

Witness Name: Mark Davies

Statement No: 1

Ref: WITN09860100

Dated: 10 April 2024

POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF MARK DAVIES

I, Mark Davies, will say as follows:

1. I am providing this witness statement following receipt of a Request for Information pursuant to Rule 9 of the Inquiry Rules 2006 – Request number 1, regarding my role as Director of Communications at Post Office Limited (“POL”), dated 23 February 2024.
2. I can confirm that I have had the legal assistance of Ashfords LLP in responding to this Rule 9 request.
3. Before I begin in answering the Inquiry’s Rule 9 questions, I want to say that in doing so, I am acutely conscious of the pain and anger of those innocent people who were wrongly accused and whose convictions have been found to be unsafe. No words from someone in my position will provide comfort, but my sorrow is sincere, and I extend my apologies to anyone who feels I played a part in prolonging their anguish in any way.

4. Much more is now known about the Horizon system and it is my profound wish that I and others had more of the reality before us when making key decisions. But we did not, and it is my firmly held view that we acted in good faith based on what we knew at the time. I would never have stated Horizon to be robust had I not believed it to have been.

BACKGROUND

5. I began my working career as a journalist at the Liverpool Daily Post and Echo in 1990 where I qualified with a Certificate in Journalism. I worked for the company for nine years in a variety of positions before joining the BBC as a Broadcast Journalist working on online news in 1999. I subsequently worked for CNN as a Duty Editor and then at the BBC again as a Senior Broadcast Journalist. In 2004 I joined HM Government as a special adviser working for the Leader of the House of Lords, moving to the Foreign and Commonwealth Office in 2005 to work for the then Foreign and Commonwealth Secretary. I moved with him to the office of the Leader of the House of Commons in 2006 and then to the Ministry of Justice in 2007 when he became Lord Chancellor and Secretary of State for Justice.
6. In 2010 I joined Rethink Mental Illness as Director of Communications, Campaigns, Information and Research.
7. I joined Post Office Ltd ('POL') in July 2012 as Communications Director reporting to the Chief Executive. This role sat on the Executive Committee of the business until 2014 when I stepped down from the committee as part of a

restructure, before being reappointed to the Group Executive in 2017 as Group Communications and Corporate Affairs Director. The Executive Committee was responsible for the day to day running of the business. My role was primarily to input on communications, stakeholder and reputational issues. The complaints around Horizon were regularly discussed. I believe that at all times these issues were handled at this level appropriately and in good faith.

8. After leaving POL in 2019 I have worked in communications for the World Wide Web Foundation and am currently Head of Communications and Campaigns for the Refugee Council.
9. I have a BA (Hons) in Psychology and Sociology from University of Lancaster (through study at what was then Liverpool Polytechnic and is now Liverpool John Moores University).
10. My role at POL covered internal and external communications, stakeholder relations and operational communications. It was a complex and demanding communications and stakeholder environment through the interplay between commercial, political, governmental, franchise and consumer interests. I led and managed a team of around 40 communication professionals across media and PR, internal communications, design and delivery, social media, franchise and Crown office communications, public affairs, policy and stakeholder engagement.

11. The demands on all functions was intense as POL embarked on a new future as an independent business. The range of issues which passed across my desk was broad, from a major programme of network transformation to regular industrial relations disputes and, of course, the Horizon issues. It is important to set out this context to underline the scale of the task facing the Executive and Board: in a nutshell it was to turn around an ailing and badly neglected business and ready it for the challenges of a rapidly changing commercial environment while maintaining its public purpose serving communities in every part of the UK. It also had to manage the demands of its Shareholder, much of which revolved around ensuring minimal branch closures, even where they were economically unviable. This was motivated by a political consideration, to ensure the number of branches did not fall below a notional level, set in reality by comparison with the work of the previous Government. This meant my team dealt with thousands of queries about the prospects for individual branches, amid huge political pressure to ensure they stayed open.

12. My approach to communications was to encourage the team to act as a check on the business, not simply providing information to journalists based on what we were told, but interrogating information and challenging it, and decisions, when we felt it was in the public and customer interest to do so. We did this on countless occasions and I am proud of the work the team did to stand up for customers and postmasters, sometimes in really difficult circumstances. I am happy of course to provide examples of this work.

13. A key priority was to improve communications with postmasters and their teams. In doing so we had to tackle a culture in some quarters, which wrongly placed postmasters in a subordinate role. This was compounded by the way post offices were dispersed across the UK, sometimes with very limited access to communications channels.

14. We put in place a number of initiatives to seek to improve communications between POL corporate and the branches, increasing two-way communication channels, visibility of senior leaders and improving digital channels of communication. Whilst we made some progress, I acknowledge that communications with postmasters could have been further improved. We had a culture in my team of continuous improvement and constantly seeking to build on the initiatives and improvements we had introduced. While much has been written and said about my POL colleagues, I wish to pay tribute to those with whom I worked in communications, who were professional at all times. I have no doubt we could have done more, but I am proud of the steps taken to seek to change to a more open culture, a mission which was led by Paula Vennells as CEO and supported by the Executive.

15. I became aware of complaints relating to the Horizon system in 2012 shortly before I joined POL. As I recall, a colleague where I previously worked highlighted the issues from a BBC article and following this I did some general basic due diligence on POL's reputation, including what was in the public sphere around Horizon and other issues.

16. It was clear when I joined POL, that in contrast to previous approaches, it was taking and continued to take the Horizon issues very seriously. From a technical standpoint, we were being reassured internally and by Fujitsu that Horizon was robust and it was my job to communicate this to postmasters, stakeholders and the wider public to retain the confidence of consumers and postmasters in the system as the allegations posed a very serious reputational, commercial and operational risk to POL. Millions of pounds go through post office branches every year and I believe that the organisation was right to take anything which could damage confidence in what was at that time a loss-making business, very seriously.
17. The decision to open up the business to external scrutiny, and subsequently to seek to mediate cases, were the actions of a business which took its responsibilities to its people very seriously. These initiatives, and others, were led with, in my opinion, integrity and care by Ms Vennells and with the support of the Board.
18. I attended the Board of POL on a regular basis to provide input on a range of communications and stakeholder issues. The complaints about Horizon and issues with the system were discussed regularly. I do not recall specific dates in relation to my involvement with the Board, but I did provide regular updates to Board members, including by email, on communication issues.
19. Issues relating to Horizon were addressed regularly at Board and Executive level, not least through the establishment of the various committees with

which the Inquiry is familiar. My recollection is that issues were always flagged appropriately at senior levels, though it is clear in hindsight that the Board and Executive and many others in the business, including myself and the communications team, were unaware of the range and extent of defects within Horizon which emerged in the Group Litigation.

20. I did not have any serious concerns regarding the functioning of the Board and Executive Committee. I had no specific concerns relating to any individuals who served on the Board and the Executive Committee. I believe I worked closely and effectively with the vast majority of Executive directors and Board members.

21. I also worked very closely with Shareholder Executive ('ShEx') and UK Government Investments ('UKGI') colleagues throughout the period covered by my statement. They understandably took a very close interest in communications and stakeholder issues. I had regular meetings with colleagues from ShEx and UKGI. Relationships were strong and collegiate. There was certainly concern from some in POL that their involvement in business issues was sometimes too great, and frustration was expressed that this could be time-consuming and resource intensive. My view was that ShEx and UKGI were understandably keen to ensure they were sighted on key issues in order to be able to address ministerial and other concerns, particularly given the acute political interest in a range of Post Office issues. Meetings with ministers and special advisers were regularly held on a range of issues, with ShEx and UKGI always involved.

