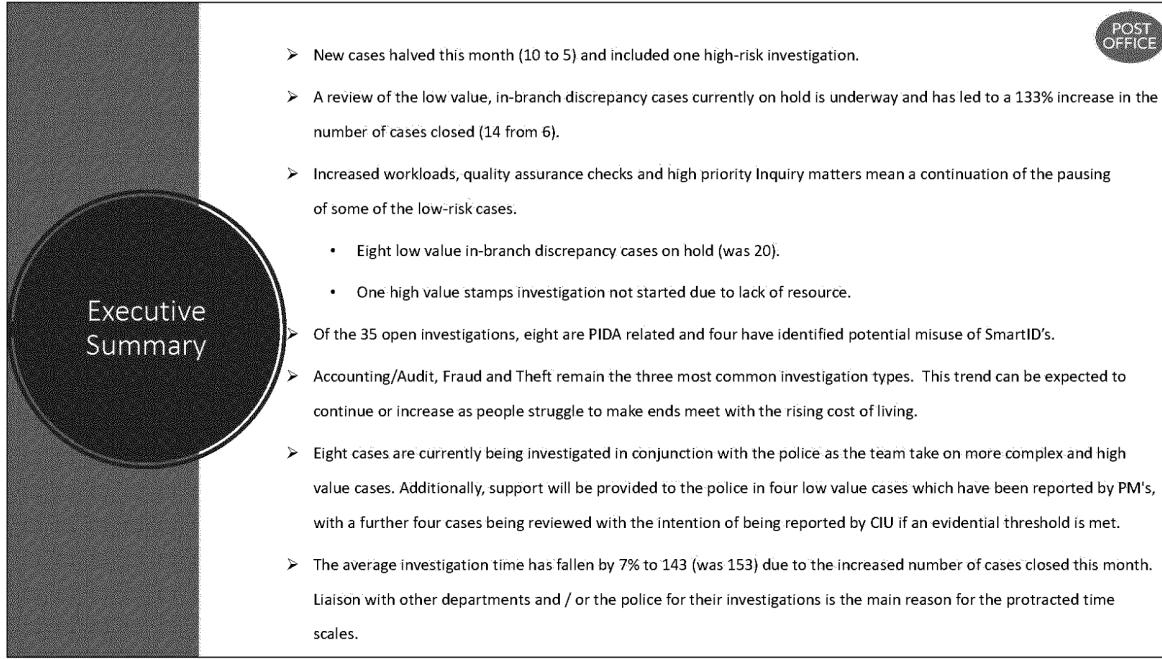




CIU MI Report

February 2023

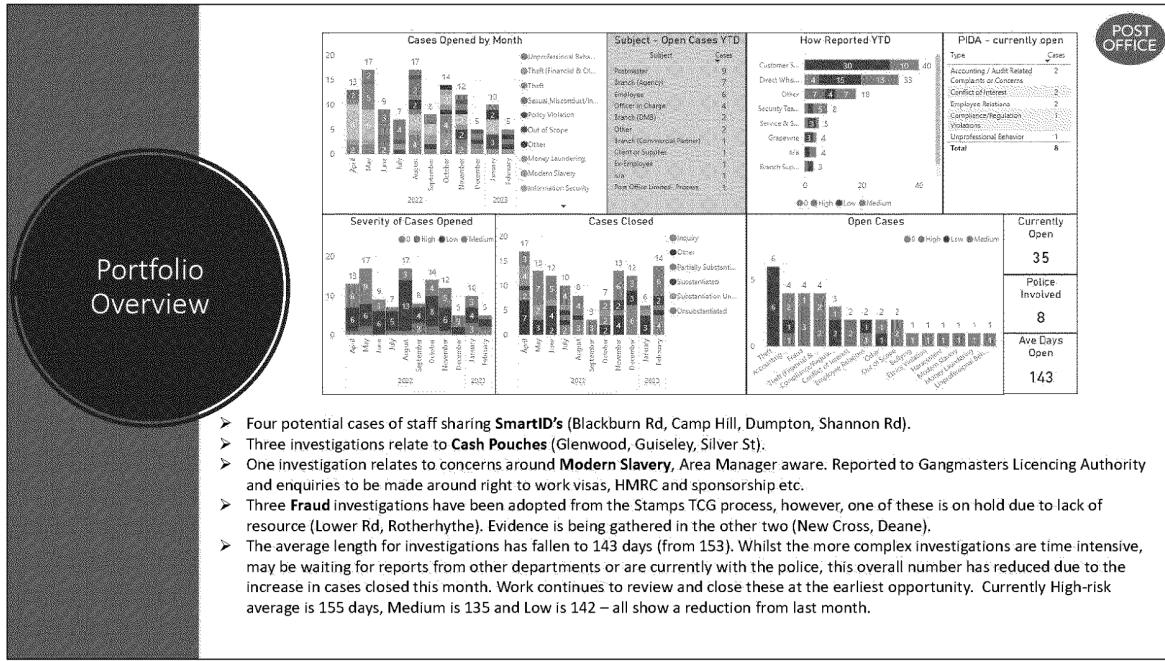
