



Sub-Postmaster Improvements & Mediations

Weekly Steering Group

19th August 2013

Agenda



1. Branch User Forum
2. Press release for launch of Mediation process
3. Review :
 1. Budget
 2. Plan
 3. Legal
 4. Risks
4. Next Meeting

Decisions for this meeting

1. Agree Branch User forum TOR
2. Agrees press release for mediation launch

Actions from previous meetings

Actions from meeting 24/07/2013					
6	Define process for subpostmasters to appeal outside the line	Susan/ Angela	23-Aug		open
Actions from meeting 01/08/2013					
3	Contents of Horizon changes to be shared with this group once agreed with the business units	Andy	30-Aug		in progress
Actions from meeting 08/08/2013					
1	Chris to talk to Sarah Hall about the treatment of costs	Chris	on going		in progress
Actions from meeting 15/08/2013					
1	All members to forward comments on the Working Party TOR to Susan by next Tuesday	All	20-Aug		new
2	Mark to draft a communication that will go to interested media before the launch	Mark	20-Aug		new
3	Andy to talk to Charles Colquhoun to determine our net risk position regarding compensation and update the budget forecast accordingly	Andy	29-Aug		new

Budget - Summary**Budgeting assumptions/notes**

1. Does not include cost for Post Office employees, unless backfill is required
2. Does not include any compensation costs, which is a potential outcome of mediation
3. Mediation costs are sensitive to the number of cases. Budgeting assumption is 75 cases.
4. Does not include the £310k spent from April 2012-July 2013 (incl VAT)
5. VAT costs are at 20%
6. All actuals include VAT
7. Does not include the cost of implementing the recommendations of the improvements projects

Programme Forecast August 2013 - March 2014

Item	£k	incl VAT	Comments
Complete Cases (using Mediation)	962	1154	Costs associated with completing the cases. Assumption = 75 cases
Legal and Governance	334	401	Legal costs not specific to mediation, & governance costs (eg working party)
Improvement project	42	50	Cost for quick wins and gap analysis
Technology	50	60	Funding anticipated beyond the £100k Fujitsu funded costs
Total	1388	1665	

Total Project costs April 2012 - March 2014 (incl VAT)

2012/13 April-March Actual	184
2013/14 April - July Actual	126
2013/14 Aug-March Forecast	1,665
Total	1,976

Budget – Costs to Date (last FY and this FY to 1st August)**2012/13 Invoices received**

2nd Sight			Millnet			Kay Linnell			Total
Total		163.98	Total		14.00	Total		6	183.98
Month	Invoice	amount	Month	Invoice	amount	Month	Invoice	amount	
July	65	12.00	Jan	12566/900772	3.7	Jan	811	2.4	
Aug	66	14.00	Nov	12141	7.2	April	842	2.4	
sep	67	11.00	July	13000/900772	3.1	July	874	1.2	
oct	69	6.00							
Nov	72	17.40							
Dec	73	25.00							
Jan	74	26.88							
feb	75	25.90							
mar	76	25.80							

2013/14 Invoiced to 1st August 2013

2nd Sight			Millnet			Kay Linnell			Total
Total		119.59	Total		3.10	Total		3.6	126.29
Month	Invoice	amount	Month	Invoice	amount	Month	Invoice	amount	
April	77	25.39	July	13000/900772	3.1	April	842	2.4	
May	78	26.35				July	874	1.2	
June	80	24.97							
July	81	42.88							

Budget – Forecast (Aug 2013 – March 2014)