22. I have been asked about an email (**POL00302459**) in which Mr Tim McInnes of ShEx is pushing me for a timeline for the publication of POL's "public purpose" statement, which was seen by ministers as a key step towards their proposals to mutualise the Post Office business. My concerns related, as I recall, around the timing of the announcement and a potential clash with matters relating to the Horizon issues. It would not have been in the best interests of securing media coverage for the public purpose statement if it was released on the same day as coverage about the Horizon issues. This debate was part of the 'bread and butter' of my role: debating and deciding when and how to publish details of new products or initiatives, and considering the external communications environment in doing so. Mr McInnes can speak for himself but I am sure he would agree that his intent was to seek coverage for the public purpose statement, as this was a key concern of ministers. I am sure he will also agree that our discussions were at all times courteous and collaborative.
23. Concerns around timings of communication were regular and are part and parcel of any corporate communications or government communications process.
24. I have been asked about my contacts with the National Federation of Subpostmasters ('NFSP') and the trade unions representing employees at the Post Office, the Communication Workers Union and Unite.
25. I had varying degrees of involvement with representatives of each, throughout my time at the Post Office, although the business had specific teams which

had direct accountability for engaging with the NFSP and the trade unions. My involvement, and that of the communications team, was primarily to engage with communications teams at the NFSP and trade unions on relevant issues, and to work with colleagues across the business on developing statements in response to relevant issues for external and internal use. For example, the Communication Workers Union ('CWU') regularly held strike action and my team would be central in developing media statements and strategies in relation to such action.

26. When I joined POL, it had just separated from Royal Mail Group and it was clear to me that it was finding its feet as an independent business, still developing many of its organisational structures and processes. The business was under significant commercial pressure as a loss-making organisation and under intense political pressure to keep branches open even where they were loss-making but served a critical purpose in communities. Administrative and governance processes could have slipped under the radar in this context but instead, significant and important work was undertaken at pace to establish the organisation as an independent business. The role of company secretary, which in my view was performed outstandingly by Alwen Lyons, was crucial to this.
27. In my view, the Board and Executive were diligent and effective in dealing with the issues relating to Horizon. Faced with an intense and demanding range of issues, it ensured that the business focussed on the complaints regarding Horizon by: appointing Second Sight; creating appropriate governance processes and structures; engaging with complainants and those

representing them; reviewing criminal cases; setting up the mediation scheme; advertising for more complainants to come forward; and engaging in detail with key stakeholders, particularly with ministers and the Shareholder. Ministers in particular had regular meetings. Indeed, the business sought more meetings than were ever granted, no doubt due to the pressure on ministerial diaries. Meetings were held at Secretary of State level as well as with Post Office Ministers..

28. These initiatives and steps were aimed at resolving the issues. Whilst there was frustration that this was another issue on an already strained corporate agenda, there was no desire to overlook it or try to avoid facing the important questions it raised. On the contrary, the sincere desire of all with whom I worked with was to try to find resolutions. In relation to my role specifically, what we could not accept - in the context of what we knew at the time – was inaccurate media coverage which damaged customer and postmaster confidence in a key delivery system.

29. I have always taken pride as a journalist and communicator in placing the truth above other considerations. I have never knowingly misled a journalist, no matter what their declared agenda, and have never and would never agree to issue information or comments which I knew to be untrue.

MPS MEETING (JUNE 2012)

30. In answering the Inquiry's questions about this meeting, I can confirm that I have reviewed the following documents:

**POL00096584, POL00096640, POL00295298, POL00295386,
POL00186944, POL00186945, POL00186952, POL00186953,
POL00186960, POL00186961, POL00186962, POL00296586,
POL00186969, POL00186970, POL00115877, POL00115879,
POL00296599.**

31. I joined POL in July 2012 so did not attend this meeting. As mentioned above, I had become aware of complaints around Horizon during my research in advance of joining the business.

32. I have been asked about the reference to me in **POL00295386** which is an email between Paula Vennells and Alice Perkins. The reference to 'NL' in this email is Norman Lamb, who was the then Post Office Minister. I imagine the reference to me is in relation to his role as a Liberal Democrat MP and my previous role with the Labour government of 2004-2010. I think the issue being debated is whether he would be unhappy about my appointment.

SECOND SIGHT (2013)

33. In answering the Inquiry's questions around this subject-matter, I can confirm that I have reviewed the following documents:

**POL00188908, POL00021515, POL00167883, POL00060603,
POL00167919, POL00296940, POL00296941, POL00189880,
POL00189881, POL00107951, POL00296993, POL00297032,
POL00029627, POL00190147, POL00190153, POL00190418,
POL00190419, POL00190423, POL00190424, POL00190546,
POL00190547, POL00297153, POL00297155, POL00297156,
POL00098997, POL00098998, POL00115946, POL00145205,
POL00145202, POL00191035, POL00191036, POL00099113,
POL00130409, POL00099117, POL00145267, POL00191689,
POL00191936, POL00161960, POL00108052.**

34. POL had in 2012 announced the Second Sight ('SS') investigation in response to the complaints. The complaints were not new, but the then Executive and Board of this period were the first to engage with them and to set out an intention to listen to complainants and investigate. The decision to set up an investigation through SS was fundamental to this.

35. It was of utmost importance to POL leaders to ensure the complaints were properly examined. This was based on a concern for those making the complaints and the nature of Horizon itself. The system was integral to the Post Office network and therefore critically important to the livelihoods of

thousands of postmasters and their staff, and to the millions of customers who used the Post Office every day. At the time there were more than 11,000 Post Offices and around 60,000 people registered and trained to use Horizon. I think I am right in saying around 500,000 people had used the system since its introduction. POL served a range of clients including Government, the banking sector and others. Any concern that the system did not work properly was taken extremely seriously for the very reason that it was so fundamental to so many people.

36. I have been asked whether POL prioritised complaints depending on who made the complaint. Although all questions and complaints were taken very seriously, inevitably, and often unconsciously, you might prioritise complainants over others depending on the seniority of the complainant. For example, a complaint from a prominent MP might receive greater attention. It is a common feature of stakeholder management strategies to consider an individual's position and standing when such complaints or indeed any other request is received.

37. In relation to SS, concerns were expressed about the quality of their work, as reflected in **POL00021515**. There was a feeling in the business that it was not as forensic and detailed as might have been expected. Nevertheless it was also regarded as clear from the interim report that they had not found evidence of systemic issues with the Horizon computer system. They did, however, raise concerns about the wider support and training offered to postmasters. I was asked at the Board meeting on 1st July 2013 to prepare

our communications approach for publication of the report: this will have included “Q&A” briefing for media queries, press release and stakeholder engagement.

38. I have been asked about the role of the organisation Brunswick. Over the course of my time at POL we would occasionally use public relations and public affairs companies to support our teams on a variety of issues from product launches to reputational issues such as this. I recall that we had support on this issue at different times from Portland Communications, Brunswick and Lexington. Teams from these companies would provide advice on media and stakeholder handling. Their role was to provide another pair of eyes on issues, to challenge us and to propose approaches to media and stakeholder engagement issues. Such input could be extremely valuable in terms of providing alternative views or proposals, and in assessing proposed internal approaches to media and stakeholder handling.
39. Following the findings of the SS Interim Report, and in an attempt to resolve the issues raised in that report, the Executive and Board created the Mediation Scheme to address these issues and give those making complaints the opportunity to set out their case.
40. I recall that on having read the Interim SS report, and in particular the accounts of the way people were treated when accused of misconduct, I felt very strongly that the business needed to find ways of addressing these

issues and giving people the opportunity to make their case. Ms Vennells shared my concerns and I recall that she called me when I was on a train going home on the day the report was published. She had also been reading the accounts of Postmasters who had been accused of theft and was appalled by the way they appeared to have been treated by Royal Mail investigators (POL at the time of most prosecutions, having been part of Royal Mail Group). I have no doubt at all that her concern was genuine. I shared her concerns and we had a discussion about ways in which to address this. Ms Vennells suggested we needed to find a way of creating some kind of “truth and reconciliation” process. I agreed and we discussed whether a mediation scheme of some kind might be an option. I do not remember who first suggested the mediation scheme, but **POL00192329** outlines my thinking at the time. I had been aware of mediation schemes in previous roles and so set out my ideas for consideration by colleagues. Another idea was the creation of an independent ombudsman.

