

**STRICTLY PRIVATE & CONFIDENTIAL
DRAFT DOCUMENT FOR DISCUSSION PURPOSES**

RAISING CONCERNS WITH HORIZON

Introduction - The Purpose of this Document

This is a paper which has been issued by the agreement of Post Office Limited and the Justice for Subpostmasters Alliance (JFSA).

Post Office Limited is concerned to hear about and determined to thoroughly and even-handedly investigate cases where there have been persistent assertions that the Horizon system (Horizon) may be the source of unresolved shortages in Post Offices.

We all recognise that Post Office Limited cares about its agents, the thousands of subpostmasters and subpostmistresses (SPMRs) operating branches across the land for the benefit of the community. Post Office Limited is committed to the highest standards of corporate governance, openness, probity and accountability. It is happy to be sensibly challenged and believes this to be a good thing.

Post Office Limited also acknowledges that there may be a concern that some SPMRs might not express their concerns because they feel that speaking up would be detrimental to their position, that they may also fear that they will be harassed or victimised if they speak out, and that in these circumstances they may prefer to ignore their concerns than to report them.

Post Office Limited would like to take this opportunity to emphasise that these fears are unfounded. Although SPMRs are not employees of Post Office Limited, Post Office Limited takes seriously any such allegations.

Therefore Post Office Limited, working with JFSA, is setting out in this document a process where you can raise concerns regarding Horizon, and feel comfortable about doing so. Any investigation of any concerns which you may raise will not influence or be influenced by any disciplinary or network transformation actions that already affect you.

This process also applies to all Post Office Limited employees, contractors and agency staff working with Horizon for Post Office Limited.

In summary this document aims to:

- reassure you that you should have no fears about raising any concerns over Horizon, including over victimisation and reprisals;
- provide you with a process for raising any such concerns;
- demonstrate to you that your concerns will be taken seriously and that you will get a response to your concerns; and
- give you options if you are still not satisfied.

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However Post Office Limited takes deliberate fraud, dishonesty and illegal conduct against it very seriously, and has a duty to protect Post Office money and take action if it has reasonable suspicions regarding the same. So you should only raise your concerns through this process in good faith, and not frivolously, maliciously or for personal gain.

How to voice your concerns

There are two steps you can take to voice your concerns. You can either contact JFSA in the first instance (see (A) below), or you can go directly to Second Sight Support Services Limited (Second Sight), an independent third party which is already undertaking a review of several Horizon cases in consultation with James Arbuthnot MP (see (B) below).

(A) Initial Steps you can take with JFSA

1. You can discuss any concerns with JFSA and/or its advisers. JFSA undertakes to treat these discussions as confidential. It is then your decision as to whether or not you wish to pursue your concerns through the Inquiry Route set out in Section B below.
2. If you decide to discuss your concerns with JFSA, you should make sure you gather all your evidence together including all relevant documents, transaction references, helpline references, copies of correspondence, contact details and an outline of your concerns and any subsequent discussions with Post Office Limited. You should retain all original documents at this time although they may be required later.
3. You should provide JFSA with photocopies or scans of all relevant documents, which will be examined by JFSA and/or JFSA's advisers.
4. At this time JFSA undertakes that it will keep all information strictly confidential and Post Office Limited will not be made aware of any discussions with or submissions to JFSA. JFSA undertakes not to reveal any details about you, your FAD code or branch location to Post Office Limited until it is decided that your concerns will be raised as part of the Inquiry.

(B) The Inquiry Route – an Overview

1. The Inquiry will be carried out by Second Sight within a "no blame" framework.
2. SPMRs can submit their concerns with and experiences of Horizon for consideration under the Inquiry through JFSA or by contacting Second Sight at Tythe Farm, Maugersbury, Cheltenham, Gloucestershire GL54 1. SPMRs must do this by 31 December 2012.
3. Except in a case where deliberate fraud, dishonesty or illegal or unlawful conduct is suspected, no information voluntarily submitted for the Inquiry by an SPMR in good faith will be used for any purpose other than the Inquiry. However, Second Sight may pass that information to Post Office Limited to enable Post Office Limited to respond to any issues or questions arising out of the Inquiry.

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(C) The Inquiry – the Detail

Details of the Remit, Conduct and Output of the Inquiry are set out in the Appendix to this document.

Taking matters further

If for any reason you are not satisfied with the findings and wish to take matters further, you are of course free to pursue other avenues which JFSA can help you with.

Equally, if Post Office Limited has good reason to suspect that there may indeed have been fraud, dishonesty or other illegal or unlawful conduct, it may decide to pursue such matters in the civil or criminal courts.

