



# **Initial Complaint Review and Mediation Scheme**

**ExCo Update**

**13 February 2014**

**V0.1**

## Agenda



1. Context
2. Programme Governance
3. Programme Plan
4. Performance Dashboard
5. Key Risks and Issues
6. Second Sight Engagement
7. Scope of the Working Group
8. Timeline of Key Events
9. Stakeholder Engagement

**Decisions for this meeting**

# 1. Context

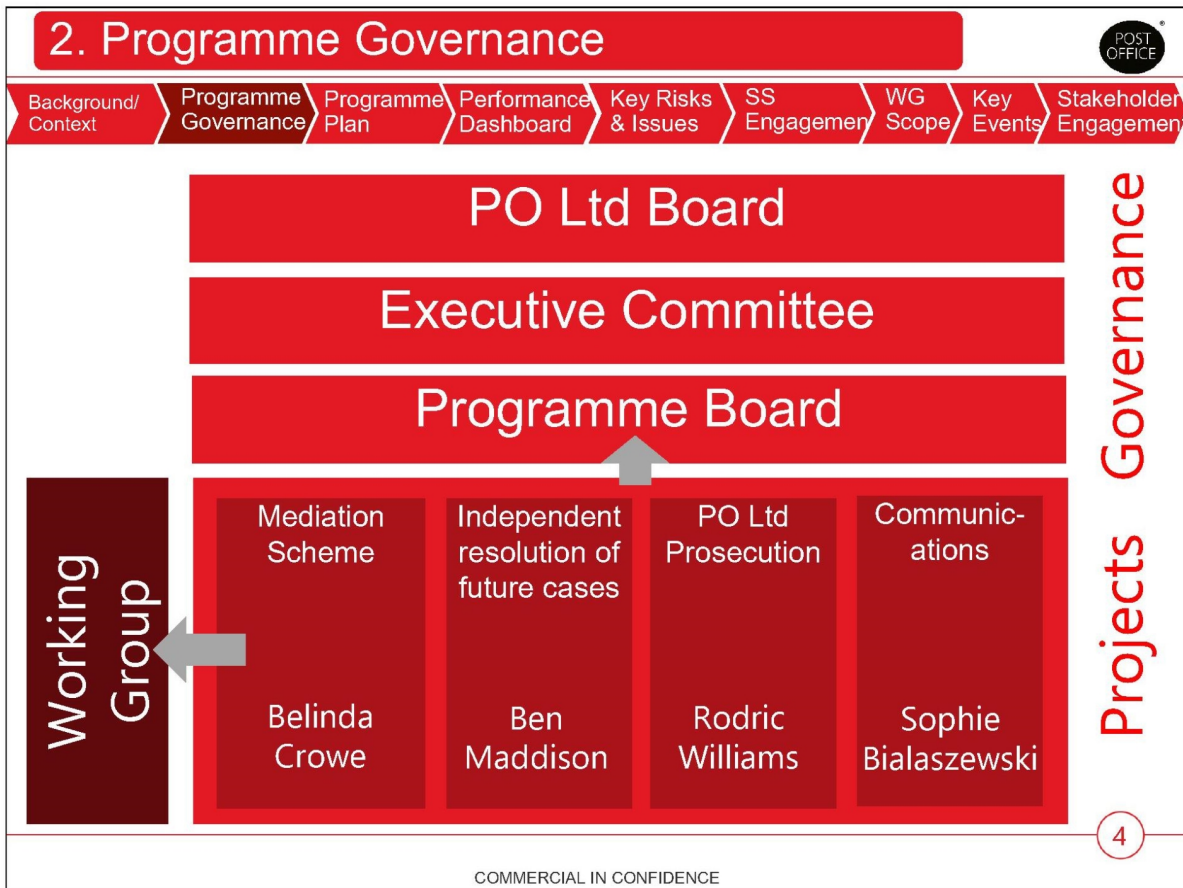


|         |                      |                |                       |                    |              |          |            |                       |
|---------|----------------------|----------------|-----------------------|--------------------|--------------|----------|------------|-----------------------|
| Context | Programme Governance | Programme Plan | Performance Dashboard | Key Risks & Issues | SS Engagemen | WG Scope | Key Events | Stakeholder Engagemen |
|---------|----------------------|----------------|-----------------------|--------------------|--------------|----------|------------|-----------------------|

- Programme is at a critical juncture
- 147 cases with large potential financial exposure with a very large expectation gap
- Post Office has no hard power and minimal influence and are paying the bills
- Hostile stakeholders including those directly engaged by Post Office
- Working Group asserting itself and seeking to re-engineer scope
- Process design driven by vested interests
- Resourcing challenge

