

OFFICIAL SENSITIVE: COMMERCIAL

To: Baroness Neville-Rolfe
From: Laura Thompson, UKGI (GRO)
Date: 14 April 2015

Subject: Post Office Horizon: update on group legal action

Purpose: The campaign group Justice for Subpostmasters Alliance (JFSA) are reported to have lodged proceedings with the High Court regarding claims against Post Office Limited in relation to the Horizon IT system. This note provides a short update on the current position and likely next steps.

Recommendation: That you note this update and agree that any enquiries on this matter should be passed to POL. You are due to meet Tim Parker, POL Chair, on 27 April where you can discuss this further.

Timing: Routine

Summary

1. The Justice for Subpostmasters Alliance (JFSA) are a small group of mostly former subpostmasters who alleged that there were faults in the Horizon IT system used in Post Office branches and that a number of individuals had been wrongly convicted. JFSA were involved throughout the mediation scheme established by POL to look at this matter.
2. JFSA and in particular its Chair, Mr Alan Bates, a former subpostmaster, are highly critical of POL and its management. JFSA had been reported in the press as seeking a group civil action against POL (as per our previous advice to you). On Monday this week (11 April) JFSA updated their website to say they had lodged proceedings against POL at the High Court.
3. On Tuesday, POL received a letter from Freeths, a firm of solicitors instructed by JFSA, regarding this matter. POL advise us that the letter states that proceedings have been issued on behalf of 91 claimants. This is not a formal letter of claim: the letter states that Freeths intend to provide POL with a formal letter of claim within 14 days, which would set out the actual factual and legal basis of the claim and the remedies sought. Until this is received, there is nothing for POL to respond to i.e. the case does not proceed at all.
4. POL have informed us that they are unaware of any new developments in the underlying disputes which might lead them to believe they are any more exposed on the substance of these allegations now than previously. As we have previously advised, JFSA has mooted group action against POL on more than one occasion previously, the most recent in December 2014, but none has been pursued to date.

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5. We understand that no specific details have yet been provided by JFSA or their solicitor as to the basis of their claim. Their website refers to “corporate blindness” and “bullying”, and makes very little reference to Horizon.
6. Our advice remains that this is a matter for POL, particularly when legal action is being proposed. POL are yet to be served with the claim form which would give the details of the claim. If they are not served with the claim form within 4 months of the proceedings being lodged at the High Court, we understand the claim will fall away unless a new form is issued.
7. Neither we nor POL have had any indication that the Criminal Cases Review Commission (CCRC) has come to a conclusion on any of the c.20 cases they had been asked to review. To confirm, the CCRC looks at criminal cases (where, for example, someone was convicted of theft or false accounting). The action mooted by JFSA and Freeths is civil – for example, someone might claim to have had their contract wrongfully terminated.
8. If Government receives any enquiries we recommend we maintain that this is a matter for POL and direct enquiries there.
9. You had arranged to meet Tim Parker on 27 April anyway to hear more about the final parts of his review into this issue. Mr Parker will be able to provide you with an update at that meeting. If we receive any further update from POL in the interim we will of course update you.

Copied to: Ministers’ offices, SpAds, Perm Sec, Mark Russell, Justin Manson, Patrick Kilgariff, UKGI POL team, Claire French.

Advice received from:

Finance	SpAds	Press	Legal	Analysts
No	In parallel	No	No	No