

Project Sparrow – 05 January 2016**Chairman's Review**

1. The barristers' investigations into the adequacy of Scheme processes are now in their final stages, and a first draft report is currently being reviewed by the QC, Jonathan Swift. We expect Jonathan to have completed his review by the end of this week, at which point the draft will be sent to the Chairman for his consideration. The three of them will then meet to finalise the report, likely in the second half of the month.

Possible litigation

2. Freeths have responded to Jane MacLeod's request that they clarify the terms of their engagement by the JFSA. Their reply confirms that litigation is being "*contemplated*" but that they are not yet in a position to issue a Letter of Claim, and give no indication as to when they might be. Rodric Williams is drafting a response, with a request that they identify the possible claimants, so that Post Office can preserve the relevant documents.

BBC

3. We are escalating our complaint about the August Panorama Broadcast to the BBC Editorial Complaints Unit, which reviews complaints independently of the programme makers, having received inadequate responses to our previous letters. We are also seeking to ensure fairer treatment of Post Office should there be further reporting.

Case Statistics

Applications to the Scheme		150
Applications rejected (ineligible)		4
Cases resolved prior to entry into the Scheme		10
Cases accepted into the Scheme		136
No. of cases not suitable for mediation: 48	Cases POL found unsuitable for mediation	42
	Cases the WG found unsuitable for mediation	2
	Cases closed owing to a missing / ill applicant	4
Residual		88
No. of cases suitable for mediation: 88	Cases resolved during investigation	5
	Cases resolved prior to mediation meeting	2
	Cases resolved at mediation	22
	Cases not resolved at mediation	20
	Cases mediated but not yet concluded	0
	Cases with CEDR with a date for mediation agreed	9
	Cases in which POL offered to mediate but the applicant refused to mediate / engage with POL (includes e.g. Alan Bates)	7
	Cases with CEDR with a date for mediation agreed but where the applicant has since decided to withdraw from the process	23
Residual		0

Mediations

4. As at 05/01/2016, 39 cases have been resolved, 22 of which have been resolved through mediation. The remainder were resolved either prior to Scheme entry (10), mid Scheme (5) or prior to a mediation meeting taking place (2).
5. In total, there have been 42 mediations that have taken place to date, with 52% of these being resolved. A further 9 mediations are scheduled to take place between now and 1 February 2016, at which point, from an operational perspective at least, the formal, external-facing, part of the Scheme will come to a close.
6. 30 applicants have, for a variety of reasons, chosen to withdraw from mediation (23 of which having previously settled on a date since 4 September). We believe this to be the product of a range of reasons, rather than attributable to a single event/belief, including:
 - More realistic advice being provided to Applicants by professional advisers as to the merits of their respective cases;
 - The need to substantiate assertions made in front of an independent mediator;
 - A late realisation that the Scheme is not a compensation Scheme, but a mediation Scheme; and
 - Pressure from JFSA (or those close to it) to hold out for a better deal (presumably compensation) as a result of a class action and/or Government intervention.
7. Many of these cases would not, save for our decision in March 2015 to commit to mediation in all non-criminal cases, have proceeded to mediation in normal circumstances.

Ex Gratia payments

8. Of the 39 cases have been resolved either through mediation or other routes (e.g. mid scheme, prior to mediation etc), 26 involved ex gratia payments, totalling £209,000. The range of payments made is £461 to £50,000.

DSARs / CCRC

9. As at 05/01/2016, there have been:
 - 23 cases referred to the CCRC, of which 19 are from Scheme applicants; and
 - 47 DSARs (44 are from Scheme applicants). All of which, with the exception of two which were received in December 2015, are now closed, save for the electronic files held by Second Sight.

Costs

10. At the end of Period 12 14/15, Sparrow had an aggregate spend of c.£7.4m since August 2013. We currently estimate 15/16 spend to be below £3m.