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**From:** Thompson Laura (Shareholder Executive)[/O=BIS PRODUCTION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=73D8709345C441479F0D7E2ADCE207C9-LATHOMPS]  
**Sent:** Fri 24/07/2015 4:14:04 PM (UTC)  
**To:** Callard Richard (ShEx)[GRO]  
**Subject:** FW: Second Sight's Briefing Report - Part Two

Laura Thompson | Assistant Director | Shareholder Executive

GRO

GRO

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**From:** Thompson Laura (Shareholder Executive)  
**Sent:** 24 July 2015 14:37  
**To:** Neville-Rolfe MPST  
**Cc:** SpAd Javid MPST; Freeman MPST; 'O'Driscoll, Katie'  
**Subject:** RE: Second Sight's Briefing Report - Part Two  
**Sensitivity:** Private

Andrew

cc. Katie, Rob

As discussed, please see my comments on this email from Second Sight to George Freeman, forwarded to your Minister by Andrew Bridgen MP. I would appreciate it if the Minister could see these alongside the email from Mr Bridgen. I am copying to Nick King's office as I understand he will be attending the meeting with the Minister next week to discuss next steps.

1. Ron Warmington, Managing Director of Second Sight, has emailed George Freeman MP regarding Second Sight's reports into the Post Office Horizon system. Mr Warmington states that he disagrees with the summary that Second Sight's reports demonstrate no evidence of systemic flaws within the Horizon system which could cause the issues reported by applicants to Post Office's mediation scheme. Mr Warmington directs the Minister to several paragraphs in Second Sight's final report which he feels demonstrates that Horizon, in the totality of the user experience, is flawed.
2. While Second Sight's report was never designed to be published, it was nevertheless leaked after it had been sent to applicants. The last Government, following the previous BIS Select Committee's recommendation, agreed to receive a copy of the report from Post Office. This was provided in April, along with Post Office's response to the report which they published to correct factual errors and inaccuracies. Officials have seen both of these documents.
3. Firstly, I would emphasise that our position is not to arbitrate in this matter – it is a commercial matter for the Post Office. As shareholder, we expect Post Office to operate commercially and to handle operational and legal matters such as this one without Government intervention, which would be unnecessary and inappropriate. As you are aware, Post Office has a dedicated team working on this and the Board (on which we are represented) also provides scrutiny on this matter. POL's General Counsel, who joined in January this year, has reviewed the situation with a fresh pair of eyes and is content that POL's position is correct.
4. Following Mr Warmington's email, we have looked again at the paragraphs he has highlighted in Second Sight's report. The statement that "there is no evidence of systemic flaws within the Horizon system" remains correct. This is a position we have stated repeatedly, including in Parliament, so it is unclear why Second Sight are choosing to raise this now. We are happy to provide further detail on the specific points raised if Ministers require.

5. If Government were to opine this matter, in general or in respect of particular cases, it would be right for us to seek independent advice. Our strong recommendation remains that Government intervention is neither necessary, proportionate or appropriate.
6. If, as Second Sight and other parties (including Andrew Bridgen) claim, there is evidence of fault in the system, then this evidence will be available to applicants and to the Criminal Cases Review Commission. Any applicant to the scheme will have received the reinvestigation report from Post Office and the individual review of their case by Second Sight, and they are free to pursue any avenues available to them including a civil claim, an appeal of their conviction, or submitting their case to the Criminal Cases Review Commission. These claims are a matter of law and it is not the role of Government to intervene – nor indeed does Government have the locus to do so.
7. Mr Warmington's email states that in providing a copy of his report to the Minister, he is not breaching Second Sight's confidentiality agreement. We trust this is correct, although we have not seen Second Sight's confidentiality agreement with Post Office. However the fact that Second Sight, an independent adviser, have chosen to engage with (among others) Parliamentarians and Ministers directly, without informing Post Office, gives cause for concern. For these reasons we would recommend making Post Office aware of this matter. It is worth noting that, even if in these present circumstances Second Sight are acting within their confidentiality agreement, Second Sight have previously breached the agreement on more than one occasion.
8. Finally, to address Mr Bridgen's point in his email that other applicants to the mediation scheme have felt "insulted" – while they may feel this way, I would note that mediation is not led by Post Office. In line with best practice, mediations have been facilitated by independent, trained and experienced mediators from the Centre for Effective Dispute Resolution.
9. We have some time available on Wednesday to discuss this issue and the next steps for Government. As part of this we should consider if and how the Government should respond to Mr Warmington's email.