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## 2.1 Programme Board ToR

Background/  
ContextProgramme  
GovernanceProgramme  
PlanPerformance  
DashboardKey Risks  
& IssuesSS  
EngagementWG  
ScopeKey  
EventsStakeholder  
Engagement

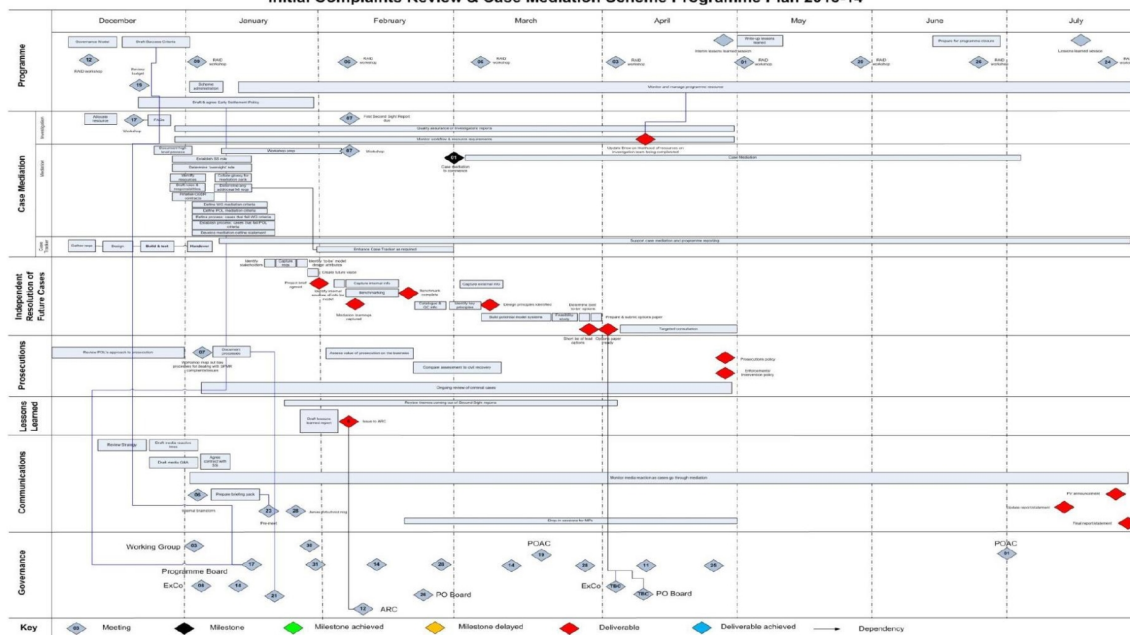
| Frequency  | Chair & Secretariat   | Core Membership   |
|--|---|---|
| <ul style="list-style-type: none"> <li>Fortnightly</li> </ul>  | <ul style="list-style-type: none"> <li>Chris Aujard, Chair</li> <li>Nicky Mal, Secretariat</li> </ul>   | Fay Healey (NED) Belinda Crowe, Angela Van-Den-Bogerd, Charles Colquhoun, Andy Holt, Rodric Williams, Andy Parsons, Sophie Bialaszewski, Jess Barker, Layla Wildon, Nicky Mal, David Oliver |
| Objectives   | Inputs  |   |
| <ul style="list-style-type: none"> <li>To provide the overall direction and management of the programme</li> </ul>   | <ul style="list-style-type: none"> <li>Programme Board reporting pack</li> <li>Key management information from case tracker</li> <li>Escalated risks or issues for review</li> <li>Draft deliverables for sign-off</li> </ul>   |   |
| Responsibilities & Accountabilities  | Outputs   |   |
| <ul style="list-style-type: none"> <li>Agree key programme artefacts including the programme plan and comms plan</li> <li>Ensure the appropriate coordination across the projects that comprise the programme</li> <li>Reviewing/signing-off deliverables</li> <li>To design the permanent solution for handling future cases</li> <li>Review civil and criminal cases</li> <li>Define acceptable risk profile and risk thresholds for the programme &amp; its projects</li> <li>Resolve issues between projects, which need the input and agreement of senior stakeholders to ensure the progress of the programme</li> <li>Own the resolution of risks and issues that the programme faces</li> <li>Ensure resource availability for programme activities &amp; resolve conflicts</li> <li>Resolve dependencies across programmes</li> <li>Define the success criteria for the programme</li> <li>Review programme budget every month</li> <li>Ensure the programme complies with Post Office data security policies</li> <li>Ensure suggestions for improvement/themes arising out of the programme are fed into the Business Improvement programme and vice versa</li> <li>Oversight of programme communications /PR</li> <li>Manage Second Sight's role in the programme</li> </ul> | <ul style="list-style-type: none"> <li>Agreed programme artefacts</li> <li>Signed-off programme deliverables</li> <li>Agreed mitigating actions for risks /resolution to issues</li> <li>Agreed escalations to ExCo</li> <li>Success criteria for the programme</li> <li>Minutes and actions</li> </ul> |   |