41. Mediation seemed to me to be an appropriate and potentially effective way of addressing concerns and giving people the opportunity to make their case. In the event a number of cases were settled through this process, where training and support had been inadequate. This idea was not universally supported and of course it did not resolve issues as we had hoped. I am however pleased that we took it forward with independent oversight as a genuine attempt to resolve issues.

42. In terms of how we publicised the interim SS report, from a communications point of view, my primary goal was for the business to be open and transparent about the SS report. While it was interim report, it had not found systemic issues with the Horizon computer system, but was scathing about POL operations in other ways and had set out details of two bugs which the business had flagged to SS as part of the process. While these issues were difficult from a presentational point of view, I felt the business had a duty, especially as a publicly-owned business, to be open about this and to set out its commitment as a newly independent business to improve. To ensure complete transparency, we published the report in full on our website and issued a press release which was widely covered, not least by the BBC.
43. I have been asked about meetings I attended with Members of Parliament. I had dozens of meetings with MPs during my time at the Post Office but in terms of specific meetings on these issues, I recall at least three such meetings. One was with Paula Vennells, Alice Perkins, the now Lord Arbuthnot and, I believe Oliver Letwin MP. Another was a large meeting with a number of MPs and parliamentary researchers and finally, I also attended a meeting with the then Post Office minister Baroness Neville-Rolfe, Mr Andrew Bridgen MP and Mr Kevan Jones MP. My role at these meetings was to support the meeting in whatever way was most appropriate, taking part as appropriate, keeping notes and other duties.
44. I cannot recall what stage the SS investigation was at, but I think that the first two of these meetings were quite held close together and concerned a review of where we were with the SS investigation and attempts of the business to try

to resolve the issues it was investigating and had uncovered. In respect of the latter meeting, I recall that the minister had requested a meeting to try to bottom out and resolve these same issues. I remember that this was quite a difficult meeting.

45. I have been asked about discussions with colleagues from ShEx and later UKGI. I had hundreds of discussions and meetings with them on a very regular basis throughout my time at POL and cannot as a result recall specific meetings. I took time as part of my role to ensure that communications colleagues and others, including ministerial private offices, at the Business Department (BIS as it was known at the time), were aware of developments and had access to briefings. I also made contact with special advisers to ministers to ensure that they too had an open line of communication. The primary concern of colleagues from ShEx and UKGI was, as I recall, to ensure that POL was taking appropriate actions in relation to this issue. Colleagues from ShEx and UKGI had access to all briefings on these issues and prepared briefings on a regular basis for ministers. No material was ever to my knowledge withheld from them.
46. I have been asked about the role of external law firms such as Bond Dickinson. Rather like public affairs agencies, the role of external law firms as I understood it was to provide extra expertise, challenge and support.
47. POL's draft statement on the SS report can be seen in the email chain at **POL00296993**. Included in this statement it says "*Second Sight have*

confirmed there are no systemic issues in the computer system based on their initial review, but we will continue to work with them, and the JFSA, to examine other cases put to us.” I have been asked how this statement was formulated, including my view as to the accuracy of the statement that SS *“has concluded there are no systemic issues inherent within the system”*.

48. In answering this question I would like to set out how media statements were generally prepared. A first step, usually by the press office team would be to prepare a draft statement based on the report, and prepare draft quotes. This would then be circulated to relevant colleagues across the business: in this case that would mean colleagues working in Legal, Security, the network and IT. Discussions over the business’ response to the SS interim report therefore involved colleagues from across the business. The statement would then be agreed by all involved, issues addressed and if necessary debated, before being circulated to relevant Executive committee members for sign off. It may also be circulated to the Board.

49. SS’s interim report (**POL00002240**) set out its preliminary conclusion, that it had not found systemic issues with the Horizon system and therefore this was what we put in our statement.

50. I have also been asked about POL’s role in formulating external responses, such as that of the then MP and now Lord James Arbuthnot MP and Alan Bates. I recall only that relations with Lord Arbuthnot were such at this stage that we shared statements with his office and his office did the same with us.

This is common practice. Where a document states “speaking note for JA” this means a speaking note prepared for a POL colleague, usually the CEO, ahead of a meeting with Lord Arthbutnot.

51. I don't recall any discussions with Mr Alan Bates. Again, a briefing note might have been prepared for a POL colleague ahead of a meeting with Mr Bates. I would have been part of the preparations around any briefing note but I cannot recall any specific details or, indeed, if there was one prepared.

LESSONS LEARNED REVIEW (2013)

52. I can confirm that I have reviewed documents **POL00040032** and **POL00099574**. As I recall, the Lessons Learned Review was aimed at reviewing the handling of the SS work and report in order to improve ways of working and develop processes. This was standard practice.
53. I believe I was involved in the Lessons Learned Review as a member of the Executive committee responsible for a key area of work. I don't recall very much else about the review other than such reviews took place regularly as part of our governance approach and do not feel that I am able to add anything beyond that which is contained in the documents.

MEDIATION AND SPARROW GROUPS (2013/2014)

54. I can confirm that I have reviewed the following documents:

**POL00192329, POL00117034, POL00297858, POL00117036
POL00297860, POL00117038, POL00137340, POL00137330,
POL00137343, POL00137342, POL00145861, POL00137357,
POL00193377, POL00162003, POL00193515, POL00137388,
POL00145960, POL00298771, POL00138809, POL00158054,
POL00146314, POL00195309, POL00138735, POL00138741,

POL00116190, POL00196587, POL00137758, POL00300910,
POL00138112, POL00138147, POL00162134, POL00148075,
POL00006565, POL00025801, POL00148216, POL00304803,
POL00022128, POL00346789, POL00346790, POL00346791,
POL00346792, POL00021525, POL00006566, POL00027153,
POL00027369, POL00101478, POL00116744, POL0021274,

POL00101578, POL00308237, POL00308238.**

55. I have been asked to set out my recollection of the matters raised in **POL00192329**, including my level of involvement and influence in respect of POL's actions that followed the SS interim report.

56. This document is an email chain between myself and senior Board members which discusses media coverage around Horizon issues and SS's 'Part Two' Report. This email reflects a key point: we did not have evidence at this stage that Horizon was the source of issues flagged by the complainants at the time

(which was a much smaller number than now). Whatever our concerns over the treatment of postmasters in each case, there was no basis upon which to issue what I call in this email a “blanket apology”, but we did need to take steps to underline that we took these issues very seriously and wished to find ways of resolving the issue in a way which was fair to all parties.

57. The culture being developed in the business by Ms Vennells and Alice Perkins was around three values - care, commitment and challenge - and there was serious intent behind these words. This was a clear case where the newly independent business wished to show, authentically, that it was a responsible business which took issues raised by people within the business very seriously, and in line with its values. Clearly the underlying culture challenge was a significant one to overcome, and it is clear that we were not fully successful in doing so.

58. I have been asked about my involvement in the Weekly Steering Groups (both Subpostmaster Improvements and Mediations Steering Group and Sparrow Weekly Steering Group), and to explain their purpose, differences, and my views as to their effectiveness.

59. The Subpostmaster Improvements group was set up to co-ordinate and oversee the work underway to improve our work with branches, including communications but covering a range of issues such as the establishment of the Branch User Forum. The Mediations Steering Group was to provide a forum for senior colleagues to receive updates on progress with the scheme, while the Sparrow group, I think, included Board members and was aimed at

covering all aspects relating to the complaints about Horizon, from legal review to the Mediation scheme and more.