Item	£k	£k total net VAT	inc VAT @ 20%	comment	Board Paper low	Board Paper high
Complete Cases (using Mediation)				Assumed number of cases:	75	
Second Sight	125			Second Sight at 25k per month (Aug-December)		100 150
Back fill for internal resources & external assistance	90			15k per month, 6 months		
Mediator(s)	225			Assumed 3k per case - will use a national company		
Mediator Expenses	50			travel, meeting rooms, training etc		
Legal support case preparation - BD	56			£750 per case assume all cases		
Legal support - case advice	28			£400 per case. assume all cases. £400 is their estimate for simple cases, but if we assume some will drop out this should average out.		
Legal support - mediation meeting	150			£2k per case - assume all cases - could recruit internal staff to reduce costs?		
Independent advisor for Subpostmasters	238			Per case: £1.5k case prep + £1k mediation meeting. Plus £50k contingency for more complex cases		
Total: Complete Cases (using Mediation)		962	1154		350	550
Legal and Governance						
General External Legal Advice - BD	120			Advice on: preparing and agreeing mediation process and packs of information for SPMRs. Engaging and briefing mediators, attending working group meetings (i.e. advising on rejecting cases; revising mediation process). Advising on Fujitsu related matters. £15K per month		
Case Review - CK	175			Includes QC, Bond Dickinson and Cartwright King	100	300
Kay Linnell/ Alan Bates	14			£2k per month (up to)		
Independent Chair	25				0	10
Total Legal and Governance		334	401		100	310
Improvement project						
Back Fill for Gayle Peacock and Ann Allaker	42			Back fill for 5 people to conduct the gap analysis across the business groups	200	200
Contact Centre	0			assumed this can be done with current resources	40	40
FSC	0			assumed this can be done with current resources	100	100
Total: Improvement project		42	50		340	340
Technology						
Horizon improvements	50			Funding needed beyond the £100k Fujitsu funded costs	0	0
Total: Technology		50	60		0	0
Total		1388	1665		890	1350

Changes to the plan



- No milestone changes since last steering meeting.
- Final version of Mediation will be completed on Weds.
- TOR for Working Party will be completed this week.

Key milestones



Milestone due for completion since the last meeting

Milestone	Who	Due
Initial draft of Mediation pack (and two subsequent update versions) - - Complete	Susan	08/08
Working party agrees mediation pack – NOT Complete - this is taking longer than expected due to the iterative nature of the feedback from all parties. Now expected to complete 21/08	Working Party	08/08 Now 21/08

Key upcoming milestones

Milestone	Who	Due
Select independent Mediator(s)	Susan	22/08
Prepare paper on pros and cons of continuing to bring prosecutions	Susan	28/08
Appoint independent Chair	Susan	10/09

Public Commitments- High level Plan



Work Stream	2013						2014			
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Collaboratively complete cases <div>Angela VDB Angela VDB nomination BD and Paralegal Second Sight</div>		▲ 22/07 JA meeting to agree investigation scope and approach ▲ 25/07 First Working Party Workshop to define Ways of Working	▲ 15/08 Working Party sign off ways of working, mediation pack and comms ▲ 19/08 New ways of working fully implemented ▲ 22/08 Mediator(s) appointed ▲ 24/08 TOR for Monthly Oversight Board agreed ▲ 30/10 complete first case						▲ 28/02 All high priority cases completed	
Monthly Oversight Boards		▲	▲	▲	▲	▲	▲	▲	▲	▲
Adjudication of future cases <div>Angela VDB Susan Crichton</div>		▲ 22/08 Define process for appealing cases outside the line ▲ 10/09 Appoint an independent figure to determine how an independent safety net might be introduced to adjudicate in disputed cases in the future ▲ 15/09 Independent review commences	▲ 15/10 Independent review makes recommendations ▲ 25/10 Post Office Implements recommendations							
Branch User Forum <div>Angela VDB Lesley Sewell</div>		▲ 12/08 Create Draft TOR ▲ 15/08 Start engagement with stakeholders ▲ 06/09 complete engagement with stakeholders, ▲ 13/09 Issue final TOR and send out invitations to first forum ▲ 05/10 First Branch User Forum Branch User Forum meets regularly (frequency agreed in TOR)								
<div>Notes: Tasks added since last version in red.</div> <div>Version 007 20130815</div>										
<div>▲ On Track ▲ Achieved Milestone ▲ Original Date (not achieved) ▲ Delayed (no impact) ▲ At Risk/ Delayed (potential impact) ▲ Issue / Delayed (material impact) Names of critical resources - - - -> Dependency</div>										

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Legal - High level Plan

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Notes:

Tasks added since last version in red.

