

MP Cases Review of Horizon

Update March 2013

1. Summary

- 1.1. MPs have now submitted 28 cases for review. JFSA has had submissions of circa 60 cases.
- 1.2. As the number of cases is higher than expected, Second Sight, in agreement with JFSA, has adopted a spot review approach to help them narrow down the cases that require full investigation. James Arbuthnot is aware of this approach.
- 1.3. Second Sight has observed common problems or themes across the cases submitted. The spot reviews are designed to investigate these problem themes.
- 1.4. Due to the extended scope, Second Sight has stated that they will not be able to complete the review before the summer recess, as requested. The final cost is now expected to be approximately £300K.
- 1.5. Second Sight will provide an update to James Arbuthnot and approximately 6 other MPs on the 25th March. (Alice and Post Office Colleagues have now been invited to this session). They will give an update on progress; comment on the positive relationships developed, and may explain the emerging problem themes.
- 1.6. We are at an early stage with cases, Second Sight have collected the evidence from subpostmasters and are now asking the Post Office for explanations and views, so at this stage themes will be emerging to challenge Horizon, as referred to in James Arbuthnot's letter.
- 1.7. Challenges: Media communications, containing budget and timescales.

2. Scope – Number of Cases

- 2.1. MPs have submitted 28 cases.
- 2.2. JFSA has had approximately 60 cases submitted to them. JFSA and Second Sight are reviewing these to determine which ones will be most useful for the investigation. From the 60, we are expecting 20 to 30 to be finally submitted into the review.
- 2.3. We have now passed the cut-off date for evidence submission. No further cases will be accepted.

3. Spot Reviews

- 3.1. Rather than carry out a full examination of each case, the investigators have adopted a preliminary step of conducting spot reviews. This process has been agreed with JFSA and James Arbuthnot has been informed.
- 3.2. A spot review examines a specific problem identified in a case. The evidence for that problem is documented and passed to Post Office for comment.

- 3.3. Some cases will generate several spot reviews as they could cover several problems.
- 3.4. In total we expect to receive around 30 spot reviews.
- 3.5. To date we have received 3 spot reviews. A team is working on the responding to the questions raised.
- 3.6. The team comprises of representatives from P&BA, Network, Legal, IT, Security and Fujitsu (for data extraction and technical assistance).
- 3.7. The three spot reviews received are from the Yetminster and South Warnborough cases (James Arbuthnot and Oliver Letwin's constituencies).

4. Common Problem Themes

- 4.1. Through examining, cases and taking evidence, Second Sight has identified 8 common problem themes.
- 4.2. These are problems that occur across multiple cases. The investigators believe that these problems themes warrant further investigation.
- 4.3. The problem themes are listed below:
 - Transaction anomalies following communications or power failure
 - Transactions not entered by SPMR or staff
 - Missing or duplicated transactions associated with Postage Labels, Phone Cards, GIRO payments, ATMs or Cheques
 - Training and Support issues
 - POL team at Bracknell
 - Loss of Audit Trail
 - Accounting issues at end of trading period
 - Contract between POL and SPMRs

5. Time lines and Cost

- 5.1. The investigators have informed Post Office that, due to the large number of cases, the investigation will not complete before the summer recess as requested by Post Office. The most likely completion date is mid-Autumn.
- 5.2. To date, the investigation has cost Post Office £130K.

£110K	Second Sight
£20k	Millnet (for document scanning).
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£130k	Total spent to date

- 5.3. Fujitsu continue to extract the data and provide technical assistance at no charge.
- 5.4. Second Sight originally agreed to undertake the investigation for £100K at a time when we were expecting 6 to 12 cases. Second Sight now expects the total cost to be approximately £250k.
- 5.5. It is expected that the total Millnet charge (for document scanning) will be £50k.

6. James Arbuthnot meeting

- 6.1. Second Sight will provide an update to James Arbuthnot and approximately 6 other MPs on the 25th March.
- 6.2. They will give an update on progress. This will include noting the positive relationship developed with JFSA, the openness of Post Office, and explain the problems themes that have emerged.
- 6.3. By the 25th March Post Office would not have had time to respond to any/many of the spot reviews, so in effect the problems/allegations will be without a defence.
- 6.4. Specific cases will not be discussed and sub-postmasters will not be named at the meeting.
- 6.5. It is expected the JFSA will also be present.
- 6.6. Alice and 'colleagues you deem it appropriate to invite' have also been invited to the meeting

7. Challenges

- 7.1. The timing of the meeting on the 25th poses a communications challenge. The MPs will no doubt communicate the problem themes that are emerging, without Post Office having, at that point, had time to respond to the evidence. A communications plan will be developed to address this issue.
- 7.2. To ensure true investigative independence, Post Office has been careful not to control the timelines of the investigation. This has resulted in a slower pace, and larger scope than we would have liked. The cut-off date for evidence will now bound the scope of the investigation. We will continue to work the investigators to adopt a prioritization process to minimise the risk of further delay.