



**Andrew Smith**

Private Secretary to Baroness Neville-Rolfe, Parliamentary Under Secretary of State and Minister for Intellectual Property

**GRO**

Department for Business, Innovation and Skills, 1 Victoria Street, SW1H 0ET

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**From:** BRIDGEN, Andrew | **GRO**  
**Sent:** 24 August 2015 12:50  
**To:** Neville-Rolfe MPST  
**Cc:** JONES, Kevan; LETWIN, Oliver  
**Subject:** RE: Post Office - Horizon

Dear Lucy,

We write further to your letter dated 14th August 2015 regarding the Post Office Horizon software. In light of the subsequent BBC Panorama programme broadcast on the 17th August, all three of us representing those of our constituents who have been affected, now request a further meeting to discuss this matter.

There were several allegations in the broadcast which we feel need urgent attention -- the two principal issues being (1) the statement from the Fujitsu whistle blower that transactions could be remotely manipulated and (2) the statements by Second Sight which contradicted the version of the Second Sight report that the Post Office has presenting to Ministers, MPs and the media.

In light of these serious developments, we are convinced that the interests of our constituents require this matter to be independently investigated -- ideally by a private sector entrepreneur with experience of managing organisations of this scale. We would suggest someone with the standing of Sir Terry Leahy or Baron Rose of Monewden to undertake such a review.

We very much hope you will be willing to meet us to discuss this matter as soon as possible.

Kind Regards,

Andrew Bridgen MP

Kevan Jones MP

Oliver Letwin MP

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