Version 007 20130815

▲ On Track
 ▲ Achieved Milestone
 ▲ Original Date (not achieved)
 ▲ Delayed (no impact)
 ▲ At Risk/ Delayed (potential impact)
 ▲ Issue / Delayed (material impact)

Improvements - High level Plan



Work Stream	2013						2014			
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
All Streams		▲ 24/07 Agree Terms of Reference with Sponsor (Angela) ▲ 06/08 Agree approach to mapping as-is process, scope, and how it will be documented ▲ 08/08 Agree Terms of Reference with steering group ▲ 09/08 Identify resource from each area to support the mapping of the "as-is" ▲ 09/08 Identify process for capturing quick wins ▲ 30/08 Start to identify quick wins (from the mapping exercise) ▲ 05/09 Agree which quick wins should be implemented with Programme Board ▲ 06/09 Begin implementing quick wins ▲ 30/09 Complete "as-is" subpostmaster journey/experience with POL ▲ 30/09 Complete "as-is" Crown colleague r journey/experience with POL ▲ 30/09 Complete "as-is" multiple partner r journey/experience with POL ▲ 05/10 All "Quick Wins" Implemented ▲ 20/10 Complete "to-be" subpostmaster journey/experience with POL ▲ 20/10 Complete "to-be" Crown colleague r journey/experience with POL ▲ 20/10 Complete "to-be" multiple partner r journey/experience with POL ▲ 15/11 Funding for proposal approved ▲ 17/11 Commence implementation projects 15/4 implement mechanism to ensure all processes are regularly reviewed and continue to be fit for purpose ▲								
Culture Change		Note: Milestones to be provided by Gayle/Angela by 15/08								

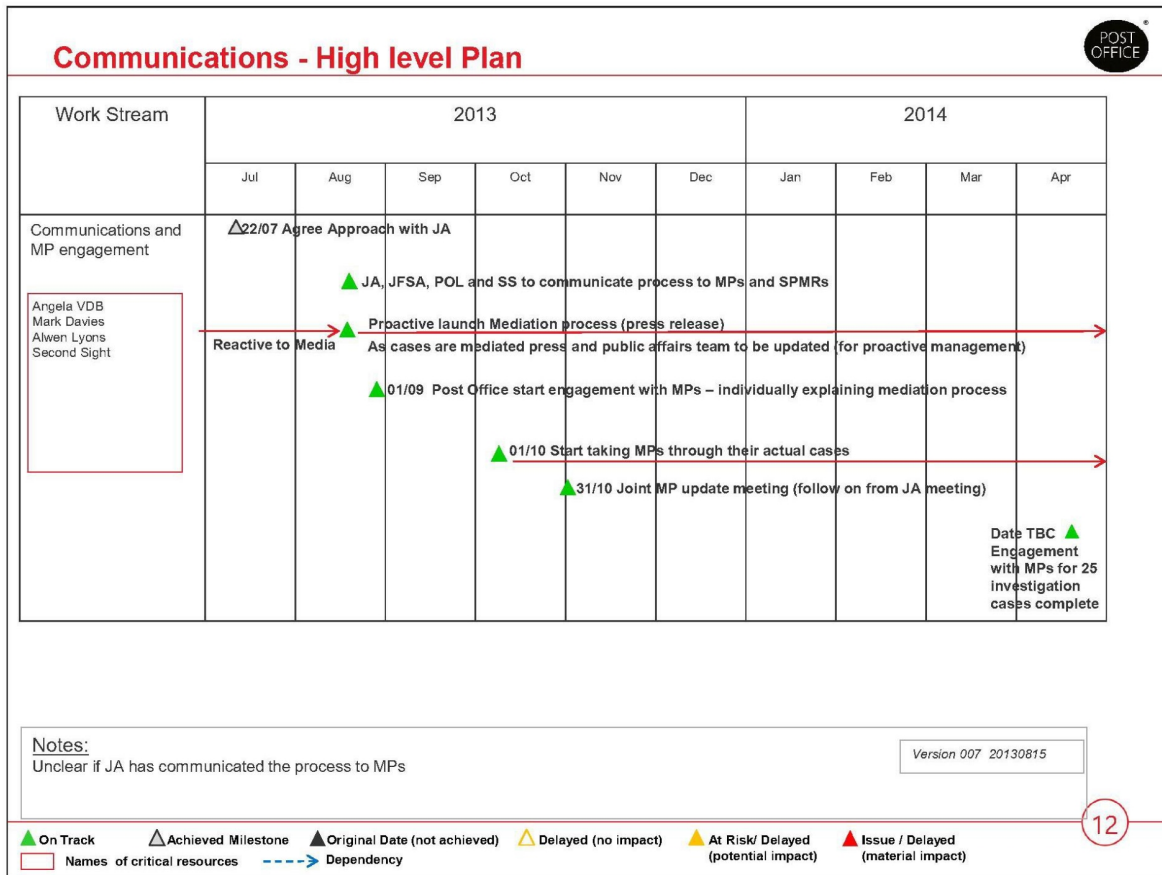
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Version 007 20130815