60. My role was to provide strategic and practical communications input (such as providing an overview of ways we could use internal POL channels to encourage postmasters to come forward with complaints or suggestions for improvements in procedures and practices: there was a strong ethos (set by Ms Vennells) within these meetings around lessons learned and service improvement for postmasters. Angela Van Den Bogerd was key to this work and an energetic advocate of delivering commitments to continuous improvement, such as through the Branch User Forum, improvement programme and the Post Office Advisory Council.
61. I have also been asked about my involvement in Initial Complaint Review and Mediation Scheme Monthly Steering Group and the Sparrow Sub Committee, its purpose and my views as to its effectiveness.
62. My recollection is that it was set up to provide a forum for colleagues involved in the scheme to report back on developments, ensure focus on strategy and act as a focus point for ensuring the executive and Board were kept informed as appropriate. It is worth emphasising that work on this issue was carried out in a highly collaborative manner.
63. I have been asked what I understand the reference to “scope creep” to mean within **POL00138112**. There was a concern that SS was seeking to widen the

scope of its work into broader territory than the Horizon computer system. My reading of this reference is that it was a suggestion that I needed to be aware of concerns in the Working Group about this alleged “scope creep” because of the communications and reputational issues it might prompt.

64. I have been asked about my recollections of the principal issues or concerns with the Working Group in late 2014 (if any).

65. My recollection is that the principal issue was around scope. There was concern that the work was bogged down and that the level of differences of view between the business and some postmasters, the Justice For Subpostmasters Alliance (‘JFSA’) and Lord Arbuthnot were risking the successful delivery of the approach. There was a concern that while the scheme had been enthusiastically endorsed at the outset, it no longer had the support of some of the postmasters, MPs and the JFSA. The business was unhappy with the quality of work delivered by SS but was mindful of ministerial commitments to keep them involved. There were concerns about costs and an expectation gap in relation to compensation between those raising cases and the business.

66. I have been asked to consider **POL00021525** and to set out my recollection as to the decision not to include details of Project Sparrow in the Annual Report and my involvement in this matter and my views as to the transparency of Project Sparrow more broadly. I vaguely recall a debate around this decision and I can see that I was party to this meeting, although I

cannot specifically remember it and so do not feel that I can add anything further than what is in the document. However, in terms of my recollection of the general approach to transparency of Project Sparrow, although I cannot speak for others, my intent was always to be as transparent as possible in respect of it. It was a 'catch all' for all of the issues around Horizon, as raised by the campaign.

SECOND SIGHT (2014)

67. I can confirm that I have reviewed the following documents:

**POL00100200, POL00100322, POL00116357, POL00088977,
POL00105634, POL00116409, POL00116426, POL00116445,
POL00116663, POL00101296, POL00101313, POL00101316,
POL00101325, POL00101329, POL00101336, POL00101333,
POL00101349, POL00101409, POL00101390, POL00211873.**

68. I have been asked to set out my recollection of issues concerning the continued involvement of SS. The reality of internal discussions around SS is that they focused primarily on the lack of progress the organisation was making. I was not aware of any attempt to skew their findings, rather a frustration with the quality of their work, the time it was taking and a concern about cost. There were also cases where SS did not want to mediate a case where Post Office felt it would be of merit to do so.

69. The desire was to find ways to expedite their work in a way which achieved multiple ends: to give each complainant the opportunity to set out their case and have a report conducted independently by SS on their specific case, reduce costs to the business and speed up the process. A number of complainants had withdrawn from the scheme and were setting out their intention to take their cases to the courts and the Criminal Cases Review Commission ('CCRC'), and it felt difficult in that context to continue the process as intended. There were differences of view over whether to mediate cases which had been through the Court system, through concern that mediation couldn't do the work of the Court. It should be noted that we eventually moved to offer mediation in all non-criminal cases with structured discussions offered in criminal cases.
70. I have also been asked what, if any, concerns I had regarding unauthorised disclosure (leaking) of SS's report and to detail any conversations with SS in this respect. We fully expected the report to be leaked and that was deeply regrettable, but I don't recall any conversations with SS about this.
71. Negative reporting of the SS report was frustrating but the business (rightly) put the underlying aims - to find a way of resolving and addressing complaints - before any presentational issues. My role was to do what I could with my team to protect and enhance the reputation of the business. I was being told that there was no reason to doubt the robustness of Horizon and therefore from my point of view, media coverage which stated that Horizon was not robust was not just bad from a reputational view, but was, I believed,

inaccurate. It was my job to seek to stop what I thought was incorrect reporting. To be clear, I would never allow anyone to say anything which I knew to be untrue. I am sure that had I seen any evidence that Horizon was not robust, I would have pressed the business and ensured that POL were transparent around any issues. I was always very proud that we as a communications team would not take what the business said at face value and had I ever been told that there were issues but I was not to disclose them, I would not have accepted that.

72. Coverage around these issues was at the time contained to some relatively low profile outlets. Executives and Board members were naturally frustrated to see the issue reported in a way which they felt was damaging to the business and unfair in terms of balance and impartiality but did not seek to change course because of this. The primary concern was the impact on the Post Office network and customers.

73. I was responsible as Communications Director for lines to take and approach of the media, albeit in collaboration with others across the business. I would make recommendations, take input and seek agreement.

REVIEW OF POL'S PROSECUTION POLICY

74. I can confirm that I have reviewed the following documents:

**POL00038679, POL00021522, POL00201355, POL00201356,
POL00030717, POL00100557.**

75. I have been asked about my recollections of the review of the prosecution policy, including its background, purpose and my involvement.
76. The question of prosecution policy was raised regularly by stakeholders and the Board agreed that it should be reviewed. Although I do not have a legal background, I believe the key issues under review were the processes for disclosure and expert evidence, because concerns had been raised in relation to disclosure of bugs and whether Fujitsu's expert witness could be called in any future prosecutions. I believe that I was asked by the CEO or General Counsel to be involved to provide advice on communications issues. I would have expected to have been involved, as I always was with major issues facing the business.
77. I believe the approach to the policy was appropriate though I was concerned that publicising a change in approach might have unintended consequences, and I think this is primarily why we did not proactively advertise the change in position. My role as ever was to provide communications and stakeholder handling advice. My personal view was that the position of Post Office leading prosecutions was unsustainable, but that it was important as guardians of public money to have processes in place for those occasions when regrettably criminal behaviour was suspected in branches. It was important therefore to maintain a position where there would not be a blanket policy of not taking forward prosecutions: to do so would mean some criminal behaviour not being addressed.

**BBC INSIDE OUT SOUTH / THE ONE SHOW / NICK WALLIS / TODAY
PROGRAMME / REPORTING IN LATE 2014 AND EARLY 2015**

78. I can confirm that I have reviewed the following documents:

POL00101851, POL00101626, POL00101629, POL00101655,
POL00101639, POL00101632, POL00101652, POL00101665,
POL00101668, POL00149925, POL00101671, POL00101675,
POL00101676, POL00101678, POL00149949, POL00101727,
POL00101750, POL00350207, POL00062342, POL00214317,
POL00214318, POL00101789, POL00101796, POL00308597,
POL00101851, POL00162239, POL00214744, POL00308640,
POL00308668, POL00308687, POL00150165, POL00101860,
POL00308728, POL00308735, POL00150216, POL00150228,
POL00150229, POL00308767, POL00150242, POL00350383,
POL00101884, POL00101892, POL00150292, POL00101897,
POL00308864, POL00101905, POL00101906, POL00101925,
POL00101926, POL00101931, POL00101505, POL00101519,
POL00101547, POL00101618, POL00101616, POL00101686,
POL00101698, POL00308413, POL00101984, POL00101987,
POL00109881, POL00029805, POL00102016, POL00102026,
POL00162252, POL00310902, POL00312123, POL00312322,
POL00351102.

79. I have been asked to detail my involvement in the above broadcasts / reports.
Due to the passage of time, I cannot recall any specific details beyond what is

contained in these documents, however the below outlines the usual process that my team would go through when involved in broadcasts / reports.

