

From: Johann Appel <[REDACTED] GRO>
To: Angela Van-Den-Bogerd <[REDACTED] GRO>, Catherine Hamilton <[REDACTED] GRO>
Cc: Garry Hooton <[REDACTED] GRO>, Lucy Bremner <[REDACTED] GRO>, Mark Underwood1 <[REDACTED] GRO>
Subject: RE: URGENT PLEASE- Information needed for GLO Horizon issues Trial
Date: Fri, 26 Oct 2018 13:43:04 +0000
Importance: Normal
Inline-Images: image005.png; image011.jpg; image012.png; image013.png; image014.png; image015.png; image016.png; image002.jpg

Angela,

As Garry has mentioned, this report precedes the existence of Post Office Internal Audit. In addition, we do not routinely track actions raised by external audit.

I will contact CoSec to see if the ARC papers and minutes provide more information. I will also look at subsequent EY reports to see if these findings were raised again in the following year.

Best regards,

Johann



Johann Appel
Head of Internal Audit
Ground Floor
20 Finsbury Street
LONDON EC2Y 9AQ

[REDACTED] GRO

From: Angela Van-Den-Bogerd
Sent: 26 October 2018 12:22
To: Catherine Hamilton <[REDACTED] GRO>; Johann Appel <[REDACTED] GRO>
Cc: Garry Hooton <[REDACTED] GRO>; Lucy Bremner <[REDACTED] GRO>; Mark Underwood1 <[REDACTED] GRO>

Subject: URGENT PLEASE- Information needed for GLO Horizon issues Trial
Importance: High

Catherine, Johann,

As part of the Post Office litigation, WBD our external lawyers are drafting our witness statements with us in response to allegations made by the other side. The one I need your help with in is respect of Jason Coyne, the Claimants' IT expert who refers to an audit document produced by E&Y in 2011 (see attached) which identified issues with the credence application, namely weak change controls within the back end of the systems allowing Logica developers (the third-party provider) to move their own uncontrolled changes into the production environment. He goes on to say that "further documentation to approve fixes and patches applied to Credence outside of the release process were lacking, therefore linking changes to issue tickets to record the original request for the bug fix was not possible".

We need to understand whether these comments are correct and whether anything changed in light of the report.

-

My expectation is that we as a business would have taken action as a result of these findings by E&Y and would have documented what that action was. I understand from speaking with Garry that we didn't have own POL internal audit function at the time as this was within the Royal Mail group structures.

Mark Hotson has already provided some information (email below) but that is about current practices rather than in 2011 following the E&Y report.

Could I ask that you both consider the initial request from Lucy (first email in chain) and provide responses from your respective areas that will help to provide an adequate response from us (POL) as part of the evidence we provide to the Court.

-

As I'm sure you'll understand this is urgent as we are on a court deadline to submit our witness statements by 4pm on 13th November but we need to get our draft statements to our Counsel early next week. So could I request that you give this your most urgent attention.

Any queries please come back to me in the first instance.

Thanks,

Angela



Angela Van Den Bogerd

Business Improvement Director

1st Floor, Ty Brwydran,

Atlantic Close, Llansamlet
Swansea SA7 9FJ

GRO

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From: Mark Hotson

Sent: 25 October 2018 18:56

To: Angela Van-Den-Bogerd <[REDACTED]>

Cc: Somita Yogi <[REDACTED]>

Subject: Fwd: Horizon issues - witness evidence [WBDUK-AC.FID27032497]

Hi Angela,

Just picked your email exchange up with Lucy.

Please find enclosed the response that I provided her with earlier today.

Regards,

Mark

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From: Mark Hotson

Sent: Thursday, October 25, 2018 11:17:24 AM

To: Lucy Bremner

Cc: Mark Underwood1; Jonathan Gribben

Subject: RE: Horizon issues - witness evidence [WBDUK-AC.FID27032497]

Morning Lucy,

Further to the below, I have discussed the attached document, specifically items referenced “12”, “13” and “14”, internally and provide the following updates. These responses are based on current knowledge as those consulted were also not employed by POL at the time when the audit report was written:

Generally, since the report was written there has been:

1. A change to the IT Supplier (from: CMG Logica to: Accenture).
2. An upgrade to the application (from: Business Objects v3.1 to: v4.1).
3. A re-platform of the underlying database (from: a mix of CMG Logica locally-hosted (non-production) environment and a Fujitsu hosted (production) environment to: Microsoft Azure cloud hosting for non-production and production.

“12 - Credence (back end) change process”

- *“Developers at Logica, the third party provider of application development and support for Credence, had access rights to the production environment and the database that would permit developers to move their own changes into the production environment.”*
- *“Documentation to approve fixes and patches that are applied to Credence outside of the release process does not always exist. We were advised by Logica personnel that for a sample of four changes selected evidence of approval to move into production did not exist and that it would not be possible to link the changes to problem tickets to record the original request for the fix / patch.”*

All changes* are under the control of Accenture and are subject to a robust Change Management process. *These changes include: fixes – planned and emergency, project changes and security changes. Each change is subject to approval at the “CAB” (Change Approval Board)

Further to this, as the hosting is now Microsoft Azure the implementation of patches and fixes are subject to Microsoft security best practices.

“13 - Credence (front end) change process”

- *“During our walkthrough of user administration of the front end of Credence we noted several users with administrator rights, including some generic users (this is noted below as a separate point). These users*

have the access rights to create and amend reports, including those which may be relied upon for audit evidence. These users can change report design, and processing without documented request, test or approval."