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 □ Names of critical resources - - - -> Dependency

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Technology improvements- High level Plan



Work Stream	2013						2014			
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Technology										
Improved guidance		▲ 30/07 Draft Improved Subpostmaster guidance for Horizon communication line failure	▲ 15/08 Review guidance with NFSP							
		▲ 30/08 Issue guidance to branches								
Release 10 improvements			▲ 30/08 Agree contents for Horizon release 10							
			▲ 30/09 Commercial terms agreed for Horizon release 10							
Reporting improvements			▲ 02/08 raise CR with Fujitsu							
			▲ 30/09 Agree commercial terms with Fujitsu							
Improvements delivered through ref data		▲ 30/07 Define changes	▲ 30/08 Deliver changes							

Notes:
Draft status.

Version 007 20130815

▲ On Track ▲ Achieved Milestone ▲ Original Date (not achieved) ▲ Delayed (no impact) ▲ At Risk/ Delayed (potential impact) ▲ Issue / Delayed (material impact)
□ Names of critical resources - - - -> Dependency

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Legal Update – Case Review

Statistics as at 14/8/2013	Initial Sifts	Fully Reviewed	Disclosure recommended	Discontinued	Comments
To date	155	27	9	4	The cases of J Patel, Brown, Wylie and Knight have been terminated. Samra has yet to be terminated.
Remaining	70	16			It is estimated that there are approximately 70 sift reviews left. This includes 37 RMG files from archive, yet to be received and in the region of 15 files from Northern Ireland. It is not yet clear how many cases will be received from Scotland

Active cases



Currently there are no active cases

Risks



An initial risk workshop was run on the 15th August. At the workshop we identified the key risks, their likelihood and potential impact.

The next workshop will document how we monitor and mitigate these risks. Key risks will be tracked and presented at the weekly steering board.

Below are the risks highlighted in the board paper 26th July 2013:

- the reputational and brand risks that could emerge if we don't handle the overall resolution process carefully;
- the risk to NTP if concerns around how we treat sub-postmasters leads to lower take-up of the new models;
- the opportunity cost arising from the significant amount of senior management time that will be taken up in handling this process;
- the potential destabilising impact on the NFSP, who are feeling exposed to the whole issue because of accusations from some sup-postmasters that they failed to represent their interests; and
- the process re-engineering that may be required for our IT, training and support systems will add further complexity and risk to the existing transformation programme.

Next meeting



- Next meeting is scheduled for Weds 28th at 1pm



**For reference:
Slides from previous 2 meetings**

Who is responsible for – our public commitments?

Commitment	Owner
1. The creation of a working party to work collaboratively to complete the review of cases started by Second Sight last year. This would examine the themes identified by Second Sight and consider all cases brought forward by the JFSA and MPs, together with any new themes which emerge from these cases. The JFSA have been invited to join this working party.	Angela
2. A review chaired by an independent figure to determine how an independent safety net might be introduced to adjudicate in disputed cases in the future. Again the JFSA and other stakeholders will be invited to take part in this process.	Susan
3. A new Branch User Forum to provide a way for sub-postmasters and others to raise issues and insights around business processes, training and support, directly feeding into the organisation's thinking at the highest level. A key task for this forum will be to review support processes and training to ensure they meet the standards expected of the Post Office.	Angela