Thanks

Laura

Laura Thompson | Assistant Director | Shareholder Executive

GRO

GRO

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**From:** Neville-Rolfe MPST

**Sent:** 24 July 2015 10:57

**To:** Thompson Laura (Shareholder Executive)

**Cc:** Neville-Rolfe MPST

**Subject:** FW: Second Sight's Briefing Report - Part Two

**Sensitivity:** Private

Laura,

As discussed – please find attached the e-mail from Andrew Bridgen.

Kind regards

**Andrew Smith**

Private Secretary to Baroness Neville-Rolfe, Parliamentary Under Secretary of State and Minister for Intellectual Property

[GRO] [GRO] | [mpst.neville-rolfe@bis.gov.uk](mailto:mpst.neville-rolfe@bis.gov.uk) [GRO]

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**From:** BRIDGEN, Andrew [GRO]  
**Sent:** 24 July 2015 09:56  
**To:** Neville-Rolfe MPST  
**Subject:** FW: Second Sight's Briefing Report - Part Two  
**Sensitivity:** Private

Dear Andrew,

Can you please see that the e-mail below reaches the Minister as it contradicts statements by the Post Office. I have spoken to my constituent about the mediation however he has chosen to decline this again as he has spoken to colleagues taking part who felt they were insulted throughout the process.

Kind Regards,  
Andrew

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**From:** Ron Warmington [GRO]  
**Sent:** Wednesday, July 22, 2015 9:27 AM  
**To:** 'george.freeman.mpst@bis.gov.uk' [GRO]  
**Subject:** Second Sight's Briefing Report - Part Two  
**Sensitivity:** Private

Dear Mr Freeman:

I am puzzled, and not a little distressed, by your summarisation, in your recent email to Mr Ian Warren, and more importantly in Parliament, of my firm's Interim and Part Two Reports (there were, in fact, three Reports). You have summarised our Reports with the following words: "*Second Sight have produced two independent reports, in 2013 and 2015, both of which demonstrate that there is no evidence of systemic flaws within the Horizon system which could cause the issues reported*". That is NOT a correct statement. I respectfully

draw your attention to paragraphs 21.27 and 26.8 of our Report, and to the following additional paragraphs:

9.3; 9.6; 9.12; 10.10; 11.8; 13.8; 21.3; 21.4; 21.8; 21.30; 21.31; and 22.10.

You may have noted, from reading our Reports, and also from Post Office's Rebuttal Documents, that Post Office has continually focussed attention on *the system itself* (i.e. 'Horizon', and its successor system, 'Horizon Online'), and even more narrowly on the *software*, rather than on the *entirety of the operational platform used by its Subpostmasters*. It follows that even if there had never been any systemic flaws in either version of the system (that being a contention with which we do not agree), that would not mean that the operational platform as a whole was always fit for purpose for all of the tens of thousands of users. As we have stated in our Report, it was not.

I have attached here a copy of our Briefing Report - Part Two. In that copies of this Report are already in the public domain, releasing a further copy to you does not constitute a breach of our Confidentiality Agreement.

I am available at any time, subject to the constraints imposed (by our Confidentiality Agreements with Post Office) on my firm, myself and on my colleagues individually, should you call for any clarification.

With best regards,

**Ron Warmington CFE, FCA**

Managing Director

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