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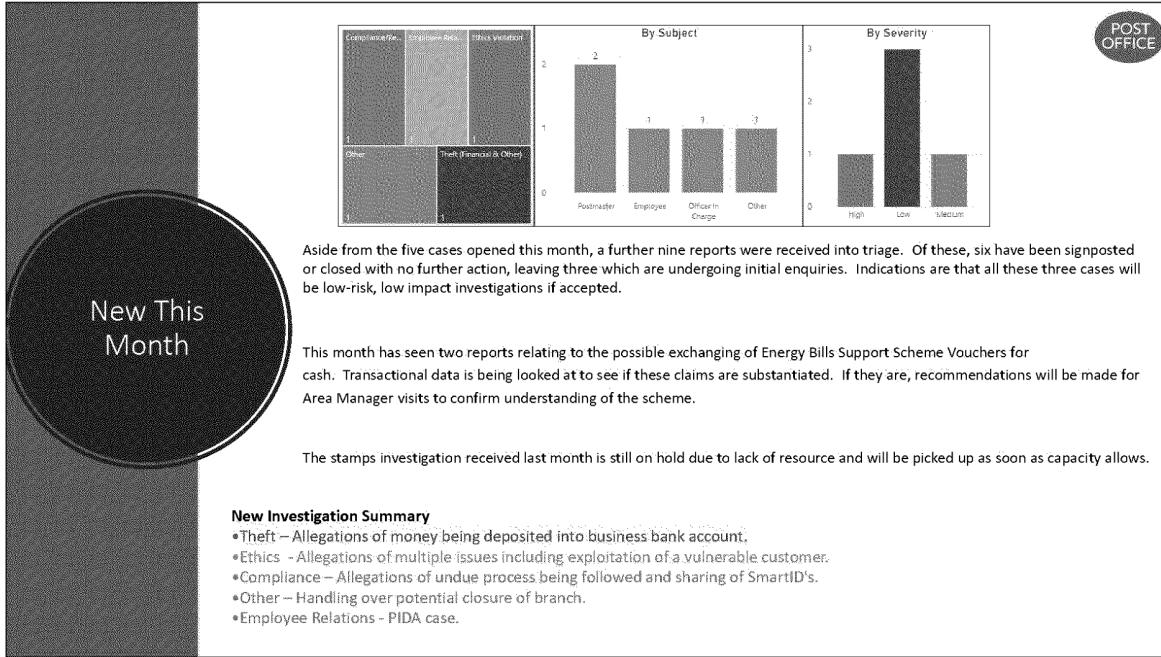


