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**From:** Alwen Lyons [GRO]  
**Sent:** Tue 10/03/2015 7:42:21 AM (UTC)  
**To:** Alice Perkins [GRO]; Neil McCausland [GRO];  
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**Cc:** Paula Vennells [GRO]; Alisdair  
Cameron [GRO]; Mark R Davies [GRO];  
Jane MacLeod [GRO]; Alwen Lyons [GRO];  
Neil Hayward [GRO]; Kevin Gilliland [GRO];  
Nicholas Kennet [GRO]; Martin  
George [GRO]; Gavin Lambert [GRO];  
David Ryan [GRO]; Belinda Crowe [GRO];  
Tom Wechsler [GRO]  
**Subject:** Additional Sparrow email to the Board

Please find below a message from Mark

Thanks  
Alwen

Dear All

I am attaching with apologies an updated version of of the Executive Summary in relation to today's announcement on Sparrow. The earlier version had a few words missing at the end.

It is worth stressing that we are likely to face some significant media and possibly parliamentary noise today. The strategy is to keep this to a minimum, hence we have pared back our public documents; our press notice is short and to the point.

There are however some journalists whose interest in this issue will mean they will find a way to report on it. Our hope is that we can restrict this and keep as low profile as possible.

We will update colleagues later in the day.

## 1. Executive Summary

1. The Post Office is an essential part of the fabric of the nation. It is of vital importance that all those who work in the business, and their customers, can have confidence in the systems which underpin its work.

2. In 2012, the Post Office commissioned Second Sight Support Services Limited to carry out an independent review of its Horizon computer system, which is supplied to the Post Office by Fujitsu Services Limited, in response to allegations by a small number of former Postmasters about the integrity of that system. Second Sight reported on their investigation in July 2013.

3. The investigation found no evidence of system-wide issues with Horizon and its associated processes. However, it did point to areas where the Post Office could have done more to

support Postmasters, for instance in the support they received. In response, the Post Office set up a Branch Support Programme which led to the introduction of a number of important new measures, set out in this report.

4. Following publication of Second Sight's conclusions in 2013, the Post Office also set up a Complaint Review and Mediation Scheme (the Scheme) to examine individual cases and, where appropriate, provide a forum to assist their resolution through mediation. The Scheme was set up in consultation with Members of Parliament (MPs), the Justice for Subpostmasters Alliance (JFSA) and Second Sight and overseen by a Working Group chaired by Sir Anthony Hooper, a former Court of Appeal Judge.

5. 136 cases were admitted into the Scheme. The Post Office has now completed thorough investigations into each one. Nothing has been found in any of the cases to suggest Horizon has not worked as it should.

6. Where the facts indicate genuine grievances, for example that the support provided in a particular instance fell short of the desired standards, those issues are being discussed with Applicants and a number of complaints have been resolved.

7. However, many cases are based on allegations which, following investigation, are not supported by the evidence.

8. Having completed all its investigations, the Post Office has now decided to put forward for mediation all cases remaining in the Scheme except those that have been subject to a previous Court ruling. This will accelerate the conclusion of the Scheme in the interests of Applicants and ensure that commitments made to Applicants at the outset are met.

9. The mediation process will continue to be overseen by the Centre for Effective Dispute Resolution (CEDR). The Post Office will also seek to continue to make an independent review by forensic accountants Second Sight, available to Applicants where this has not already been provided. The Post Office will also work with Second Sight to support completion of their further thematic report in order that it is available to inform the ongoing mediation process.

10. For those Applicants who have been the subject of court rulings, two important points need to be drawn out. Firstly, we will continue to consider each of these cases carefully, on a case by case basis, even though mediation cannot overturn a court's ruling.

11. Secondly, as prosecutor Post Office has a continuing duty after a prosecution has concluded to disclose immediately any information that subsequently comes to light which might undermine its prosecution case or support the case of the defendant. Having now completed its reinvestigation of each of the cases, Post Office has found no reason to conclude that any original prosecution was unsafe. Applicants remain able to pursue the normal legal avenues open to them to appeal court rulings with any further material disclosed to them, including that produced through the Scheme.

12. In all cases including those subject to court rulings, (if Applicants give their consent) the Post Office continues to be prepared to discuss individual cases, in confidence with relevant Members of Parliament or indeed to meet separately with individual Applicants to discuss their cases.

13. The approach set out above will help to bring the mediation process to a conclusion earlier than previously envisaged. It will also bring to an end the role of the Working Group which previously recommended whether a case is suitable to go to mediation or not.

14. It has been a long and difficult process to reach this position. However, while it has been challenging, it has also been productive. The Post Office is a better business for the steps that have been and will continue to be taken.

Mark Davies  
Communications and Corporate Affairs Director  
Mobile: GRO

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