POL00098189

Message

From: Andrew Winn GRO
Sent: 10/05/2013 08:26:25
To: Chambers Anne O GRO
CC: Dawn Wall GRO ; Duty Manager GRO
Subject: RE: Local suspense POL 238 - explanation

Hi Anne

We are trying to find a trace of it in POLSAP. Once we understood the problem we resolved under bau. If we can't we can take a call on whether it is relevant – technically it does not relate to this issue but.....

Andy

From: Chambers Anne O GRO
Sent: 09 May 2013 14:44
To: Andrew Winn
Cc: SSC Duty Manager
Subject: RE: Local suspense POL 238 - explanation

Andy,

Thanks for letting me know.

I wonder if any clearing up was done subsequently on POLSAP for branches which had Settled Centrally amounts of less than £150? (when actually they had Made Good Cheque?). I've found a spreadsheet of affected branches up to October 2010, but unfortunately nothing later. Obviously people in Post Office were concerned and trying to work out which branches were affected (your name appears from time to time!)

If necessary, the set of audit data for the branch could be retrieved, which might give more of a clue as to what happened in each TP / stock unit, but of course wouldn't show any subsequent correction on POLSAP. This data normally has to be requested, by Post Office, via the security teams.

Anne

☎ GRO
external GRO

From: Andrew Winn GRO
Sent: 09 May 2013 12:28
To: Chambers Anne O
Subject: FW: Local suspense POL 238 - explanation

Hi Anne

I've been through all the MI on the impacted branches (not the Crowns), confirmed the impact and drafted letters to try to explain what has happened to each branch and what we are going to do about it.

The only one I still have an issue with is Lower Regent Street. It could well just be a weird coincidence that the discrepancy that caused the issue was resolved separately by making good cheque which then got caught up in a separate problem. I can see that they have used make good cheque on other occasions. We cannot see in the Customer Account in POLSAP but this may be due to archiving we are continuing to look.

It feels as though this may escalate so thought you needed to be up to date.

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Andy
GRO

From: Andrew Winn
Sent: 03 May 2013 16:00
To: 'Chambers Anne O'
Subject: RE: Local suspense POL 238 - explanation

Thanks Anne. I can see I was using the wrong signage on Willen. Not sure about the make good cheque scenario as this was impacting our Customer Account.

The other few I worked through were looking clean

I'm running out of time now and not back in till Wednesday when I will have a proper look.

I intend this to go through our solicitors before it gets sent out.

Have a good weekend.

Andy
GRO

From: Chambers Anne O GRO
Sent: 03 May 2013 13:04
To: Andrew Winn
Cc: SSC Duty Manager
Subject: RE: Local suspense POL 238 - explanation

Hi Andy,

I've had a look at your spreadsheet for Willen. I think the figures for the balance on 6/2/2013 do add up – the total 'Declaration Discrepancy' equals -£39.57 (a loss), then add on the carried forward loss of -£9,799.88, and you get a loss of -£9,839.45 – which matches what they cleared from LS.

And for Lower Regent Street:
I don't understand why the clearance from LS on 8/12/2010 wasn't for the full amount. I can't find any old calls relating to this. I guess they had to create (and then delete) a correctional stock unit to clear the remaining £3.34.
There was a problem at the time, not fixed until Jan 2011, where if they chose 'Make Good Cheque' it actually Settled Centrally – I think this is probably what happened on 9/12/2010.

I've made a few possible changes to both letters which hopefully make the cause and scope of the problem clearer.

Tried to phone you, because Gareth Jenkins mentioned that this problem is still being discussed at a high level as part of the ongoing investigations / checks into Horizon, and I would hate anything I have put here to compromise that – I don't see why it should but just wanted to flag it. I assume anything going out to the branches will be reviewed in the light of that.

Out now for an hour or so but happy to discuss further if required.

Anne

Anne Chambers
Systems Support Centre, Post Office Account

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From: Andrew Winn [redacted]
Sent: 02 May 2013 15:43
To: Chambers Anne O
Subject: RE: Local suspense POL 238 - explanation

Hi Anne

Thanks for this. I've taken a deep breath and tried to confirm the actual impact on branches and prepare our communications to them.

Can you have a look at my first draft to see if I have simplified and condensed what happened without losing meaning or key detail? Appreciate you will not be able to comment on what the branch or FSC has subsequently done.