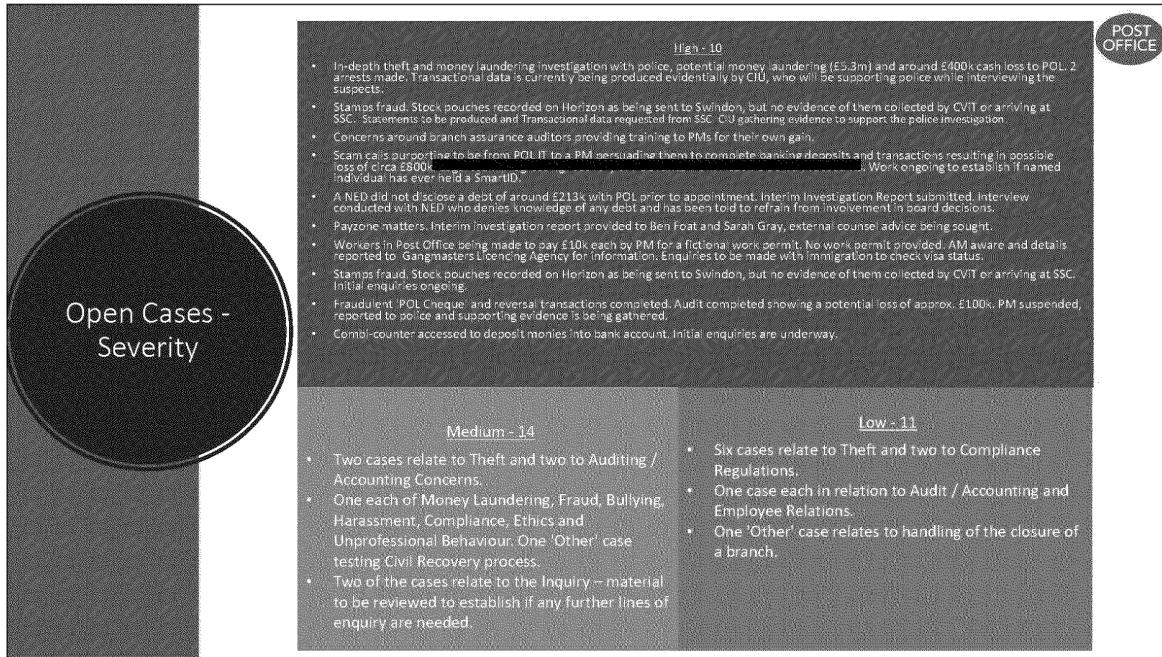
Executive Summary

POST OFFICE

- New cases halved this month (10 to 5) and included one high-risk investigation.
- A review of the low value, in-branch discrepancy cases currently on hold is underway and has led to a 133% increase in the number of cases closed (14 from 6).
- Increased workloads, quality assurance checks and high priority Inquiry matters mean a continuation of the pausing of some of the low-risk cases.
 - Eight low value in-branch discrepancy cases on hold (was 20).
 - One high value stamps investigation not started due to lack of resource.
- Of the 35 open investigations, eight are PIDA related and four have identified potential misuse of SmartID's.
- Accounting/Audit, Fraud and Theft remain the three most common investigation types. This trend can be expected to continue or increase as people struggle to make ends meet with the rising cost of living.
- Eight cases are currently being investigated in conjunction with the police as the team take on more complex and high value cases. Additionally, support will be provided to the police in four low value cases which have been reported by PM's, with a further four cases being reviewed with the intention of being reported by CIU if an evidential threshold is met.
- The average investigation time has fallen by 7% to 143 (was 153) due to the increased number of cases closed this month. Liaison with other departments and / or the police for their investigations is the main reason for the protracted time scales.









