

Confidential and subject to litigation privilege

Bond Dickinson

Rider: Remote Access

Section 5(B) – in relation to the factual allegation about remote access

- 1.1 The Letter of Claim makes a number of imprecise references to the idea that Horizon does not accurately record branch transactions and that Post Office has concealed its ability to edit branch data.¹ We repeat our above points about the need for your clients to provide proper particulars of these allegations if they are to be maintained.
- 1.2 There are a number of controls and processes in place to protect the integrity of data within Horizon. These include:
- 1.2.1 Each basket of transactions must balance to zero (ie. the value of goods and services vended much match the payments made / taken from the customer) otherwise the basket will not be accepted by the counter terminal in branch. This ensures that only complete baskets are recorded.
 - 1.2.2 Counter transactions are committed atomically (ie. a transaction is either successful in its entirety or it is not successful at all).
 - 1.2.3 A unique Journal Sequence Number is applied to "digitally sign" every counter transaction. This allows missing or duplicate transactions to be detected and remedied.
 - 1.2.4 Transactions data is stored in a central "audit store" which has controls to ensure the permanency of data and a data retrieval process which validates data integrity.
- 1.3 During the Scheme, allegations about Post Office remotely accessing / editing branch data were presented in many guises but always in vague terms. The different formulations of this allegation that our client has seen are as follows:
- 1.3.1 **Unrecognised transactions.** Some postmasters alleged that transactions were being conducted using a postmaster's user ID when a postmaster was not in the branch: the inference being that Post Office must have been doing something untoward. On investigation, it was found that there were no such transactions, that the postmaster had in fact been conducting the transactions or that there had been password sharing in the branch (ie. an assistant had been logging on as the postmaster and hence why the postmaster could not recall the transactions conducted in their name).²
 - 1.3.2 **Remote access to terminals.** It was alleged that Post Office had the ability to "remotely access" a counter terminal in order to conduct transactions. This allegation is understood to mean that a Post Office (or Fujitsu) employee could log on to a terminal in a branch from a different location outside the branch. To be clear: this is not possible.
 - 1.3.3 **Transaction data was generated or edited by Post Office / Fujitsu.** The majority of transactions that make up the branch accounts are generated in branch. A small number of transactions are however generated by Post Office (such as transaction corrections, balancing transactions, remittances of cash into a branch, etc.). There are also a small number of users at Fujitsu who have special permissions to access and edit, within strict controls, the core database tables that sit behind Horizon. These processes may obviously affect branch accounts and, in some sense, could be described as Post Office being able to edit branch records. However, some of these processes are highly technical and rarely used (such as access to database tables)

¹ Add XREFs TO LOC

² See for example Spot Review 6.

and others (like transaction corrections) are everyday operational practices familiar to many, if not all, postmasters.

- 1.3.4 **"Global Users" altering branch accounts.** Global Users are setup by default on Horizon in every branch. These are user accounts for Post Office staff to use when undertaking activity in a branch, such as training or audits. It is possible for these Global Users to conduct transactions within a branch's accounts. However, this access is only possible if the user is physically in the branch using a local terminal and the transactions would be recorded against the Global User ID.³ This access could not therefore be classed as "remote access" but could be seen, in a certain light, as an example of Post Office having the ability to edit branch data.
- 1.4 Given this variety of issues, you need to be much more precise about what you are saying Post Office is alleged to have done and why you believe that Post Office has allegedly misrepresented the situation (including what was said, by whom, to whom, when and in what context, for each individual Claimant).
- 1.5 Ultimately, no postmaster going through the Scheme was able to point to a particular transaction that they believed had been remotely edited or deleted by Post Office. Second Sight similarly could not find any evidence of this. Post Office maintains that the combination of technical controls in Horizon and operational controls at Post Office and in branch (including the need for postmasters to diligently monitor their branch accounts) provides satisfactory assurance that Horizon does accurately record transactions.

Paragraph 8.5 – in relation to the allegation that Post Office concealed its remote access capabilities and that therefore the limitation deadline should be extended

Amendments to original draft shown in yellow

- 1.1 At no point did Post Office conceal facts relevant to the Claimants' causes of action in relation any of the matters referred to in paragraph 125. You assert four ways in which Post Office allegedly concealed matters:
 - 1.1.1 You say that Post Office investigators disregarded problems with Horizon – a point we have addressed above. We cannot see how ignoring an issue amounts to a deliberate act of concealing information from your clients. If anything, by ignoring an issue Post Office would not have had the information in the first place in order to subsequently conceal it.
 - 1.1.2 You say helpline operators persistently said to postmasters that "*they were the only one*". No evidence has been advanced which shows that this statement was ever made. The idea that there was some form of massive conspiracy orchestrated by Post Office to make all its helpline operators lie to postmasters using these exact words to hide known problems is beyond ridiculous.
 - 1.1.3 You say Post Office has acted obstructively in refusing to disclose certain information. We have addressed Second Sight's particular requests for documents in Schedule 4 and this shows these requests were minor in the wider context. Against a background where Post Office has handed over hundreds of thousands of documents to third parties, including Second Sight and the CCRC, it is not sustainable to suggest that Post Office has operated a system of mass suppression of documents. In any event, we note Second Sight's views at the end of the Part Two Report:

³ Strictly speaking, the Global User ID is used to generate a new unique ID for the Post Office staff member and the new ID would then be used for training, audits, etc.

"...we wish to place on record our appreciation for the hard work and professionalism of Post Office's in-house team of investigators, working for Angela Van Den Bogerd, Post Office's Head of Partnerships.

*Our work would have been much harder and taken much longer without the high quality work carried out by this team. We have also received excellent support from the administrative team set up by Post Office to support the Working Group."*⁴

These comments make clear that Post Office has been anything but obstructive.

1.1.4 You say that Post Office has concealed its ability to remotely alter branch data but, for the reasons stated above⁵, this allegation is too imprecise to found the basis of an allegation of concealment as you have not specified what this means or how it was allegedly concealed. In any event, this appears to be a supplemental point of evidence and not a necessary fact needed to found a cause of action.⁶

⁴ Paragraphs 26.5 and 26.6

⁵ Add XREF

⁶ Arcadia Group Brands Ltd v Visa Inc [2014] EWHC 3561 (Comm): "The claimant must satisfy 'a statement of claim test': in other words, the facts which have been concealed must be those which are essential for a claimant to prove in order to establish a prima facie case. [...] Thus section 32(1)(b) does not apply to new facts which might make a claimant's case stronger."