Roles and Responsibilities

Responsibility	Who
Paula Vennells	<ul style="list-style-type: none">Steer the overall programmeFinal point of issue escalationKeep the Board informed
Chris Day	<ul style="list-style-type: none">Delegate for Paula, in Paula's absenceFinancial approval/oversight
Susan Crichton	<ul style="list-style-type: none">Single Exco POC for the overall programmeDirectly responsible for all related Legal activities, including case reviews, process, QC review of prosecution process and creating and independent adjudication process (2nd commitment)
Angela Van den Borgerd	<ul style="list-style-type: none">Complete the mediation process for all agreed casesEstablish a new investigation team, grow the team, gain credibilitySponsor the improvement programmeSet up and run the branch user forum (3rd commitment)
Lesley Sewell	<ul style="list-style-type: none">Deliver Technology improvementsSupport the improvement programme when requiredSupport the Branch User Forum
Andy Holt	<ul style="list-style-type: none">Day to day programme management (eg tracking programme level milestones, risks, reporting etc)Preparation of Weekly Steering Board PackChairing Weekly Steering Board
Mark Davies	<ul style="list-style-type: none">Defining the comms strategyDelivering against the comms strategy, including MP engagement

Stakeholder Points of contact

Points of contact for key stakeholders

Stakeholder	Post Office Point of Contact
Second Sight	Angela Van den Borgerd
James Arbuthnot and Janet Walker	Susan Crichton / Alwen Lyons
MPs except JA	Mark Davies
Alice Perkins \ Board	Susan Crichton
Exco	Susan Crichton
Unions	Angela Van den Borgerd
JFSA	Angela Van den Borgerd
Media	Mark Davies
Independent Chair	Susan Crichton
IT Suppliers	Main: Lesley Sewell Press Office: Mark Davies
NFSP	Angela Van den Borgerd
BIS	Susan Crichton
RMG	Jon Millage – Susan Crichton Press Office – Mark Davies

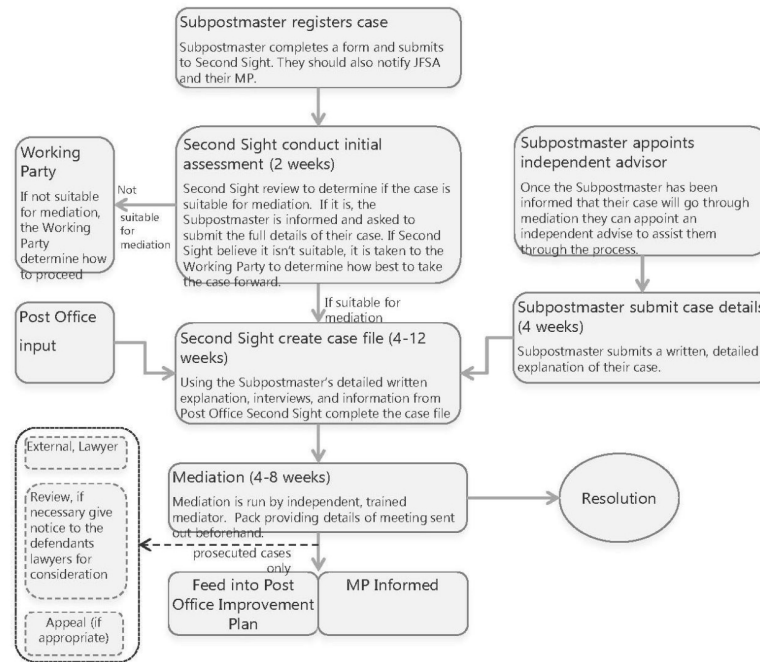
Governance and subgroups



Governance

Work streams
or Projects

Mediation Process



Second Sight Proposal



Objectives:

- Second Sight exit the investigation in the medium term
- Retain the confidence of key stakeholders (JFSA, JA, other MPs and SS)
- Reduce our investigation costs
- Create an enduring capability for independent investigation
- Keep aligned to the Parliamentary Statements

Proposal:

- Augment Second Sight with Post Office employees who will work under the oversight of Second Sight
- Propose that at first this is Angela and two assistants, with the view to grow the team to meet demand
- Second Sight step back from the detailed work (hence less cost) and play an oversight role
- The POL team establish a reputation for independence of mind, integrity, and thoroughness in their investigations
- Once credibility of the POL team is established Second Sight give them the seal of approval and pass the baton on to them.

As a reminder some of the comments from the Parliamentary debate :

...will set up a working party to complete the review of cases started by Second Sight, and will consider all 47 cases brought forward by the Justice for Subpostmasters Alliance

The continued input of Second Sight is incredibly important, given its familiarity with the case so far and the fact that it enjoys the confidence of many of those involved.

It is important that any further work is not only independent, but seen to be independent, and clearly the role of Second Sight in that is important