

| <b>INVESTIGATION PROCEDURES</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <b>1.</b>                       | <p><b>PURPOSE</b></p> <p>This policy outlines the Investigation Procedures which must be adhered to by all Consignia Security Managers undertaking investigations.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>2.</b>                       | <p><b>LINK TO ACCOUNTABILITIES</b></p> <p>Security Managers</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>3.</b>                       | <p><b>POLICY</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>3.1</b>                      | <p><b>ENQUIRY METHODS</b></p> <p>These important aspects of investigation work are the subject of detailed training given to new entrants to the Security Community and comprehensive training notes are issued. Aspects dealt with in this chapter are, therefore, restricted to procedures which need to be applied.</p> <p>In normal course precise detective action will be at the discretion of the investigator to whom the case is assigned and/or at the direction of the appropriate line manager. There are three general types of investigation :-</p> <p>1. Enquiry: paper based enquiry initially. The Investigator should endeavour to ascertain the facts in an effort to solve the case. There is no compulsion to question anyone involved unless it is considered to be necessary or expedient. The factors that influence as to whether certain actions are required ie, interviewing of employees with access , obtaining witness statements etc are based upon the following:</p> <ul style="list-style-type: none"> <li>• the potential loss to Consignia business in value, reputation and customer retention,</li> <li>• quality and integrity of the information (intelligence) and the level of incident of , probability,</li> <li>• timeliness as to whether the incident reported is recent or not,</li> <li>• a named suspect.</li> </ul> <p>The enquiry can end at any level providing that the investigator has been able to satisfy the line manager that all relevant enquiries have been made taking into account the above.</p> <p>2. Investigations: Collection of facts in accordance with the Police &amp; Criminal Evidence Act and the other legislation.</p> <p>3. Authorised investigations: These are investigations in which a signed authority is required to conduct an investigation in accordance with the Regulation of Investigatory Powers Act 2000 (RIPA). A Consignia investigator will require written authority to conduct any surveillance or to use an informant. Other matters that come under this area are -</p> <ul style="list-style-type: none"> <li>• Communication data, such as billing data, metering of telephone calls, e-mail messages on Consignia equipment, pager messages and photocopying the covers of postal packets or listing addresses from covers. This does not include the contents of the data itself.</li> <li>• Testing the honesty of a Consignia employee should only be done after the inquiry stage has established and strongly indicates the inference of probability that 'A' is a thief.</li> </ul> <p>NB Where the suspect in a criminal investigation is a senior Consignia Manager, the Head of Security of the Business Unit concerned should be notified unless, in the opinion of the investigator, such disclosure may prejudice ongoing enquiries.</p> |
| <b>3.2</b>                      | <p><b>SURVEILLANCE EQUIPMENT</b></p> <p>It has been agreed with Consignia unions that watching galleries and CCTV will be used only for the purpose of detecting crime. If any serious breach of discipline is observed from a watching gallery or CCTV camera by an investigator, the appropriate manager should be told of it orally and confidentially</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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|                          | <p>in order that he/she can take appropriate action. If the in-discipline observed amounts to a breach of rules relating to security of premises, mails, stock, cash or official property, a report should be made to the office manager. Care should be taken in communicating this in order that the staff do not become aware of the surveillance operation.</p> <ul style="list-style-type: none"> <li>The RIPA requires that surveillance equipment is only used where it is proportionate to the crime being investigated and is not an unjust intrusion of privacy. The guidelines relate to galleries, CCTV, video/still photography, night vision equipment and binoculars and telescopes.</li> <li>Surveillance will only be conducted following appropriate authorisation in accordance with the laid down 'authorisation policy'.</li> <li>The Codes of Practice cover the use of any other surveillance equipment including audio equipment and relates to any instance where, in the course of an inquiry, a device is used to record or transmit a conversation without the knowledge of the other party/parties. Listening devices are also included. When it is intended to use such equipment, authority must be sought in accordance with 'authorisation policy'. It is advisable to consult with Legal Services to ensure the legality of the situation in the first instance.</li> <li>Local records may be required as evidence or unused material. If so, they must be kept in accordance with the Post Office Code of Practice under the Criminal Procedure and Investigations Act 1996. Otherwise they must be kept for two years before destruction.</li> <li>Instructions for the recording of evidence gained on observation is detailed in <b>Appendix 10</b>. This includes use of notebooks, dictation from another investigator and use of dictating machines.</li> </ul> |