### 3. Programme Plan



Background/ Context   Programme Governance   Programme Plan   Performance Dashboard   Key Risks & Issues   SS Engagement   WG Scope   Key Events   Stakeholder Engagement

Initial Complaints Review & Case Mediation Scheme Programme Plan 2013-14



## 3.1 Programme Plan: Resources



Background/  
Context

Programme  
Governance

Programme  
Plan

Performance  
Dashboard

Key Risks  
& Issues

SS  
Engagement

WG  
Scope

Key  
Events

Stakeholder  
Engagement

- Overall cost of the programme - estimate £5m reasons why
  - Practicalities of manually managing 140+ cases through a scheme
  - Commitments to pay applicants to have advice
  - Process and timelines dictated by Working Group which meets weekly
- Internal staff - impact on NT
  - Investigators
  - Mediators



## 5. Key Risks & Issues – extracted from programme register



| Background/<br>Context   | Programme<br>Governance | Programme<br>Plan   | Performance<br>Dashboard | Key Risks<br>& Issues | SS<br>Engagemen | WG<br>Scope | Key<br>Events | Stakeholder<br>Engagemen |
|--|-------------------------|---|--------------------------|-----------------------|-----------------|-------------|---------------|--------------------------|
| Risk/Issue   |                         | Action(s) / Update  |                          |                       |                 |             |               | Owner                    |
| There is a risk that the JFSA &/or Second Sight disengage from the Working Group over the scope of Second Sight's role or the terms of reference for the Working Group                         |                         | PV will be engaging AH directly before the next face-to-face Working Group.   |                          |                       |                 |             |               | CA                       |
|  |                         | Post Office have reviewed all published materials; so far there are no grounds to justify the increase the scope of the Working Group.  |                          |                       |                 |             |               |                          |
| Second Sight and JFSA consider the scope of Second Sight work to extend beyond the Scheme and in any event, have taken a very wide view of Second Sight's investigatory role within the Scheme |                         | A letter of engagement has been drafted. Second Sight have declined to sign the current draft and have asked for a number of amendments to be made. Post Office is considering these. |                          |                       |                 |             |               |                          |
|  |                         | CA has opened discussions to consider engaging an alternative accountancy firm.   |                          |                       |                 |             |               |                          |
|  |                         | A paper will be drafted for ExCo, for onward transmission to the Board on the Scheme in general, covering the heightened risk and contractual relationship with Second Sight.         |                          |                       |                 |             |               |                          |

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## 6. Second Sight Engagement

Background/  
ContextProgramme  
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DashboardKey Risks  
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### **Second Sight engagement has been challenging and looks to be reaching a decision point.**

- Second Sight have refused to sign the terms of engagement that Post Office have proposed including the Board condition that they will not act against Post Office in the future
- Post Office is spending approximately £30,000 per month (£0.5M to date) and has only had one product – the interim report
- Four initial case reports originally due in January have not be delivered delaying the progression of these cases through the Scheme
- Second Sight continue to seek to widen the scope of their engagement across Post Office and will not agree to focus solely on the Scheme
- Second Sight capacity is limited (3 members of staff) and we have no assurance that they can cope with the coming workload.

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## 7. Scope of the Working Group



Background/  
Context

Programme  
Governance

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Stakeholder  
Engagement

- Post Office has always been clear that the Working Group's role is to ensure the Scheme is run in a fair and efficient manner. It will also be involved in making decisions on how particular cases should be managed through the Scheme only
- Working Group (at the suggestion of JFSA and Second Sight) is seeking a much wider scope allowing it to examine any issues that it sees as relevant across Horizon and Post Office's business
- The wider scope carries increased risk for Post Office as any attempt to restrict the scope will be met with hostility and accusations of attempting to fetter the independence of the process
- Post Office cannot allow the scope creep particularly given the challenges around controlling the engagement with Second Sight
- This is likely to lead to confrontation.

