



Sub-Postmaster Improvements & Mediations
Weekly Steering Group
15th August 2013

2.30pm
POL Board Room

Agenda



1. Actions from previous meetings
2. Agree Working Party TOR
3. Agree Communications Strategy
4. Agree Stakeholder Points of Contact
5. Review Budget
6. Update:
 1. Plan
 2. Legal
 3. Risks
 4. Active Cases
7. Next Meeting

Decisions for this meeting:

1. Agree to sign off the Working Party TOR
2. Communication strategy
3. Agree Stakeholder

Actions from previous meetings



Actions from meeting 01/08/2013

1	Produce a TOR for Working Party/independent Chair	Susan	15-Aug	complete
3	Contents of Horizon changes to be shared with this group once agreed with the business units	Andy	30-Aug	in progress
5	Ensure working party have as part of their remit the obligation to ensure funds are used	Susan	15-Aug	complete

Actions from meeting 08/08/2013

1	Chris to talk to Sarah Hall about the treatment of costs	Chris	15-Aug	new
2	Review and sign off the improvement project TOR	All	15-Aug	new
3	Include finance template slide in future slide decks	Andy/Simon	15-Aug	complete
4	Include list of active cases in slide deck as reference	Andy/Simon	15-Aug	complete
5	Include list of stakeholders and their Post Office owner	Simon	15-Aug	complete

Agree Working Group TOR



- Working Party TOR distributed to the Working Party for approval
- Approval also required from the Weekly Steering Board
- The TOR will form the basis for the Independent Chair's job description

Communication strategy review



- Steering Board to agree communications strategy
- This will be presented at the meeting



Stakeholder Points of contact

Proposed points of contact for key stakeholders

Stakeholder	Post Office Point of Contact
Second Sight	Angela Van den Borgerd
James Arbuthnot and Janet	Susan Crichton
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	Lesley Sewell
NFSP	Angela Van den Borgerd
BIS	Susan Crichton



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	319	383	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	1373	1647	

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	1,647
Total	1,958



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 low	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	350	550
Total: Complete Cases (using Mediation)		962	1154		450	700
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 (ie. 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	10				0	10
Total Legal and Governance		319	383		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		1373	1647		890	1350

Changes to the plan



- Comms plan updated, no other added or changed milestones
- Working Party has taken longer than expected to sign off the Mediation pack
- Draft TOR for Working Party complete – to be agreed with Working Party
- Improvements project progressing according to plan

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 15/08	Working Party	08/08 Now 15/08

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	
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)								

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)
 □ Names of critical resources - - - - -> Dependency

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Legal - High level Plan

Work Stream	2013						2014			
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
Legal <div>Susan Crichton Hugh Flemington Rodric Williams BD Support</div>	<p>△05/07 Tactical ways of working implemented, all cases reviewed individually</p> <p>△26/07 Agree Response to Criminal cases review commission</p> <p>△01/08 Define route for prosecuted cases post disclosure</p> <p>△17/07 Initial Sift of cases completed and disclosure provided to defence, up to January 2010 by CK (cartwrightking)</p> <p>▲30/08 CK review of cases complete</p> <p>▲28/08 prepare paper on pros and cons of continuing to bring prosecutions</p> <p>▲19/09 Present paper to ARC</p> <p>△30/07 Appoint QC to advise POL on strategy and process for reviewing past/current criminal prosecutions given the findings of the Second Sight interim report dated</p> <p>△02/08 Initial findings from QC shared with Post Office</p> <p>△09/08 Initial findings from QC discussed with CK</p> <p>▲30/08 TOR for full QC report agreed</p> <p>▲30/09 Full QC report complete</p> <p>▲ Monthly Reporting to Programme Board</p>									

Notes:

Tasks added since last version in red.

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Names of critical resources - - - -> Dependency

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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									

Notes:

Tasks added since last version in red.

Version 007 20130815

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 □ Names of critical resources - - - - -> Dependency

Work Stream	2013						2014			
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr
<p>Communications and MP engagement</p> <div> <p>Angela VDB Mark Davies Alwen Lyons Second Sight</p> </div>	<p>△22/07 Agree Approach with JA</p>	<p>▲ JA, JFSA, POL and SS to communicate process to MPs and SPMRs</p>								
	<p>Reactive to Media</p>	<p>→▲ Proactive launch Mediation process (press release)</p> <p>As cases are mediated press and public affairs team to be updated (for proactive management)</p>								
			<p>▲ 01/09 Post Office start engagement with MPs – individually explaining mediation process</p>							
				<p>▲ 01/10 Start taking MPs through their actual cases</p>						
					<p>▲ 31/10 Joint MP update meeting (follow on from JA meeting)</p>					
									<p>Date TBC ▲ Engagement with MPs for 25 investigation cases complete</p>	

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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 agreed for Horizon release 10						▲ 15/03 release 10 live	
Reporting improvements			△ 02/08 raise CR with Fujitsu ▲ 30/09 Agree commercial terms with Fujitsu						▲ 15/03 new reports available	
Improvements delivered through ref data		△ 30/07 Define changes ▲ 30/08 Deliver changes								

Notes:

Draft status.

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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 cases will be received from Scotland



Active cases

Currently there are no active cases



Risks

A risk workshop is scheduled for 15th August. At the workshop we will identify the key risks, their potential impact and mitigation plans. They will be tracked each week 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 Tuesday 20th at 4pm
- Andy Holt will prepare the slide pack and chair the meeting