

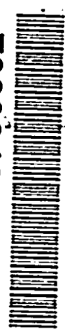
Roderic Williams
Solicitor, Post Office Ltd

GRO

BATES & ONS V

POST OFFICE LIMITED

F00004328796
OASIS



HORIZON ISSUES TRIAL

05.06.19

TRAC - puts error doc to JC which doesn't support the
shut in his report which relies upon it
(cash receipt changes suggest real risk of bugs
etc).

[? PEAK ON MISRA F/333 -> Go to CCRC?
Check of Monday]

JC = Only the SPM on the ground will know what the true
position is.

16; 5

JC's considered view is that PCR should use ARB data
not Credence data.

He bases this on the Helen Rose Report.

HELEN ROSE REPORT

- JC SAYS ① Disconnected session receipt wasn't printed when it should
- ② Credence data misled as to who reversed & @ what time
- ③ Credence led to a TC creating a false loss to the PMR.

TRAC to show Zware
then don't

(74)

"TR Scored some hits" -> GET THESE WATER

[READ J'MENT No. 5]

Overlapping
Credence is
that the
40 bugs
are
not
proportional
to
use
ARB
data
in
all
cases.

- If a bug, then a KEZ
- Use KEZ to find PEAK which shows impact
- KEZ database = reliable way of finding bugs in (4)
- JC'S read ~~6000~~ a search
- 40 is a high no. of bugs
- Not right or proportional to use ARB data
in all cases.

• Test for criticisms -> no ribbles or proportionality ie not as low as possible
-> no scale. (as per the H.I.)

JC = I now understand the process of getting A&A data
 & getting extracted it would not be possible.

73; 16.

⊗ PEAKS & KEES

PEAK & KEES are rth good systems [by ref to other systems
 & what he is familiar]

85; 9-15

JC = A recurring bug won't be reflected in the KEEL,
 b/c its incident will refer back to the KEEL.

TRAC → has adopted a "skewed approach" to Peak & KEEL
 review

→ only looked for "bad"

→ but really good @ searching, so you've
 got them all

⇒ THEREFORE YOU CAN'T SCALE UP THE SOURCE
 FINDINGS

→ "off" does a PEAK & KEEL having reached a conclusion
 ↳ only 2 since 2002.

133

→ bugs "off" lay undetected for weeks, months, years (as
 evident from PEAKs)

↳ referred to.

[BREAK]

FINANCIAL IMPACT

↳ Financial impact is the "main number" YES
 ↳ But, I didn't address that in my report

114	4	33
120	2	25

8 - 44

WE INVITE JUDGE TO MAKE
FINDINGS HELPFUL TO THE
GROUP AS A WHOLE.



143-7

HHJ "The Horizontal is completely different to the individual C's cases or their financial losses for example"

↳ HHJ seems unlikely to find RW analysis to be relevant to the H.I.

[RELEVANT]
JC → "Impact is typically whatever the branch was doing at the time"

TRAC → sought to build reasonableness of RW's numerical analysis.

Section 8.5 Wooden was put

#

Day 16

06-06-19

JC - referred to network set in his reports

Remote Access → recorded in PEAKS

→ relatively few examples tens/twenties → NOT HUNDREDS

→ over 3 million branch accounts.

→

Forms of Remote Access.

JC resistant to acknowledge "second order" problems, or the concept

JC resistant to anything that gives cred

TCP Report is a fraction of 1% give

TRAC = ~~proposed~~ exposed the fanciful theory that someone at FJ to manipulate the system to get paid.

JC = nothing to suggest this ever happened in Post Office

Data rebuilding → v. low likelihood



→ More resistant.

→ Overall, get him to agree that the locality
of the position is as per Baker's evidence. see HIDDEN

→ Report



~~Not aware of~~ ^{remove} deletion of Txn Data
" " ^{remove editing} editing of Txn Data
Only from ~~the~~ ^{remove} member of Txn Data
↳ Only once to want Txns in On Line.
↳

TRQC = searched KCS, PEXS, OCP & OCL, MSCs & intelligent searches looking for root access affecting br. a/c's.
→ V. PEW → FJ generally reluctant to make changes affecting br. a/c.
→ " always careful to do this only when necessary and w/ gr. care.

Re: PO chose not to enact auditor recommendations.
↳ ~~Noted the 2011~~ ^{enhancements} ~~Audit report / Mgmt letter~~ sought improvements / ~~not~~ deficiencies
↳ Review of the doc ~~shows~~ shows POZ taking a lot of action in response.
⇒ Report conveys impression that POZ ignores recommendations..

