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<b>Title:</b>	Central Investigation Unit Review	<b>Report Date:</b>	June 2023
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## **Executive Summary**

### **Background**

Group Assurance have performed a review of the Central Investigation Unit (CIU) to assess their control environment and particularly compliance to the CIU processes and procedures as defined within Group Investigations and Co-operation with Law Enforcement Policy (GICLE) and the Investigators Manual.

The CIU not only perform high-profile, complex investigations, they also provide oversight and governance to internal investigations throughout the Post Office Group.

The CIU was established formally in January 2023 and has only been fully resourced to build the function since November 2022. However, over the last 12 months the team has had to deal with significant demand/requests for performing investigations, whilst in parallel continuing to create, build and embed new investigation policies processes and procedures.

Consequently, it is acknowledged that the CIU processes and procedures subject to our review have only recently been finalised or embedded for example the Investigators Manual was launched in June 2023. As such, prior to commencement of the review there was an expectation that certainly within historic cases dating back to 2022 there would be identifiable gaps when measured against processes and standards introduced in 2023.

Whilst deferring the review was a logical option, the Head of CIU requested the review to commence, to obtain an objective view of the efficacy of design and execution of CIU processes and procedures during the first three/four months of being in existence.

### **Scope and approach**

A sample of 8 cases (4 cases each from 2022 and 2023 respectively) and our scope included the objective assessment of:

- CIU Group Investigation and Co-operation with Law Enforcement (this is currently a draft policy to go to RCC/ARC in mid-2023) and Investigation Manual; and
- Process and procedure compliance.

This review was performed between April and June 2023, and therefore comments reflect the state of the control environment during this period.

### **Scope exclusions**

There are areas within the investigation process where only a trained and experienced investigator would have the capability and knowledge to confirm assurance, therefore, the following is scope excluded:

- Whether all evidence pertaining to an investigation has been gathered and how it was gathered
- Whether evidence relevant to the investigation has been appropriately assessed nor confirmation of continuity of evidence
- Whether an investigation followed all reasonable lines of enquiry to reach its conclusion; and
- Effectiveness and monitoring of any CIU actions or recommendation.

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**Assurance Opinion**

The CIU team actively and constructively engaged with our assurance review, and whilst the team is relatively new, they are overtly aware of the Common Issue Judgements. Their intent and approach in ensuring mistakes of the past are not repeated can clearly be evidenced not only in their revised set of processes and procedures, but also in the positive behaviours and culture they are trying to embed within this newly created team and across POL.

Our review highlighted that CIU have:

- Created and are implementing appropriate 'Investigation' policies, procedures, manuals etc including case files, formal structures, document formats, an assurance approach for business led investigations, and have formalised RACIs between the business and themselves.

This has all been delivered despite the team being under resourced coupled with an extraordinary demand for their services to perform investigations.

- Strived to maintain a high level of adherence to policy and process whilst demonstrating their collective knowledge and expertise in their case files, their capability to investigate sensitive, difficult, and complex subject matters, produce detailed concise reports and recommendations.
- Have a secure, appropriate approach and process for evidence storage and access to sensitive data. Digital evidence is retained within the Case File on Share point or Relativity and access to both is restricted. Physical Evidence is retained within Finsbury Dials (and now Wood Street) with restricted access for CIU staff only.
- Interviews – Only one case reviewed involved interviews (a witness interview carried out by a CIU investigator). Evidence within the case file confirmed advance notification for the witness and an invitation for the witness to attend the interview, a detailed interview plan and records of the subsequent interview. This followed all process as outlined in the Investigators Manual.
- Report Writing – CIU have created a reporting template which should support reporting clarity, particularly for complex investigation.

Whilst the above is a significant achievement for a function that was only recently created, our review has highlighted several areas of significant improvements still needed. As mentioned earlier, this was to be expected given that CIU is still in the process of embedding and improving their processes and procedures, compounded by resource constraints vs demand for their services.

The areas which will need further focus are summarised below:

- CIU process compliance – Several gaps have been identified whereby evidence to demonstrate Head of CIU review, sign off or criteria for decision making has not been maintained within CIU case files, for example, triage criteria, case closure, criminal investigation, conflicts etc. Meetings with CIU staff anecdotally show that review meetings are held twice a week on cases, but this is not reflected in the casefile.
- Use and completion of key CIU documents need to be embedded consistently, such as the Combined strategy/investigation strategy document and Investigation Control Document, or their non-use explained.
- Case and file structures have only recently been adopting a consistent approach therefore for older investigation (2022) navigating case files is challenging.

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Consequently, we have rated this review as: **Needs Significant Improvement** - There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective

As the full implementation of the CIU processes and procedures contained within the Investigators Manual are unlikely to be adopted until later in 2023, Group Assurance will re-perform our review in mid-2024.

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**Detailed Findings**

**1. Compliance with CIU Processes and Procedures – Significant Improvement needed**

Whilst we have found a high level of process compliance, and good practices being followed, several areas within CIU would need to be further strengthened. The key exceptions are highlighted below:

**• Triage process – Documentation of Acceptance Criteria**

CIU's Triage team receives referrals directly from the Business or from the Head of CIU. The Head of CIU or the Speak Up Manager decides if CIU should pursue the case (Group Investigation and Co-operation with Law Enforcement policy).

