

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

**SPEAKING NOTE FOR POST OFFICE MEETING WITH CRIMINAL CASES REVIEW  
COMMISSION – 6 NOVEMBER 2015**

**Attendees**

Frazer Stuart, Legal Advisor (CCRC)

Amanda Pearce, Group Leader (CCRC)

[Rodric – I didn't catch the names of the other two attendees]

Rodric Williams, Solicitor, Corporate Services (POL)

Andrew Parsons, Solicitor (Bond Dickinson)

**Actions**

1. POL to provide a copy of its case tracker to the CCRC.
2. POL to check that the data-room structure mirrors the tracker structure.
3. POL to provide keyword search results on the CK and POL security electronic docs for the CCRC to consider (details below).
4. POL to provide the civil litigation files as per below.
5. POL to provide a copy of FJ Core Audit Process presentation.
6. POL to consider whether there are any high-level reports, other monitoring controls or upgrade logs that might show any issues with Horizon (or show there was no problem by their absence).
7. POL to consider whether it could assist with putting the CCRC in contact with Zubes Patel.
8. POL to check whether the NBSC call logs have a code or reference for an SPMR raising an end of TP discrepancy.
9. CCRC to confirm in writing that s25 protection will apply to allow documents submitted by POL even if not marked as such.
10. CCRC to consider whether it wants a "hands on" session with Horizon.

**Topics**

1. Documents provided by Post Office to date

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

- 1.1 POL confirmed that where available, the following documents have been provided for all 20 cases:
- Mediation Scheme documents
  - Hardcopy POL security file (green jackets)
  - Hardcopy POL / RM legal file (buff jacket)
  - Hardcopy CK file (orange jacket)
  - Hardcopy POCA file (red jacket)
  - Electronic – RM and POL legal file
  - CD / tape recordings (interview recordings)
  - CK case reviews
- 1.2 Unless it discovers something new, POL does not expect to be providing any more documents in the above categories.
- 1.3 The CCRC asked for a cross check to make sure that POL and the CCRC are working from the same set of docs. POL said it would send over its tracker.
- 1.4 The CCRC said that although it was unusual for them to use a data room, it was working. They just need to make sure they have all the relevant documents and can find them easily.

2. Further documents to be provided

2.1 Civil litigation files

- Agreed approach:
  - o POL to provide those files that are obvious copies of prosecution papers – approximately 23 files.
  - o POL to preserve the remaining civil litigation files in case the CCRC needs them at a later date – 9 files.

2.2 Electronic files from CK and POL security

- POL explained that:
  - o The CK documents came from their case specific files and so should all be relevant.
  - o The POL security files were captured by asking the security team to identify the electronic storage locations of documents and then those locations were copied in full.
  - o POL showed the docs in the data-room to the CCRC to show the lack of any useful structure.
  - o POL also explained that the entire database was word searchable, and could also be searched by date range and other meta-data fields.

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

- POL provided details of the example searches that were run on Jo Hamilton's case.
- The CCRC confirmed that they have no difficulty in POL assisting with the searches and did not need Millnet to do this independently.
- Agreed approach:
  - POL and the CCRC to adopt an iterative approach, running ad hoc searches as required to find relevant documents.
  - As a first step, POL to provide the numbers of responsive documents for the "theft" cases (see below) using surname and a date range of 2 years before charge up to the date of conviction.
  - Once searches are agreed, the CCRC can provide s17 notices to cover the responsive documents.

3. Other material that POL could provide

3.1 POL made the following general points:

- POL is a big organisation and documents could be held in lots of places. Broad requests for types of documents will likely return significant amounts of material; much of which will likely be irrelevant for the CCRC's purposes.
- POL has changed over time - particularly since separation from RM. General documents are therefore time sensitive and may therefore only be relevant to some prosecutions and not others (eg. changes in policies, changes in Horizon, etc.)
- Best for CCRC to make narrow targeted requests. Focusing on specific cases rather than general issues is likely to return more fruitful material.

3.2 Training materials.

- POL confirmed that these have changed considerably over time so there is no core pack of documents to cover this.
- There is a branch ops manual. Again this changes over time and is a very large document.
- There was a person at POL (Neil Corrick) who will be leaving POL shortly but has good knowledge of past training practices. He will be leaving in the New Year so if the CCRC has queries it should make them sooner rather than later.
- CCRC said it would ask for training materials on a case by case basis as required.