| <b>3.3</b>               | <p><b>NOTEBOOKS</b></p> <p>Notes relating to an investigation should be made in official notebooks, however, they can be made in any format providing that they are transferred to an official notebook as soon as is practicable and the original notes are retained.</p> <ul style="list-style-type: none"> <li>Notebooks are issued by SIS against signature on form CS106 and details are entered on a central register.</li> <li>All notebook entries should be made at the time of the incident or as soon after as practicable; be individually signed, timed and dated with no alterations made. Unused headings and spaces are to be struck out.</li> <li>Supervisory checks of notebooks, supported by signatures, should be conducted on a regular basis.</li> <li>Copies of notebook entries must be produced in evidence in cases submitted with a view to prosecution.</li> <li>Completed notebooks must be returned to SIS where they will be securely retained for a period of 5 years from the date of the last entry.</li> <li>Where used in evidence, notebooks must be retained in compliance with the retention periods set out by the Post Office Code of Practice under the Criminal Procedure and Investigations Act 1996.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>3.4</b>               | <p><b>TESTING</b></p> <ul style="list-style-type: none"> <li>Authority to test must always be obtained from an authorising manager before a test takes place. This should be in writing with full reasons why the test is required. The authorising manager is also required to give their reasons for allowing the testing operation and should review the authority to ensure that it remains current and necessary. In exceptional circumstances an oral authority may be given with documentation completed in line with the authorisation guidelines.</li> <li>Entrapment is not recognised as a defence in England and Wales. The issue of entrapment is</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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however relevant to the question of fairness. Evidence may be excluded as unfair either under Section 78 of the Police and Criminal Evidence Act 1984 or under the common law. In 1988 the Court of Appeal Criminal Division stated in a Consignia case that the test was not entrapment or an agent provocateur case. The Court of Appeal went on to state that a test of the appellant's (formally the defendant's) honesty was put into effect, as indeed, in the experience of the Court, it must regularly be in these cases where suspicion falls upon an employee in a position of trust. In effect the Court of Appeal was distinguishing entrapment from a test to a defendant's honesty. The Courts are used to seeing Consignia tests being applied and regard them as a proper part of the investigation. The court was able to take this view because such care has always been taken over the applying of tests to the honesty of Consignia employees. A test is not done on the suspicion of an investigator alone. A *prima facie* case has to be made to an authorising manager (in accordance with investigation policy "Authority to Perform Surveillance") who, not being directly involved in the investigation but is conversant with testing operations and can make an objective assessment of the evidence before giving authority for tests to be applied.

- Authority to test must be reviewed every calendar month and then referred to the authorising manager for written consent for the testing operations to be extended. However, if properly constructed testing operations have been carried out on three separate occasions. If there are no indications of the suspect acting dishonestly, the case papers must be submitted to the authorising manager for review.
- A 'breakdown' is regarded as a case where a suspect is questioned about a missing test which cannot be found and the employee is restored to duty. In some cases the letter subsequently comes to hand and the doubts regarding the employee's integrity are not satisfactorily resolved. Line Managers should examine such cases critically in order that mistakes or poor planning can be corrected helpfully but effectively.
- Any persons used to assist in testing operations outside the Security Community must be volunteers and it must be made clear at the outset that their co-operation may involve an appearance in a Court of Law as a witness for the prosecution.
- A detailed record of the test letter should be maintained on form CS024. Reproduction of banknotes constitutes a criminal offence and under no circumstances should photocopying be used as a means of recording the numbers of banknotes contained in test letters.
- When it is necessary to use a genuine address in making up a test postal packet, either as the address of delivery or as that of the ostensible sender, the consent of the addressee, or other person concerned, must always be obtained beforehand.
- In some outside operations (e.g., prolonged observation) investigators are liable to be challenged by Police who, perhaps, see what appears to be suspicious behaviour on the part of the investigator's concerned or who receive complaints from observant members of the public. Inopportune challenges by Police in such circumstances may well prejudice the successful outcome of an operation but this can be avoided if the Police are notified confidentially beforehand.
- In PO Limited counter testing cases it is advisable to obtain two successful 'tests' where additional cash is given in counter transactions, to ensure that a counter clerk cannot maintain that a 'compensating accounting error' had been made if interviewed following one testing operation. Clearly though, individual circumstances might dictate the need for only one test (for instance, if a large amount of money is involved or if there would be significant delay in applying a second test).