In all but one case, it could not be evidenced within the case files under what criteria CIU accepted to investigate the case.

**• Declaration of conflicts – Not formally documented**

The investigating Officer should declare a level of independence and objectivity prior to taking up the investigation, for all cases reviewed this was not on file.

**• Criminal Investigations – Authorisations not explicit**

Any criminal investigation must be authorised by Head of the Investigation Branch, their deputy, or the Group Legal Director. It was deemed an implied authorisation on the allocation of a case to each investigating officer by the Head of CIU that the case would proceed as a criminal investigation as there were no specific notes within any of the cases.

**• Case Closure – Decision not Formally Documented**

Many of the cases that were reviewed remain active investigations and only one case was found to be completed. There was no statement from the Head of CIU within the Decision and Action log confirming the case closure. (NB - A similar statement was to be found within the final report.)

**• File Structure – Inconsistent**

The structure and storage of information within a case file varies dependent upon the nature of the investigation and/or the investigator. Thus, navigating and understanding the contents of files is challenging, contradicting policy to support a transparent examination of investigations by internal and external parties when necessary.

NB: It has been noted that cases dated 2023, the formal go-live date for CIU, have begun to adopt a more consistent approach.

**• Combined strategy/investigation strategy document – Formal sign off, disclosure officer not nominated**

The Strategy document outlines numerous proposed activities to be undertaken by the investigator to conduct the investigation, resources required, and timescales involved.

- a. For all cases reviewed the Investigating Officer had created either a combined strategy or investigation strategy document dependent upon the complexity of the case, the formal review and endorsement of this document, by the Head of CIU, could not be evidenced.
- b. For five cases neither a disclosure officer was nominated, or a disclosure process outlined within the investigation strategy document. Therefore, it was not explicitly clear who was responsible for disclose and how CIU would go about disclosing documents for inspection to third parties. (NB: not all cases had acquired evidence at the point of this review.)

**• Investigation Control Document – Not fully embedded**

Created by the Investigating Officer the Investigation Control document contains the Case Plan, Decision and Action Log and in later dated cases an Evidence Grid. Additionally, there is other functionality to track expenses both legal and non-legal.

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- a. In all cases reviewed the Investigation Control Document has been created.
- b. Decision and Action Log – Effectively the progress log of all investigative decisions along with the rationale applied when making the decisions. All cases reviewed had progress notes within the log however there were five cases where there were considerable time periods between entries.

We have been informed that this is because they were on hold due to lack of resource or investigators were waiting info to be passed to them or capacity issues prevented progress on the case.

Whilst these periods would obviously be dictated by the nature of the investigations it was evident that there were no records of any of the cases being reviewed.

- c. At the time of the review, it is apparent that much of the functionality, many of which are optional, within the Investigation Control Document has yet to be adopted, none of the cases reviewed had any inputs to the Case Plan and the Evidence Grids were also not completed.

The intent of the CIU oversight process is appropriate and necessary and that cases are regularly reviewed. However, the volume of cases held by CIU and the other requirements that Head of CIU must deliver is impacting his ability to apply the rigorous documentation of the oversight provided of investigations within CIU.

**Recommendation**

<b>Area</b>	<b>Action</b>	<b>Owner</b>	<b>By When</b>
Process Compliance	Implement a peer review process to ensure key CIU process/controls and procedures are compiled and assessed by an experienced investigator.	John Bartlett	31 August 2023

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**2. Other matters – Some Improvement needed**

a. **Suspended Investigations** - On two occasions, due to limited CIU resources, all ongoing investigations were suspended whilst other events were given priority. For individual investigations which were underway and subsequently suspended CIU documentation does not demonstrate how such suspended investigations are:

- Assessed for any potential risk to POL – reputational, hinder the effective recovery of funds etc
- Assessed for any potential risk or detriment to any individuals involved in a case
- Given the appropriate level of priority and resource allocation as was deemed necessary when originally referred to CIU.

b. **CIU Recommendations** - Whilst currently not in the CIU process or procedures, we would suggest that any recommendations arising from a CIU Investigation are formally accepted, where possible, by the Functional Executive. This would then ensure recommendations have been accepted and or endorsed, which would assist subsequent tracking and monitoring.

**Recommendations**

Area	Action	Owner	By When
Resource allocation	If circumstances dictate that Investigations are suspended, consideration should be given to a secondary triage process or case priority system to mitigate the potential detriment that may result following these delays. Its reasons for which investigation are suspended should also be formally documented.	John Bartlett	31 August 2023
CIU recommendations	Consider updating the CIU processes to include a formal end of case meeting between Compliance, CIU and the relevant business area to discuss findings.	John Bartlett	31 August 2023

### Appendix 1 – Opinion Definitions

Rating	Description
<b>Satisfactory</b>	The framework of governance, risk management and control are adequate and effective.
<b>Needs Improvement</b>	Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
<b>Needs Significant Improvement</b>	There are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
<b>Unsatisfactory</b>	There are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.