

Confidential and legally privileged advice

*Bond Dickinson***Access to suspense account data****Summary**

- SS believe that POL's suspense account may be operating in a manner that causes monies to be taken as extra profit by POL when in fact they should have been returned to SPMRs.
- POL has responded to this general question by way of two formal papers to SS. POL's position is that so long as a SPMR operates their branch correctly, they will not be disadvantaged by the operation of the suspense account.
- It has however taken Post Office 6 months to reach a decision on whether to provide SS, as they have requested, with the accounting records of the amounts taken from suspense to profit.
- During this time, POL has been trying to understand how this data will assist SS investigate individual cases given that:
 - The suspense account data reflects network-wide or client-wide movements of money – it is not branch specific information. To get to a branch level, the source of monies in suspense needs to be tracked back through various other accounting ledgers – this is a complex exercise.
 - The data only shows movements of money – it does not explain why the money has moved or whether the movement was correct.
- SS is still yet to provide a clear explanation of how reviewing the suspense account data will assist in resolving individual cases.
- POL's reservations in providing free access to the data are:
 - Commercial sensitivity – the data reflects errors by clients that may be disadvantaging their customers.
 - Privacy – branch level data is arguably regulated personal data under the DPA.
 - Volume – the volume of data is massive. Flooding SS with the data would not be useful and may in fact delay SS' other work.
 - Utility – it is generally considered that providing the data will not assist SS.
- Following a recent meeting with POL's CFO, suspense account data is to be provided to SS in controlled stages. At each stage, SS will discuss its investigations with the CFO and have to show that disclosure of extra data will further those investigations.

Chronology

Date	Event
20 May 2014	At a Working Group meeting, SS pose a question about whether discrepancies in Bank of Ireland accounting could be taken into profit at the expense of a subpostmaster. From this initial question, arose the issue of how the suspense account operates.
16 June 2014	At a Working Group meeting, Tony Hooper directs SS to put their question on discrepancies and suspense accounts in writing to POL.
18 June 2014	By email, SS ask POL to explain how its suspense account operates, in particular: <i>"Could any Subpostmasters have been charged by POL for amounts that became incorporated in suspense account balances that were subsequently taken into profit by POL or by any of its Counterparty Companies, or that remain as credit balances on the Balance Sheet of POL or of any of its Counterparty Companies?"</i>

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	This initial query does not contain any request for any data.
29 July 2014	POL addresses SS' question in its paper dated 29 July 2014.
30 July 2014	In response to the paper, SS asked for " <i>details of month end balances for this account for the last 3 years together with details of amounts released to P&L</i> "
16 September 2014	At a Working Group meeting, POL notes that it has received no feedback from SS on the suspense account issue save for a request for data. SS is asked by Tony Hooper to clarify in writing why they need details of the amounts released from suspense to P&L.
1 October 2014	In response to Tony Hooper's instruction, SS send an email to POL explaining why they need the data.
17 October 2014	At a Working Group meeting, Tony Hooper directs POL to provide details of movements from suspense to P&L. He also directs SS to discuss with POL what further information it requires on this issue.
30 October 2014	At a Working Group meeting, Tony Hooper notes that he has still not received an answer on the suspense account issue. It was explained to the WG that SS and POL had agreed to meet the following week to discuss what further information SS required on this question and any other thematic issues.
14 November 2014	POL and SS agree that SS should submit a complete list of questions on which they need answers in order to complete their Part 2 Report – this is to include the suspense account issues.
9 December 2014	SS send to POL their list of questions. This includes a significantly wider range of requests for new types of data in relation to the suspense account.
6 January 2015	POL respond to SS' questions saying that the requests in relation to the suspense account were too wide and that SS needed to better explain how the data would assist them.
9 January 2015	At a meeting to discuss POL's answers to SS' questions, SS explain that they needed the suspense account data in order to understand how the suspense account operated. They considered that they could interrogate the data and spot patterns.
14 January 2015	At a Working Group meeting, POL's answers to SS' questions are considered by the Working Group. Tony Hooper confirms that some of the questions are too broad but directs that SS have a meeting with POL's finance team in relation to the suspense account issue.
27 January 2015	POL sends SS revised answers to their Part 2 questions on 27 January 2015. In relation to suspense accounts, POL states: <i>"In light of the discussions had with Second Sight and clarifications given, Post Office is working with Second Sight to provide an appropriate response to this request."</i>
30 January 2015	POL sends its second Suspense Account paper to SS. This paper includes the net totals of the movement of monies from Suspense to P&L in partial satisfaction of SS' request for data.
2 February 2015	SS meets with POL CFO to discuss POL's paper and the provision of further information. POL agree to provide a more data to a greater level of detail but not the full data requested by SS until SS can show that the information will lead to a constructive outcome.

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