Dated [insert date]

Issued by and on behalf of Post Office Limited

Signed _____

Issued by and on behalf of the JFSA

Signed _____

Issued by and on behalf of Second Sight

Signed _____

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APPENDIX

The Second Sight Inquiry – the Detail

The Remit of the Inquiry

The remit of the Inquiry will be to consider and to advise on whether there are any systemic issues and/or concerns with the "Horizon" system, including training and support processes, giving evidence and reasons for the conclusions reached.

The Inquiry is not asked to investigate or comment on general improvements which might be made to Horizon, or on any individual concern raised (see below) save to the extent that it concludes that such investigation or comment is necessary to address the remit.

The Inquiry is not a mediation or arbitration. It is not intended to resolve or affect any dispute there may be between any individual SPMR and Post Office Limited.

The Conduct of the Inquiry

1. Submission of concerns

As highlighted, SPMRs can raise concerns directly with Second Sight. However, they must do so by 31 December 2012.

By submitting a concern a SPMR will have agreed that it may be taken forward into the Inquiry process, and that as a consequence Post Office Limited may become aware of the content of the concern.

When submitting a concern, SPMRs should seek to ensure that they include all of the relevant facts of their experience of Horizon. They should include a written summary of the concern, all relevant documents, contact details, transaction references, helpline references, copies of correspondence, an outline description of the error incident and any subsequent discussions with Post Office Limited.

Second Sight will decide whether it will investigate an individual concern in detail as part of the Inquiry, having regard to the remit. Second Sight may consult JFSA in connection with this decision.

2. No Blame Framework

If:

- a concern is submitted in good faith;
- the SPMR honestly and reasonably believes at the time of submission that the facts it contains are substantially true and complete, so far as he or she knows;

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- the concern is not submitted with the intention of making personal gain (for the avoidance of doubt this does not include the SPMR believing or hoping that SPMRs generally may benefit from the outcome of the Inquiry); and
- the concern does not reveal conduct which is or which is likely to amount to fraud or any other criminal offence, or which may give rise to a civil claim

and subject to there being no overriding public interest to the contrary, Post Office Limited will not subject the SPMR to any detriment either as a result of having submitted a concern, or as a result of Post Office Limited becoming aware of any information contained within a concern. For the avoidance of doubt, information already known to Post Office Limited at the time that the concern is submitted may continue to be used by Post Office Limited for any purpose.

3. Establishment and conduct of Inquiry

Post Office Limited will pay Second Sight to conduct the Inquiry within a total budget agreed between Post Office Limited and Second Sight. Second Sight will be contractually obliged to complete the Inquiry within the agreed total budget, and both Post Office Limited and JFSA will co-operate with Second Sight to facilitate this. If the agreed total budget is or is likely to be reached before a report has been published, Post Office Limited and JFSA will meet to discuss options.

All information received by Second Sight from whatever source in connection with the Inquiry will be held confidentially and will only be used for the purposes of the Inquiry.

JFSA can provide Second Sight with anonymised copies of any or all concerns to enable Second Sight to conduct the Inquiry. Second Sight may provide any such anonymised documents to Post Office Limited so that it can provide input and assistance to the Inquiry.

Post Office Limited may provide Second Sight with its own comments on any or all concerns, and on Horizon generally.

In order to carry out the Inquiry, Second Sight will be entitled to request information related to a concern from Post Office Limited, and if Post Office Limited holds that information, Post Office Limited will provide it to Second Sight.

Post Office Limited will provide Second Sight with such hardware, software and technical information and administrative support as Second Sight may reasonably require to carry out the Inquiry.

Second Sight will determine the process it will follow for the Inquiry using its judgment, after consultation with Post Office Limited and JFSA.

The Output of the Inquiry

Second Sight will consult with JFSA, Post Office Limited, and/or any other party as it considers necessary before producing any report. No party may introduce any

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wholly new issue or concern at this stage, and the parties will each keep the consultations with Second Sight and their contents confidential.

Second Sight will consider and take into account any comments received from JFSA, Post Office Limited and/or any other consulted party, and may conduct further investigations if necessary in light of the comments (having regard to the agreed total budget). Second Sight will then produce the report by **[[T.B.A.]]**.

The report will report on the remit and if necessary will contain recommendations and/or alternative recommendations to Post Office Limited relating to the issues and concerns investigated during the Inquiry. The report and recommendations are to be the expert and reasoned opinion of Second Sight in the light of the evidence seen during the Inquiry.

The report may be published. Until it is published, JFSA (and its advisers), Post Office Limited, and any other party consulted by Second Sight will keep the report and evidence confidential.

Second Sight will prepare the report so that so far as is reasonably possible, it may be published without redaction of personal data and/or information that is confidential or commercially sensitive for Post Office Limited or any SPMR, bearing in mind the primary need to ensure that the report is reasoned and evidence based.