80. This topic covers a number of media enquiries, of which POL had hundreds every week on a range of topics. On each, journalists would ring or email the POL press office with questions and requests. These would be flagged internally to relevant colleagues and responses would be prepared and considered on each question, including whether to offer interviews. I don't recall the specifics of these cases beyond the evidence disclosed to me.
81. All of these media matters were flagged to me and I would flag them to the Executive and usually the Board. This was to ensure colleagues were sighted on the enquiry and its potential impact. This was a standard procedure for many (though not all) media enquiries. On this issue I always alerted the Executive because it was one of a number of core issues upon which I felt it was important to keep colleagues informed.
82. I have been asked what POL's position was in respect of allegations made and how this position was formulated. The approach to any media enquiry while I was at POL was the same: we sought to engage with journalists constructively and to be as transparent as possible. We always sought to provide information which was accurate and to meet media deadlines where reasonable. This was as true of this issue as any. Media statements and responses would be formulated through press officers engaging with relevant colleagues across the business as well as Fujitsu when relevant. Intended

responses were always circulated for approval from whichever Press Officer was leading on that particular issue.

83. We dealt with each interview request on its merits, taking into account a number of factors. Although we started from the basis of always wishing to take opportunities to set out the business' position, it was more difficult in respect of this issue, primarily because of our commitment of confidentiality to those involved in the mediation scheme. As a result, this made it very difficult to undertake media interviews. The decision for me to appear on the Today programme was for the following reasons: it was a very high profile media outlet, and we were conscious of its ability to set the news agenda; and we had declined a previous invitation which had frustrated the then Post Office minister who felt that our decision had led to her being called to answer an Urgent Question in the House of Commons. When the Today programme asked us to appear (and as ever such requests are made late in the day) we had limited time to consider our approach.
84. I have been asked about the use of the phrase 'robust' in respect of the Horizon system (in respect of the relevant matters/broadcasts/reports) and key conversations regarding this term. I do not recall where the phrase "robust" originated. I think it predated my arrival at Post Office. I do remember discussing it with colleagues and we sought to be clear in setting out that we recognised that Horizon, like all computer systems, was not perfect. This was a long-standing position. Given its role processing millions of transactions

each day, and more than 60,000 people using it, this felt eminently reasonable in the context of what we knew at the time.

85. I have also been asked where the view that the SS review "*found no evidence at all of any systemic problems with the Horizon system*" originated from. As noted above, I believe this was based on SS's statement in its interim report which states at 8.2 "*We have so far found no evidence of system wide (systemic) problems with the Horizon software*", as well as SS's ongoing work. The organisation did not find systemic issues, no doubt because like POL it did not at the time have access to all the facts.
86. I have also been asked where the view that people had "*faced lifestyle difficulties*" originated from. This was a phrase I used in a live radio interview on the BBC Today programme. I was trying to make the point that POL was sorry - genuinely - that people had faced challenges in their lives, but that it didn't necessarily follow that POL was responsible. This was a reasonable sentiment given what we knew at the time. The word "lifestyle" was obviously clumsy and unintended. For the avoidance of any doubt it was not scripted or planned. It was certainly not meant to cause offence. It was literally a slip of the tongue in a high pressure media interview and I am very sorry for any offence caused.
87. I have been asked about the investigations and enquiries I made to reach the conclusions as to the reliability of the Horizon system as communicated to the relevant broadcaster/publisher/journalist.

88. As noted above, POL had at the time a press office team which would lead on all press inquiries, reporting to me. They were a high performing and high quality team. They would ensure any query on this matter was flagged to me. They would lead on dealing with specific questions and interview requests, updating me as required. In doing so they would speak in detail to relevant colleagues within the business – specifically legal, network, security and IT – and Fujitsu as appropriate.
89. They would report back to me and we would discuss statements and information to be passed on to the journalist(s). I would also on occasion talk to Fujitsu and I spoke regularly on these matters to colleagues such as Angela Van Den Bogerd, Rodric Williams, various GCs and CIOs (General Counsel and Chief Information Officers), and network colleagues at all levels in the organisation.
90. In order to reach the conclusions as to the reliability of the Horizon system as communicated to the relevant broadcaster/publisher/journalist, as with any media enquiry, my team and I would interrogate relevant departments in the business, and often challenge them around proposed responses to media enquiries. As a publicly owned business POL, I believe, has a particular responsibility to seek to engage with the media, balancing that with commercial and other considerations such as confidentiality. On these issues, we worked with colleagues in legal, the network and IT to understand issues and prepare media responses, and also with Fujitsu through engagement with its media team.

91. As with many issues there were a range of views on how best to handle media matters. I always sought to take views as appropriate and relevant from a broad range of internal stakeholders. I do not recall any wild variances of view and overall there was a healthy spirit of collaboration across the organisation and while our public positions were carefully scrutinised I do not recall any occasion where a colleague expressed a view that the approach we were taking was flawed or inaccurate.
92. I have been asked about the involvement of POL's criminal law team (specifically) and wider legal team in formulating media responses. As I have set out above, my team and I always sought to involve all relevant teams and to consult with them in a collaborative fashion. This included the criminal law team and wider legal team. My own dealings were largely with General Counsel and Rodric Williams. If we got a media query, the Legal team would have the opportunity to comment on what we planned to say and, where appropriate, challenge or make suggestions. We took what they said extremely seriously as they were so close to the issues. It was a very collaborative approach and, importantly, we wanted to make sure that we did not say anything that was legally inaccurate.
93. I have also been asked about any liaison with Fujitsu. Most of the liaison with Fujitsu in relation to media enquiries was between POL press office and the Fujitsu press team, though of course there were many other specialist to

specialist contacts. I spoke on occasion to Fujitsu communications colleagues in order to share media strategies and to understand the company's position.

94. Overall, POL sought to adopt an accurate and constructive position in respect of each of the media engagements referred to above. Given the lack of interest from the vast majority of journalists, and the apparent lack of impartiality on the part of some of those covering the issue, we believed we were acting in good faith and appropriately based on the context of what we knew at the time. We never attempted to mislead or hide information.

95. I think the email at **POL00351102** reflects the nature of the reputational and communications challenge that we were facing in the context of what we understood the position to be at the time, having taken numerous steps to address the issues being raised. What it shows is that, contrary to allegations made by the BBC and others, there was no attempt to restrict any information. Our confidence in Horizon was clearly misplaced given what has subsequently come to light but we were certainly not discussing ways of trying to hide information as has been incorrectly alleged.

**WESTMINSTER HALL DEBATE, PARLIMENTARY SELECT COMMITTEE,
COMPLAINT REVIEW AND MEDIATION SCHEME, SPARROW AND SECOND
SIGHT'S SECOND REPORT (2015)**

96. I can confirm that I have reviewed the following documents:

**POL00109860, POL00040799, POL00040794, POL00063281,
POL00063284, POL00310333, POL00310334, POL00310347,
POL00218759, POL00218760, POL00101989, POL00116983,
POL00147208, POL00310427, POL00101996, POL00102062,
POL00151227, POL00102596, POL00025832, POL00117178,
POL00117179, POL00117180, POL00117181, POL00117183,
POL00314907, POL00314908, POL00110005, POL00151770,
POL00314999, POL00315015, POL00151487, POL00352604,
POL00314388, POL00314398, POL00102395, POL00314682,
POL00314683, POL00314724, UKGI00000018, POL00314730,
POL00314748, POL00315133, POL00102594, POL00088977,
POL00222354, POL00040911, POL00102257, POL00222816,
POL00222817, POL00222819, POL00117054, POL00117056,
POL00114415.**

97. I have been asked to set my recollection of POL's response to the Westminster Hall Debate, the Parliamentary Select Committee issues with the Complaint Review and Mediation Scheme in early to spring 2015 and SS's Second Report.