I've had a right problem with the first 2 non crowns I've looked at. For Willen I cannot reconcile the actual loss declared against the branch trading loss on 6/2/13with the non-archived (£9,799.88) amount – although it adds up the previous year.

For Lower Regents Street the reconciliation works fine but I can then see the non-archived value(£3.34) being settled centrally on 9/2/10 some 2 days after they cleared the full branch trading loss. Whilst it is possible the branch did not actually roll till then, the value should not have qualified to have been settled centrally and has not flowed through to our Customer Account.

Any thoughts?

Andy
[redacted]

From: Chambers Anne O [redacted]
Sent: 14 March 2013 12:14
To: Andrew Winn; Helen Love; Duty Manager
Cc: Bansal Steve (BRA01); SSC Duty Manager; Parker Steve (PostOfficeAccount); Jenkins Gareth GI
Subject: Local suspense POL 238 - explanation

Andrew,

As requested, a full explanation of the problem. I have also attached a spreadsheet that shows whether the original local suspense item was a loss or a gain, or a clearance of loss or gain, and also a timeline of a hypothetical example which may make the explanation easier to follow. I didn't use a genuine example because I couldn't be fully accurate about the dates.

The problem only affected branches that

a) Were in TP 9 2010 by 10-Dec-2010
b) Deleted a stock unit while in TP 9 or later, on or before 10-Dec-2010
c) That stock unit had either transferred or resolved a discrepancy at the end of TP 8 or 9
d) Had not rolled into TP 4 2011 by 03-Jul-2011

The root cause was the archiving strategy used to remove old data from various database tables.

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- Old archiving strategy, as introduced Oct 2010, was meant to archive records, in various tables including BRDB_RX_BTS_DATA, belonging to all but the last three TPs. However it did not work as intended for deleted stock units, which (April 2011) caused a data centre problem with a different table, with no impact on branches. Hence the strategy was simplified and changed generally – but the potential risk of our current problem was not anticipated.

- New archiving strategy introduced 03-Jul-2011, which immediately archived records older than 62 days belonging to logically deleted stock units, so the problem no longer occurs.

A note on stock unit deletion:

- When a stock unit is deleted, initially it is logically deleted, by setting a flag in the stock unit record. After 205 days the stock unit record is removed completely from the database (physically deleted)

The following section assumes the problem data belongs to TP 9 – true for all except branch 011458, that the stock unit was deleted in TP 9 and that there was a single LS record for that stock unit. I have had to infer many of the dates and cannot prove it all ties in – I would need a set of Branch Trading Statements to do this.

- A stock unit had, at the end of TP 8 2010, written a loss or gain to Local Suspense(LS), or been used to clear LS. The attached spreadsheet shows what happened at each branch. An LS record was written into table BRDB_RX_BTS_DATA, carried forward into TP 9. Over all the stock units in the branch, these LS records would have netted to zero, and this is all 'business as usual'.

- This stock unit was logically deleted in TP 9 before 11-Dec-2010

- Under old archiving strategy, the LS record belonging to the stock unit was not eligible for archiving until the branch was in TP 4 2011 i.e. probably sometime after 23-Jun-2011.

- 205 days after the stock unit was logically deleted, it was permanently deleted. If this was before the branch had been rolled into TP 4 2011, the LS record belonging to the deleted stock unit was orphaned, and would never be archived.

- End of TP 8 2011: the old TP 9 2010 LS record was picked up, along with genuine LS data for 2011, during TP 8 BTS production, though there was no visible impact on the TP 8 BTS or balance. The non-zero LS balance was converted during branch rollover, to prod 6295 Gain to Local Suspense (sign could be positive or negative), and written as an opening figure for TP 9, stock unit DEF.
  (I think we should consider raising an event if this happens since it is indicative of a system error).

- End of TP 9 2011: the opening figure was included when the amount to be cleared from Local Suspense was calculated, when the last stock unit was rolled over, so the branch was forced to clear it.

- This shows up on the TP 9 BTS, since the Discrepancy Transferred lines don't equal Discrepancy Resolved *(I said on the conf call that this shows just on the BTS Branch figures, not the stock unit; I was wrong, the stock unit in which LS was cleared will show the additional amount that had to be cleared).*

- And the same happened in TP8/9 2012.

Happy to try to answer any further questions!

Regards,

Anne.

POL00098189

Anne Chambers
Systems Support Centre, Post Office Account

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