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

### 3.3 NBSC call logs

- The CCRC asked about certain points in the call logs. POL explained the process of contacting the NBSC and how issues could be escalated. Also that the logs were only summary notes.
- POL explained that KB related to Knowledge Base and what the KB was.
- The CCRC asked about SPMRs being told that "a problem would sort itself out". POL explained that this advice could be correct in certain circumstances, such as with Lottery products where there is an overnight reconciliation.

### 3.4 Board reports:

- Commissioning of Horizon. This happened back in the late 1990s. Highly unlikely that POL holds the board reports about this given the amount of time that has passed.
- Most recent board reports are about scheme process, costs and progress or about managing media and political enquiries. These would not be relevant to the CCRC.

### 3.5 Fujitsu material

- Fujitsu is the IT provider of Horizon. POL explained that a very large volume of material about the operation of Horizon is held by Fujitsu and POL IT.
- This material is probably too vast and technical to be of use to the CCRC, though specific requests for particular information could be made.
- Fujitsu did provide POL with a presentation on the main controls used to ensure that the data in Horizon is accurate. POL agreed to provide this presentation to the CCRC.
- POL to investigate whether there is a log of upgrades made to Horizon. POL caveated that there would likely be lots of upgrades, many of which will not affect branch accounting.

## 4. Other issues

### 4.1 Mediations:

- Now fully underway with dozens having taken place in the last few months and dozens more coming up shortly. POL aiming to complete all mediations by the New Year.

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

- POL has still not found any evidence of an error in Horizon and maintains that nearly all problems have been caused by human error by Branch staff.

#### 4.2 Drop in prosecutions

- The CCRC enquired as to whether the number of prosecutions had dropped off. POL explained that the number had reduced but this was for a variety of factors such as network changes, different approach to intervening in branches, changes in prosecuting policies, etc.

#### 4.3 Other challenges

- Media interest has largely died down. POL has submitted a complaint to the BBC over Panorama. The CCRC were also un-impressed by Panorama. In particular, they were surprised to hear that the FJ whistleblower had been working as a Chiropractor since leaving FJ in 2004.
- Some MPs still engaged but much lower profile.
- DSARs – process nearly complete despite being a vast exercise and conduct largely without controversy

### 5. Update on CCRC progress

#### 5.1 The CCRC has focused on the theft cases being:

- Adedayo
- Banks
- Hamilton
- Patel
- Thomas
- Wilson

#### 5.2 The CCRC asked about the situation where there was no evidence of stolen money being in the pockets of the SPMR - on what evidence of theft did POL rely? POL explained this was generally the inference that if an SPMR is covering up a loss then that is good evidence of theft. The CCRC accepted this point but noted that it was easier to draw this inference where the loss was large. Where the loss was small, the CCRC appeared to suggest that this increased the chances of the loss being caused by human error and not theft.

#### 5.3 The CCRC confirmed that one of the big questions they are asking is whether there was any evidence of a problem with Horizon when someone was convicted?

- POL explained that they had still not seen any evidence of a systemic problem.
- The CCRC accepted that answering this question is difficult as they are trying to prove a negative.

STRICTLY PRIVATE & CONFIDENTIAL – SUBJECT TO LEGAL PRIVILEGE

- The CCRC also accepted that where cash decs are not made or there is false accounting, then finding erroneous transactions is very difficult. POL explained that without being able to point to a particular transaction or at least a short time period (eg. a day) when an error occurred then doing any form of detailed analysis can be almost impossible. The flip-side is that where a transaction is identified, POL can often pull apart every aspect of the transactions to see what happened.
  - The CCRC indicated that if POL could show robust monitoring processes and that those processes had not revealed an issue, then that may help the CCRC answer this question.
- 5.4 Another avenue of enquiry was whether POL prosecuted only cases over a certain financial level. POL explained that this was only one factor, as it wanted to keep prosecutions proportionate but that all prosecutions were in line with the CPS code. Prosecuting decisions were driven by lots of other factors as well, for example protecting vulnerable customers, strength of prosecution, etc.
- 5.5 In relation to the case of MacDonald, the CCRC want to talk to the temp (Zubes Patel) who operated the branch. They had tried to contact him but without successful. POL to consider whether it can assist with this.
- 5.6 In terms of an output:
- The CCRC will often simply tell the Applicant that its review has found nothing and not provide any reasons. They are accustomed to applicants being unhappy with that result and having to explain to them that the CCRC is independent and does not work for either side.
  - If the CCRC makes a referral to the Court of Appeal, then they provide the "gist" of the issue they have discovered but do not often disclose details of key documents.
- 5.7 Timing – the CCRC is massively under-resourced and had lots of cases to review. No indication that they will be finished any time soon and no planned time frames.