- Tests should not normally be applied to the honesty of any person not directly employed by Consignia (i.e. Sub Office Assistants) without the knowledge of their employer, i.e. Subpostmaster etc.
- No member of Railway staff may be tested without the knowledge of a British Transport Police

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| 3.5                      | <p>Officer of supervisory rank.</p> <ul style="list-style-type: none"> <li>The rules relating to the disclosure of unused material to the Defence are laid down in the Criminal Procedures and Investigations Act 1996. Details of every test, successful or otherwise, must be revealed to Consignia Legal Services on forms CS006C or CS006D and if necessary on CS006E. This also includes details of any test made to the honesty of other members of staff during the course of the investigation. All written notes etc. made during testing operations will need to be listed on the forms CS006C, CS006D and if necessary on form CS006E.</li> <li><b>Investigators should ensure they are fully conversant with the rules on disclosure as set out in the Criminal Procedure and Investigations Act 1996 and the Post Office Code of Practice under the 1996 Act.</b></li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                 |                     |                |             |                        |
|                          | <p><b>MARKING OF COINS AND BANKNOTES</b></p> <ul style="list-style-type: none"> <li>Consignia Legal Services have advised that the marking of Banknotes and coins by Security Manager's for detective purposes does not constitute a criminal offence.</li> </ul> <p>Each Security Manager must maintain a written record of all marked coin held for testing purposes including its date, denomination and the exact place marked. Should such a marked coin find its way into circulation, then a relevant entry must be made in the die record and no coin of similar date and denomination should then be marked in the same place. In no circumstances must marked coins be passed from one Security Manager to another for testing purposes.</p> <ul style="list-style-type: none"> <li>If a die is transferred to another Security Manager, then that Security Manager must ensure that either the first die record is taken over or that no coin of a date prior to the transfer date is marked with the die. All transfers of marking dies must be centrally recorded.</li> <li>Marked coins must not be put into circulation, but must be sent to the Bank of England for destruction. In the event of a marked coin entering into normal circulation an entry must be made in the "official notebook".</li> <li>It is necessary to mark test banknotes with invisible ink in addition to recording the serial numbers.</li> <li>Bank of England notes - because they bear identifiable serial numbers - may be released into circulation.</li> </ul> |                                                                                                                                 |                     |                |             |                        |
| 4.                       | <b>Links to other reference material (policies, processes and procedures, etc.)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                 |                     |                |             |                        |
| 4.1                      | <b>Title</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Author</b>                                                                                                                   | <b>Located</b>      | <b>Version</b> | <b>Type</b> | <b>Policy No.</b>      |
|                          | Criminal Procedure & Investigations (PO Code of Practice)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                 | Library Appendix 10 | 1996           | Act         | 3.2/3.3/3.4<br>3.2/3.3 |
| 4.2                      | Police & Criminal Evidence (Section 78)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                 |                     | 1984           | Act         | 3.4                    |
| 4.3                      | RIPA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                 |                     |                |             |                        |
| 5.                       | <b>Document details</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                 |                     |                |             |                        |
| 5.1                      | Author :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Law & Legislation Programme Manager                                                                                             |                     |                |             |                        |
| 5.2                      | Owner :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Head of Corporate Security Programme                                                                                            |                     |                |             |                        |
| 5.3                      | Audience:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Security Community                                                                                                              |                     |                |             |                        |
| 5.4                      | Enquiry point :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Programme Manager, Law & Legislation, Corporate Security, 4 <sup>th</sup> Floor, Impact House, 2 Edridge Road, CROYDON, CR9 1PJ |                     |                |             |                        |
| 5.5                      | Effective from :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | May 2002                                                                                                                        |                     |                |             |                        |
| 5.6                      | Review date :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | May 2003                                                                                                                        |                     |                |             |                        |
| 5.7                      | Last updated :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | April 2002                                                                                                                      |                     |                |             |                        |

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| 6.  | Assurance Details      |                       |           |
| 6.1 | Name                   | Policy Assurance Team |           |
| 6.2 | Business Unit          | Various               |           |
| 6.3 | Assurance Date         | April 2002            |           |
| 7.  | Final Review           |                       |           |
| 7.1 | Approved by            | P A Booth             |           |
| 7.2 | Documented (Hard Copy) | YES/NO                | Location: |
| 7.3 | “ (Electronic)         | YES/NO                | Location: |