98. Like all colleagues at the time I took these events very seriously. There was a degree of parliamentary interest in this issue and it was important to us all to provide accurate and timely information to Parliament and its members.
99. I had responsibility for stakeholder relations and public affairs. Political interest in POL was and is very significant, with particular focus on branch issues. The relevant team in my directorate was responsible for relationships with MPs and other elected representatives and for the information we shared with them. In terms of the Mediation Scheme and the SS second report, my role was to assess the external and internal communications implications of developments and to develop handling strategies.
100. In relation to the Westminster Hall, the role of my team was to brief the ministerial team as required and guided by SHEx/UKGI and ministerial private offices, to provide briefings to MPs (both where requested but also proactively to seek to balance the debate), to monitor the debate, report back on its contents to the business (Executive and Board) and to follow up on specific points raised, as guided by Shex/UKGI and our own initiative.
101. I was the senior manager responsible for communications and stakeholder management. Co-ordinating and consulting with other senior managers, and sharing information and approaches with the Board was a key part of my role. I recall there was broad agreement in relation to the handling strategies we had in place for these events.
102. Fujitsu were regularly consulted and questioned by senior managers in all relevant departments at Post Office. In terms of my role this would involve

discussions between the Post Office media team and their opposite numbers at Fujitsu. These took place very regularly on all media and stakeholder issues.

103. We always sought to provide accurate and timely information. We took our role extremely seriously and this is reflected in the extensive briefing packs and responses to Parliamentary debates and engagement with parliamentarians. There was absolute determination on the part of all with whom I worked, from the Board and CEO, to ensure we provided accurate information in good faith.

PANORAMA IN SUMMER 2015

104. I can confirm that I have reviewed the following documents:

**POL00117439, FUJ00175240, POL00106919, POL00021535,
POL00316007, POL00152061, POL00316847, POL00132958,
POL00316995, POL00316997, POL00152164, POL00152166,
POL00152173, POL0031737, POL00317144, POL00117417,

POL00174335, POL00117421, POL00317228, POL00152230,
POL00317296, POL00174337, POL00174338, POL00065367,
POL00065369, POL00317372, POL00317411, POL00229964,
POL00229965, POL00152318, POL00317528, POL00152320,
POL00152358, POL00139146, POL00317647, POL00168269,
POL00230093, POL00162505, POL00162506, POL00174353,
POL00152708, POL00174370, POL00152713, POL00168291,**

**POL00174381, POL00174382, POL00173383, POL00174384,
POL00162568, POL00158226, POL00231025, POL00231031,
POL0016773, POL00174393, POL00231094, POL00065517,
POL00065519, POL00162598, POL00174396, POL00152809,
POL00174408, POL00158231, POL00174414, POL00231542,
POL00162623, POL00174423, POL00162628, POL00140211,
POL00110162, POL00065595, POL00162672, POL00162675,
POL00029893, POL00321816, POL00110277, POL00238305,
POL00110185, POL00029876, POL00043549, POL00176631,
POL00176632, POL00317613.**

105. We were contacted by Panorama about its intention to cover the complaints around the Horizon system in the normal way, through contact to the press office. The team alerted me and I will have made sure that the Executive and Board were aware, particularly given the higher profile of the Panorama programme than previous media enquiries.

106. My role was to set out strategy in relation to the Panorama programme. This was by far the most high profile media outlet to focus on the Horizon issues, with the potential to drive more media coverage through other BBC outlets. It is a programme with a reputation for taking a strong and campaigning approach to issues, meaning that getting a fair hearing for a position is more challenging.

107. I was therefore anxious to ensure that we considered all possible approaches to engagement with Panorama. Having been a journalist, I genuinely wanted to help them in producing a balanced and impartial report. This started from a desire to help the journalists making the programme in the hope – perhaps naïvely – that we might be able to reflect the Post Office’s sincere attempts to resolve the issues. In doing so however I was also – as demonstrated in evidence disclosed to the Inquiry – eager to be assertive in stating what I felt to be the Post Office’s right to have adequate time to consider questions, to make its points and to understand the motive for making the programme at a time when we were seeking to deal with the issues through the Mediation Scheme.

108. The confidentiality of the Mediation Scheme was a critical point and we were unhappy that the BBC wished to cover the issue when that was underway. It was also clear to us that Mr Nick Wallis was working with the Panorama journalists. Mr Wallis is a journalist who has covered these issues for many years and has been clear in his view that Post Office was in the wrong – that is his right, of course, but it naturally influenced the way we engaged with him, though we were always – I believe – helpful and courteous.

109. Regardless of all of the above factors, my team and I sought to engage constructively and transparently with Panorama journalists at the outset and we offered a meeting to answer their questions which went ahead. There was never any intent by myself or my colleagues to mislead any journalist. However, it is important to flag that at the time of this meeting I genuinely believed and had been assured that Horizon was robust.

110. We also offered to provide access to the Horizon system so that they could see how it worked – this was refused. We also suggested that the programme speak to postmasters who had used Horizon without issue, and to the NFSP, which represented 6000 postmasters at the time (and was never more than a critical friend to POL). Again, these offers were not taken up, which to me, further underlined the adversarial approach being taken by Panorama.

111. We were initially keen to ensure a Post Office leader appeared on the programme. We debated whether this would be Paula Vennells or Angela Van Den Bogerd. Eventually we concluded that due to the focus on individual cases, and own commitment to confidentiality, this would not be in the best interests of POL, so we issued a statement (**POL00152835**). This very full statement sets out very clearly, in my opinion, the POL position on these issues at the time and in the context of what we knew at the time. I do not recall how much of the statement was reflected in the Panorama programme but I do not believe it was very much.

112. I also persuaded the business to agree to propose to the BBC that we would share information confidentially on a lawyer to lawyer basis. This was also refused by Panorama. As a former journalist I understand why, but this was a further disappointment to us.

113. At this stage I switched strategy. It was clear to me that the programme would be very damaging to POL's reputation because it would be extremely difficult to ensure balance and impartiality. Working with the team, we then sought to raise objections to the programme through editorial and legal avenues. The

aim was to persuade the BBC not to run the programme. My role was to reduce reputational risk to POL and it follows therefore that I would take the view that if we could avoid the programme being broadcast that would be the best outcome. Again, this is with the backdrop that it was not just that I thought the Panorama would be damaging, but I genuinely believed it to be wrong.

114. All of the above actions were taken collaboratively as I worked closely with my team, the Executive, the legal, network and IT teams.

115. As the senior manager responsible for communications I ensured that the wider Executive and the Board were kept informed on developments and our strategy in relation to the Panorama programme.

116. We also had a lot of dealings with Fujitsu over Panorama's questions, specifically in relation to remote access. It is hugely frustrating to me that it now appears the information we were given was not accurate.

117. Every question relayed to us by the media was taken very seriously. Each and every one was investigated internally by the relevant departments and put to Fujitsu. While of course it is natural with hindsight to question myself as to whether I pushed enough internally, it is self-evident that me and my team could only rely on what we were told, and told in good faith. All criminal cases had been reviewed by external legal teams, and every case raised with us had been investigated by relevant Post Office teams.

118. I have been asked about **POL00117439**. It was a fundamental element of our internal communications approach that we sought to keep colleagues updated on all major developments impacting the business. We therefore made strenuous efforts on this and other major issues to keep colleagues informed. The teleconferences were part of this approach: these were conference calls where we updated senior leaders on the latest developments on an issue, in this case Horizon but others would have included industrial action, new partnerships and business performance updates.

119. I don't recall who asked for a "short script" as referred to in respect of **POL00117439**, but such requests were not unusual. Colleagues, and particularly those working in customer or client facing roles, would like to have a few speaking points to hand in case of questions about an issue seen in the media or elsewhere.

120. The Blast films reference (**POL00021535**) refers to a "fly on the wall" documentary called Signed, Sealed, Delivered, which was broadcast on the BBC. I do not recall the nature of the inaccuracies I was seeking to address but I do recall that following conversations with the documentary makers, changes were made and that while the programme - for which I was an enthusiastic advocate - was at times challenging for the business it was also a powerful and compelling piece of television about a business going through significant and sweeping change. The programme makers had wide, though not unrestricted, access to the business.