- *"When users have the rights to change reports that are used by the business for reconciliation, exception reporting or other processing, there is the risk that the reports are manipulated either intentionally or accidentally."*

Users with administrator rights now purely carry out administrator tasks only, i.e. no reports are created or amended by users with such rights.

In addition, a Power App has been implemented which logs and controls requests for change (new and existing reports) carried out by POL personnel. Similarly, requests for changes/new reports that are assigned to Atos information Services are logged and controlled via the Atos Service Catalogue.

"14 - Credence (front end) configuration"

"We noted several control weakness in Credence front end user administration and security configuration:

1. *The password configuration is not aligned with network settings or those settings required by Post Office. We noted:*
 - a. *there is no minimum password length*
 - b. *Password complexity rules are not applied*
 - c. *users are not required to change their password*
 - d. *password history is not retained*
 - e. *idle session time-outs are not in place"*

The below screenshot provides the current (as at 25/10/2018) Business Objects Central Management Console enterprise settings relating to passwords – this addresses the above:

Enterprise	
Password Restrictions	
<input checked="" type="checkbox"/> Enforce mixed-case passwords	
<input type="checkbox"/> Enforce numeral in passwords	
<input type="checkbox"/> Enforce special character in passwords	
<input checked="" type="checkbox"/> Must contain at least N characters where N is:	<input type="text" value="6"/>
User Restrictions	
<input checked="" type="checkbox"/> Must change password every N day(s):	<input type="text" value="30"/>
<input checked="" type="checkbox"/> The system cannot reuse the N most recent password(s):	<input type="text" value="3"/>
<input checked="" type="checkbox"/> Must wait N minute(s) to change password:	<input type="text" value="5"/>
Logon Restrictions	
<input checked="" type="checkbox"/> Disable account after N failed attempts to log on:	<input type="text" value="10"/>
Reset failed logon count after N minute(s):	<input type="text" value="5"/>
<input checked="" type="checkbox"/> Re-enable account after N minute(s):	<input type="text" value="5"/>
Synchronize Data Source Credentials with Log On	
<input type="checkbox"/> Enable and update user's Data Source Credentials at logon time	
Trusted Authentication	
<input type="checkbox"/> Trusted Authentication is enabled	
No shared secret available.	New Shared Secret Download Shared Secret
Shared Secret Validity Period (days):	<input type="text" value="0"/>
Trusted logon request is timeout after N millisecond(s) (0 means no limit):	<input type="text" value="0"/>
Update Reset	

- *"There are three generic administrator accounts without specific users assigned to these accounts. One of the three accounts has not been used since April 2009."*

Only 1 full Administrator account remains which is used for administrative activities only by the POL Credence Administrator.

- *"The process for requesting and granting user access rights to Credence does not maintain documentation to record evidence of request or approval of access rights."*

This activity is now governed and controlled by the IT Service Desk. Service tickets are used to log and control requests.

- *"There is no process in place for the revocation of user access rights when a user separates from the organisation or moves to a new role no longer requiring access rights to Credence."*

Housekeeping is actively performed on a regular basis and redundant user accounts are terminated accordingly.

With regards,

Mark



Mark Hotson
Senior Data & Process Specialist

Data Centre of Excellence

No1 Future Walk,

West Bars,
CHESTERFIELD

Derbyshire, S49 1PF

STD: GRO

Mobile: GRO

Annual Leave Advanced Notification:

24th December 18 – 11th January 19

From: Mark Hotson

Sent: 24 October 2018 15:16

To: 'Lucy Bremner' GRO

Cc: Mark Underwood1 GRO, Jonathan Gribben GRO

GRO

Subject: RE: Horizon issues - witness evidence [WBDUK-AC.FID27032497]

Hi Lucy,

Whilst I am more than willing to try and help I wasn't working in POL in 2011!

I'll come back to you in the morning after I've had some conversations internally.

Regards,

Mark

2017 Winner of the
Global Postal Award
for Customer

Mark Hotson
Senior Data & Process Specialist



Data Centre of Excellence
No1 Future Walk,
West Bars,
CHESTERFIELD
Derbyshire, S49 1PF

STD: **GRO**
Mobile: **GRO**

Annual Leave Advanced Notification:

24th December 18 – 11th January 19

From: Lucy Bremner **GRO**
Sent: 24 October 2018 10:11
To: Mark Hotson **GRO**
Cc: Mark Underwood1 **GRO**; Jonathan Gribben **GRO**
Subject: Horizon issues - witness evidence [WBDUK-AC.FID27032497]

Dear Mark,

As part of the Post Office litigation we are drafting witness statements in response to allegations made by the other side. I have been in contact with Paul Smith, who has pointed me in your direction in relation to one of the issues we need to respond to.

Jason Coyne, the Claimants' IT expert, refers to an audit document produced by E&Y in 2011 (see attached) which identified issues with the credence application, namely weak change controls within the back end of the systems allowing Logica developers (the third-party provider) to move their own uncontrolled changes into the production environment. He goes on to say that "further documentation to approve fixes and patches applied to Credence outside of the release process were lacking, therefore linking changes to issue tickets to record the original request for the bug fix was not possible".

We need to understand whether these comments are correct and whether anything changed in light of the report.

As we need this information urgently, can you let me know if you are the right person to answer this and if so, can we set up a call for later today/tomorrow morning to discuss?

Kind regards,

Lucy

Lucy Bremner
Associate
Womble Bond Dickinson (UK) LLP

d:
m:
t:
e:

GRO

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