**Police
Investigations**

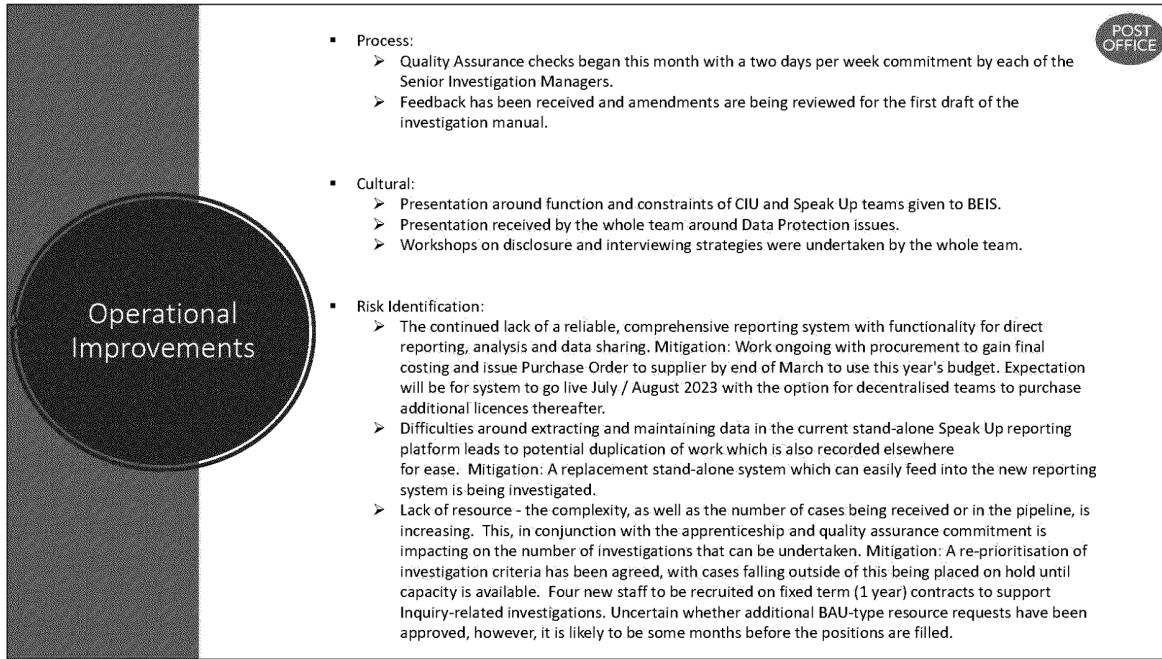
POST
OFFICE

CIU

- CIU are actively gathering evidence to support police investigations in eight current cases. Approx. **£2.66m** value.
- Three are High-risk investigations:
 - Customer allegedly blackmailing PM, both parties arrested, interviewed under caution and released pending further investigation. PM's personal bank account containing large cash amounts has been restrained by police. Transactional data is being produced evidentially by CIU. CIU will be supporting the police during interviews of the suspect. Potential theft value £39k.
 - A large value stock discrepancy was adopted by CIU at the stamps TCG meeting and is being investigated in conjunction with Met police serious and complex team. Transactional data being produced and evidentially collated to support police investigation. Potential theft value £732k.
 - High levels of POL Cheque Reversals were identified. CIU gathering evidence to support Police Scotland who are investigating. Potential theft value £98k.
- Three are Medium-risk investigations:
 - Allegation of theft of foreign currency identified at audit. Investigation ongoing in conjunction with South Wales Police. Transactional data being produced evidentially. Potential theft value £92k.
 - Large value of IOM bank notes (£2m) requested for repatriation from POL to Bank of Ireland, queried by PSNI due to volume. Investigations are underway with the cash centre to confirm quantity, dates and locations of where the notes were from. Potential value £1.1m
 - WHSmith employee fraudulently making transfers into personal bank account. Employee arrested, bank account frozen and comprehensive statements provided by CIU. The police reviewing officer is satisfied with the robustness of the Horizon data measures and all evidence has been passed to CPS for charging decision. Potential cash theft value £190k.
- Two are Low-risk investigations:
 - Reports of a fraudster coercing a customer into withdrawing cash from a branch. Police are investigating.
 - Report received that discrepancies were being seen in cash bundles returned from POL cash centre to Bank of England. Upon reviewing CCTV, colleague can be seen spending a prolonged period at the machinery bundling the cash, before taking longer toilet breaks. CCTV secured and colleague suspended. Enquiries by both police and CIU are ongoing. Potential theft value £47k.
- Four cases pending which have been raised through the Stamps TCG process. One is on hold due to investigator capacity, three are on hold due to capacity of team providing transactional analysis. Approx. **£1.19m** value.
- CIU will support police investigations with any requested evidence in another four reported cases (suspected staff theft). Approx. **£165k** value.
- A further four investigations are being reviewed by CIU to report to police those cases with evidence of criminal activity. Approx. **£85k** value.

SECURITY

- 14 cases open (no change since last month). Approx. **£660,500** value.
- 11 cases relate to Theft, three to Fraud and / or False Accounting:
 - One to be closed – repayment agreed.
 - Eight pending further evidence for either CPS or police to review.
 - Two charged awaiting trial.
 - Three open police investigations.



- Process:
 - Quality Assurance checks began this month with a two days per week commitment by each of the Senior Investigation Managers.
 - Feedback has been received and amendments are being reviewed for the first draft of the investigation manual.
- Cultural:
 - Presentation around function and constraints of CIU and Speak Up teams given to BEIS.
 - Presentation received by the whole team around Data Protection issues.
 - Workshops on disclosure and interviewing strategies were undertaken by the whole team.
- Risk Identification:
 - The continued lack of a reliable, comprehensive reporting system with functionality for direct reporting, analysis and data sharing. Mitigation: Work ongoing with procurement to gain final costing and issue Purchase Order to supplier by end of March to use this year's budget. Expectation will be for system to go live July / August 2023 with the option for decentralised teams to purchase additional licences thereafter.
 - Difficulties around extracting and maintaining data in the current stand-alone Speak Up reporting platform leads to potential duplication of work which is also recorded elsewhere for ease. Mitigation: A replacement stand-alone system which can easily feed into the new reporting system is being investigated.
 - Lack of resource - the complexity, as well as the number of cases being received or in the pipeline, is increasing. This, in conjunction with the apprenticeship and quality assurance commitment is impacting on the number of investigations that can be undertaken. Mitigation: A re-prioritisation of investigation criteria has been agreed, with cases falling outside of this being placed on hold until capacity is available. Four new staff to be recruited on fixed term (1 year) contracts to support Inquiry-related investigations. Uncertain whether additional BAU-type resource requests have been approved, however, it is likely to be some months before the positions are filled.