121. I have been asked about **POL00117417** and any conversations or communications that I had regarding its contents either with Rodric Williams or with any other person. I believe Rodric Williams was simply alerting me to the potential for emails such as this one to be subject to disclosure in the future. I took this as good governance on his part. I cannot recall any other conversations with him or others on this issue but it is worth noting that I spoke to Rodric Williams very regularly and worked very closely with him.
122. I have been asked about **POL00317411**, **POL00168269**, **POL00230093** and **POL00317613** and whether this type of divergence in views was typical. I don't really see these examples as particularly unusual. They appear to be colleagues expressing frustration with their boss (me) and that's hardly surprising. We had many debates and open communication in a pressured environment. It is very normal in such circumstances to occasionally disagree, but all such divergences of view were always resolved in a perfectly amicable way, as far as I recall.
123. As with any high profile media-handling issue there are sometimes differences of view over strategy and tactics and I have no doubt that my approach will have not always been supported by some colleagues, and that colleagues within my own team might have raised questions about my approach. This is entirely unsurprising to me. What I do know is that I welcomed challenge and listened to all views, and usually took them on board. I do not believe there were any major disagreements in terms of handling this issue.

124. I have been asked about **POL00162568**, **POL00231025**, **POL00231031** and **POL00174408** and why I understood Fujitsu were issuing “*a short line on the programme*”.
125. Our media team liaised with Fujitsu regularly and it was from those discussions we would have learned of the organisation’s plan to issue a “*short line*” as a statement to the programme on its allegations. I sometimes felt Fujitsu did not fully appreciate the seriousness of the allegations and I think I felt Mr Carter’s email was a little complacent.
126. I remember Elena’s email (**POL00174414**) and I know that we discussed it at a later point. I don’t recall the conversation in detail. I discussed these issues and media coverage with many internal colleagues.
127. I have been asked about **POL00174423** and **POL00162628** and what I understood the NFSP’s position to be on the matters raised in the broadcast and my view of the same. The NFSP’s leadership at the time of the programme were of the view that Horizon worked well and was robust. The NFSP represented around 6,000 postmasters and while the leadership was sometimes criticised (as all in such positions can be) their views were important and relevant. It was a matter of regret and bemusement that Panorama did not feel the NFSP had any relevance in these matters and did not interview them, or indeed any other dissenting voice, of which there were many, on the programme.

THE COMPLAINT REVIEW AND MEDIATION SCHEME

128. I have been asked to set out my views as to the status of mediation as at the summer/autumn of 2015 up until I ceased to be involved.

129. By this time the Mediation Scheme was in trouble. The Post Office was being accused of bad faith, which did not seem reasonable, and a number of complainants were refusing to take part. I think there was also speculation about plans to take cases down legal routes (which was always my hope given how little Post Office could do off its own bat in relation to criminal cases) including the CCRC. We were concerned about costs and the lack of agreement over which cases to mediate. In some cases POL was recommending mediation in cases where SS was not. There were also concerns about SS's independence. A clean break approach seemed to have merits. I supported the idea of moving all cases to mediation, with structured discussions for criminal cases, and the continuing involvement of SS in producing reports on individual cases.

THE JFSA AND GROUP LITIGATION

130. I can confirm that I have reviewed the following documents:

**POL00162572, POL00248073, POL00110699, POL00162581,
POL00163214, POL00024326, POL00021563, POL00281725 ,
POL00023602, POL00023604, POL00037062, POL00023606,
POL00023607, POL00023608, POL00023609, POL00023610,
POL00023611, POL00023612, POL00023613, POL00023614,**

POL00023615, POL00023616, POL00023617, POL00023618,
POL00023619, POL00023620, POL00023621, POL00023622,
POL00023623, POL00023624, POL00023625, POL00023626,
POL00023627, POL00023628, POL00023629, POL00023630,
POL00023631, POL00023632, POL00025507, POL00025508,
POL00025509, POL00025510, POL00025511, POL00025512,
POL00025513, POL00025514, POL00025515, POL00024807,
POL00029994, POL00029998, POL00023491, POL00024893,
POL00024982, POL00025167, POL00024893, POL000245978,
POL00024991, POL00025027, POL00025167, POL00025027,
POL00030002, POL00025209, POL00025417, POL00162285,
POL00091420, POL00110482, POL00027182, POL000258205,
POL00176667, POL00330037, POL00269076, POL00266515,
POL00266327, POL00243479, POL00243480, POL00118028,
POL00118026, POL00112596, POL00112591, POL00103574,
POL00030873, POL00103473.

131. I have been asked to set out my involvement with matters relating to the campaign by the Justice for Sub Postmasters Alliance and the Group Litigation and the Postmaster Litigation Steering Group.

132. My role was to provide advice on handling communications and stakeholder issues, including internally, and the delivery of agreed approaches to media enquiries and, to some extent, stakeholder engagement. I felt that the

Steering Group was an effective forum for ensuring collaborative working across the business.

133. I have been asked about the handling of and reaction to the Common Issues Judgment ('CIJ') - including in respect of recusal, appeal and decision-making from a communications and stakeholder perspective. A key issue for the business in relation to the CIJ was to provide reassurance and information to the branch network, and customers, in relation to the judgement. As with any major announcement or development, the role of communications was to ensure a structured and detailed strategy was in place. Such approaches were discussed and debated in detail among senior leaders from across the business. On recusal I was asked to provide a verbal brief on likely media and stakeholder reaction to the recusal request.

134. I have also been asked about the handling of and reaction to the Horizon Issues Judgment from a communications and stakeholder perspective. My departure from the business had been announced by this point and I was effectively on gardening leave. I made myself available to provide support and advice, but was not called upon to a significant degree. A significant amount of work had been done to prepare for the judgement.

135. I have also been asked about the handling of and reaction to the issue of remote access. I was intensely frustrated that the positions we took on remote access changed as new information came to light. No communicator wants to be in the position of having issued a position finding it to be flawed. But I am

as certain as I can be that when this happened we did the right thing in ensuring discrepancies in earlier positions were put right. We could only say what we believed to be the case at the time, on an issue which was complex and not necessarily relevant to specific cases.

136. I have also been asked about the handling of and reaction to the disclosure of the Known Error Log. In doing so I have referred to **POL00112591** and **POL00112596**, emails from Mr Ben Foat. This underlines that the extent of the Known Error Log was not revealed to POL until 2019, a matter of deep frustration to me because it means that I made misleading statements without access to all the facts. I believe the emails from Mr Foat and Mr Alistair Cameron accurately reflect both the substance of the disclosure and the emotion that many in the business felt when this information emerged.

137. I have been asked for my view as to the role lawyers involved in the Group Litigation had in respect of matters that involved communications, including identifying any relevant individuals. As I explained above, I considered legal involvement to be key. In my experience, I found the legal teams and colleagues I worked with to have the highest standards of probity. The lawyers I interacted with provided advice and guidance where it was relevant to communications issues. I have no recollection of lawyers trying to “instruct” communicators on content then dispersed to media or internally.

138. Conversely, I have been asked whether those involved in communications were involved in providing instructions in respect of the conduct of the Group

Litigation and for my views as to whether this was appropriate. I do not recall myself or anyone in communications providing instructions in respect of the conduct of the Group Litigation and I think it would have been inappropriate to do so. Communications is a critical element of any organisation but should act in service of the organisation, not as a decision maker on areas outside the communications profession. I think I was asked to review statements in relation to tone but nothing more.