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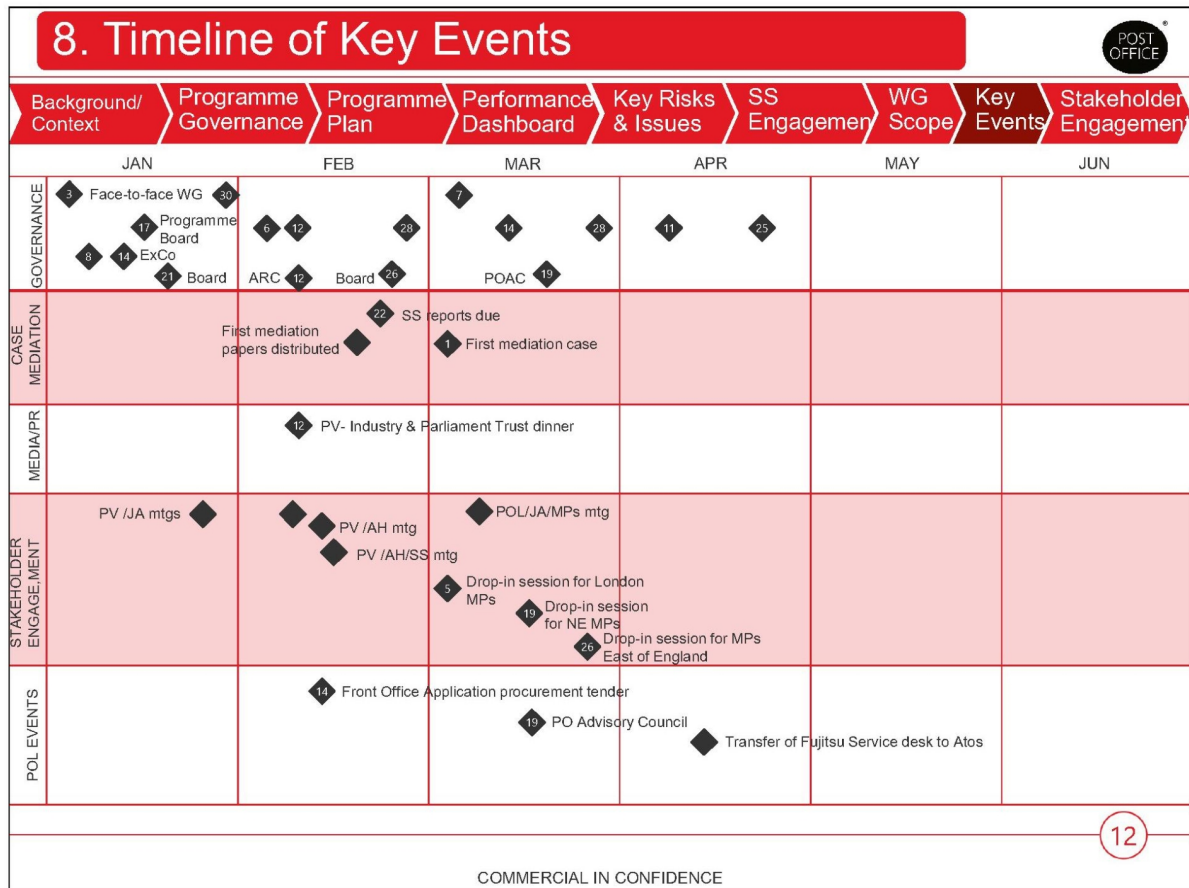
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1<http://media.postoffice.co.uk/News-Releases/Post-Office-statement-on-findings-of-interim-report-into-Horizon-computer-system-a0.aspx>

2<http://media.postoffice.co.uk/News-Releases/Post-Office-announces-independent-mediation-scheme-for-subpostmasters-8d.aspx>

3<http://media.postoffice.co.uk/News-Releases/Sir-Anthony-Hooper-appointed-as-independent-chair-of-working-group-overseeing-initial-mediation-sche-72.aspx>

4Case Review Mediation Pack(1).pdf





## 9. Stakeholder Engagement

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**In addition to our focus on Second Sight and JFSA we are taking forward two other key strands of engagement:**

**James Arbuthnot and other interested MPs** – Paula and Alice held a positive meeting with James Arbuthnot. A follow up meeting is being arranged for Mid March with James and other interested MPs.

**Anthony Hooper (Chair of the Working Group)** – Given the challenges posed by the other members of the Working Group maintaining strong relations with Tony will be critical. Paula is going to meet with him in the next few weeks to ensure we are well placed should relations with JFSA or Second Sight deteriorate further

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