139. I have been asked to set out the reasons for my departure from the business. I left the business in 2019 shortly after the arrival of a new CEO. I did not have a conversation with him about my leaving though I have read the email (**POL00103663**) which seems to suggest that he was unhappy that we did not secure more media coverage for announcements around the banking framework with the High Street banks and a new agreement with the Bank of Ireland. He did not discuss either of these issues with me directly. My recollection is that he and I only had two conversations of any length. In the second of these I told him about a personal issue, my diagnosis with blood cancer, which occasionally led to me attending hospital appointments. Shortly after this the then People and Engagement director set out the business' desire for me to leave. My role in the matters before this Inquiry were never mentioned beyond a request for me to provide support on the issue on a consultancy basis. I was not in fact called upon to do so to any great degree. I have the message which was sent by the then CEO to the business about my departure and would be happy of course to share it with the inquiry.

CONCLUSIONS

140. Thank you for the opportunity to make some general remarks.
141. I want to stress my belief that all of those with whom I worked most closely at POL addressed these matters in good faith. I know I did. There was no predetermined agenda and there was a desire to resolve these issues appropriately, no matter how uncomfortable that might be for the Post Office and its leadership. That we were not able to do so through the Second Sight investigation and the Mediation Scheme is a matter of profound regret.
142. Context is critical, if unpalatable, and I believe any group of executives and Board members would make the same decisions as those made during my time at POL in the context of the information and evidence available at the time.
143. As I have said, it is a source of huge personal frustration to me that misleading public statements were unintentionally made due to an apparent lack of transparency on the part of Fujitsu. In his judgement (*Alan Bates and Others v Post Office Limited* [2019] EWHC 3408 (QB)), Lord Justice Fraser (para 934) states “...*Fujitsu sought to keep from the court, and may not even have fully disclosed to the Post Office. Because the extent of these powers was kept secret in this way, the Post Office finds itself now having made misleading public statements previously.*” For me, this is the crux of the issue and appears to be the major failing: a lack of information flowing from parts of

POL and/or Fujitsu to the Executive, and in some cases misleading information.

144. It is clear that had we known more about Horizon much earlier, than these matters could have been resolved much earlier. I for one would have sought to ensure that appropriate actions were taken but I do believe that I did my best in good faith based on the information I had to hand.

145. My belief is that the same could be said for Ms Vennells. The leader I knew was one who has deep integrity and who was guided by deeply held personal values. She seemed to me to place these values at the forefront of her consideration of these issues. She was sincere in the efforts she led to try to reach conclusions. It was her and Alice Perkins, as Chair, who insisted on the business investigating in detail.

146. On a personal level, I will forever be grateful to Ms Vennells for the support she showed for me when I learned I was facing serious illness and I know many others, including postmasters, will say the same.

147. Alice Perkins as Chair of Post Office also, it seemed to me, wished only to find a way to resolve these issues appropriately and sought to do so tenaciously and with great care and an eye for detail.

148. I would also like to mention Angela Van Den Bogerd. I found her to be incredibly committed to public service and to the Post Office. She was detailed, thorough and empathetic. She was also, it seemed to me, committed

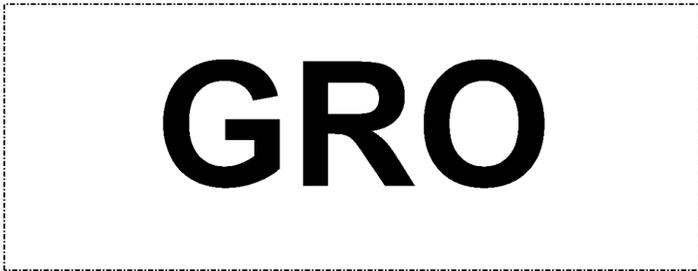
to getting to the truth, hampered by lack of the information we now have to hand.

149. As for me, I am not a technical or legal expert and had to rely on what I (and others) believed in good faith to be the case. I did not, as been alleged, seek to “cover up” issues with Horizon - indeed quite the opposite. But because I did not have access to all the facts, I clearly played a part in prolonging the pain and injustice for those innocent people who were wrongly accused or whose convictions were unsafe. I am deeply sorry for that.

Statement of truth

150. I believe the content of this statement to be true.

Signed:



GRO

Dated: 10 April 2024

INDEX TO FIRST WITNESS STATEMENT OF MARK DAVIES

No	URN	Document Description	Control Number
1.	POL00302459	Email from Tim McInnes RE: Public Purpose doc - 27/02/2014	POL-BSFF-0140509
2.	POL00295386	Chain of emails RE: External Review of SPM's cases and NL - 23/06/2012	POL-BSFF-0133436
3.	POL00021515	Post Office Limited Board Minutes of 01/07/2013	POL0000048
4.	POL00192329	Email chain between Susan Crichton and others – 19/07/2013	POL-BSFF-0030392
5.	POL00296993	Email from Ruth Barker to Nina Arnott, Lesley Sewell, Mark Davies & Others RE amendments to draft POL statement on Horizon System in response to Second Sight Report.	POL-BSFF-0135043
6.	POL00002240	Second Sight Interim Report	VIS00003254
7.	POL00040032	Post Office- Lessons Learned Review of handling of alleged issues/concerns about Horizon: Terms of Reference – 30/08/2013	POL-0036514
8.	POL00099574	Terms of reference for review of lessons learned from the handling of the Second Sight Investigation.-10/09/2013	POL-0099157
9.	POL00138112	Initial Complaints Review & Case Mediation Scheme Chairs Briefing for Programme Board – 04/02/2014	POL-BSFF-0000347
10.	POL00021525	Meeting Minutes: minutes for Board meeting held on 21st May2014	POL0000058
11.	POL00351102	Email from Mark R Davies to Paula Vennells Re: Sparrow	POL-BSFF-0176823
12.	POL00152835	PO Statement for Panorama	POL-BSFF-0011947
13.	POL00117439	Email from Louise Chatfield to Adam Williams, Alan Lusher, Alison Bolsover and others rein the loop - a Message from Mark Davies	POL-0114652

14.	POL00021535	Meeting minutes: minutes of Extraordinary Board Meeting held on 15th July2015	POL0000068
15.	POL00117417	Email from Rodric Williams to Mark Davies, Paul Swanton, Jonathan Knox and others re Panorama Planning	POL-0114649
16.	POL00317411	Email from Patrick Bourke to Melanie Corfield RE: Panorama- update	POL-BSFF-0155461
17.	POL00168269	Email from Mark R Davis to Melanie Corfield. RE: Fwd: Possible Statement to Panorama	POL-0163566
18.	POL00230093	Post Office Draft Statement for Panorama	POL-BSFF-0068156
19.	POL00317613	Email chain between Mark Davies/ Patrick Bourke/ Tom Wechsler RE: Letter from PV to minister. Includes draft letter to be sent from Paula to minister ahead of Horizon debate.	POL-BSFF-0155663
20.	POL00162568	Email from Mark Davies to Simon Carter, James Millen and cc'ing Melanie Corfield re: Panorama	POL-0150971
21.	POL00231025	Email from Mark R Davies To: Melanie Corfield re Panorama	POL-BSFF-0069088
22.	POL00231031	Email from Melanie Corfield To: Mark R Davies re Panorama	POL-BSFF-0069094
23.	POL00174408	Email from Mark R Davies To: Neil Hayward Re: Panorama	POL-0168404
24.	POL00174414	Email from Elena R Nistor To: Mark R Davies re FW: in the loop – BBC Panorama	POL-0168410
25.	POL00174423	Email from Paula Vennells to Mark R Davies, Nick Beal CC'd Neil Hayward and others RE; Panorama	POL-0168419
26.	POL00162628	Email chain from Angela Van-Den-Bogerd to Mark Davies RE: Panorama-Trouble at the Post Office	POL-0151030
27.	POL00112591	Email chain from Alisdair Cameron to Ben Foat cc	POL-0110061

		Nick Read and Mark R Davies Re: GLO-Disclosure Incident re. KEL logs	
28.	POL00112596	Email from Mark R Davies to Ben Foat, Nick Read, Alisdair Cameron, Re: GLO- Disclosure Incident.	POL-0110066
29.	POL00103663	Email chain from Tim Parker to Nick Read re: RE: Mark Davies	POL-0103246