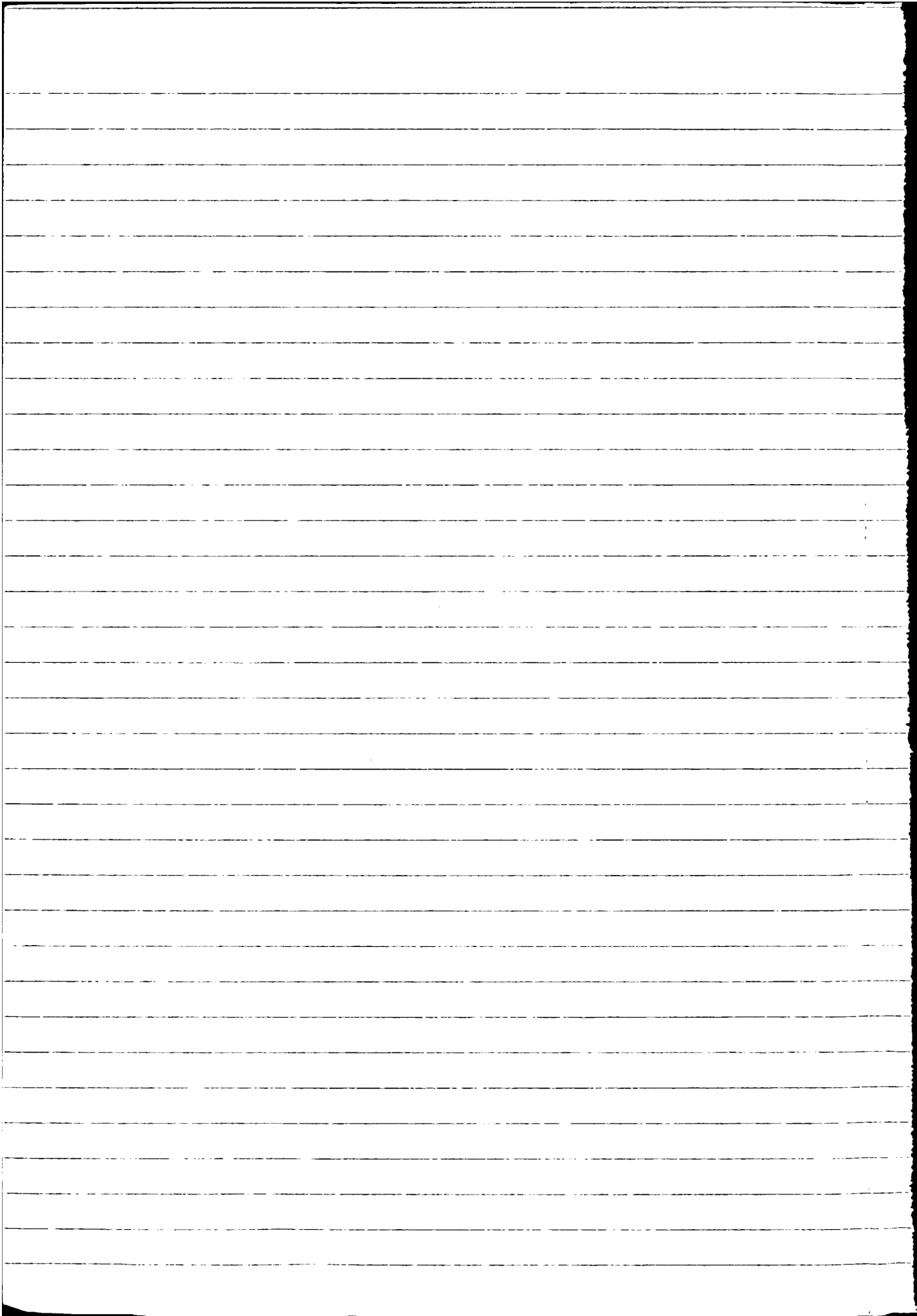
→ JC agrees w/ proposal made by EY to which POZ took no action in 2011 [subject to confirmation]

⊗ → JC accepts he made a mistake should have referred to 2012 [despite quoting at length from 2011!]

~~Also put to JC~~ Also put to JC that he should have referred to 2013?
" " " " " " " " " " Service Audits

TRQC → TRYING TO FIND CORONUTS

↳ MORE SPECIFIC THAN THE FINANCIAL AUDITS



(*) Audits show only 2x deviations for Control Objectives
over 5 yr period.

Logg: accepts

: ~~but~~ but I was only focussed on user access
and change control.

SPMS DON'T TRAIN ASSTS ABOVE THE LEVEL THEY WERE TRAINED.

Con vs Helen Davies QC

06.06.19

→ ~~Part~~ prop = of law in Grounds
↳ still 81x

→ 1, 2, 3
↳ BTS
↳ 12:12 / 4c

⊗ The other points are interconnected.

Reordering helps show the jumps Fraser made.

WHAT HAS GONE?

* TRAINING OF ASSETS - C.I. 23
↳ weakest

* PROC. UNF
↳ all out.

* FACT
↳ all out.

"Unusual / Overous" in NTC. → wet signature incorporates
→ commercial risk that
we don't have

⊗ → Purports to apply the right test.
↳ recommend reduction

⊗ Cross-appeal?

IS THERE A RISK OF NTC OPERATORS

↳ ~~para~~ para 253

↳ Overous & Unusual → notice

↳ incorp = by ref in cover letters

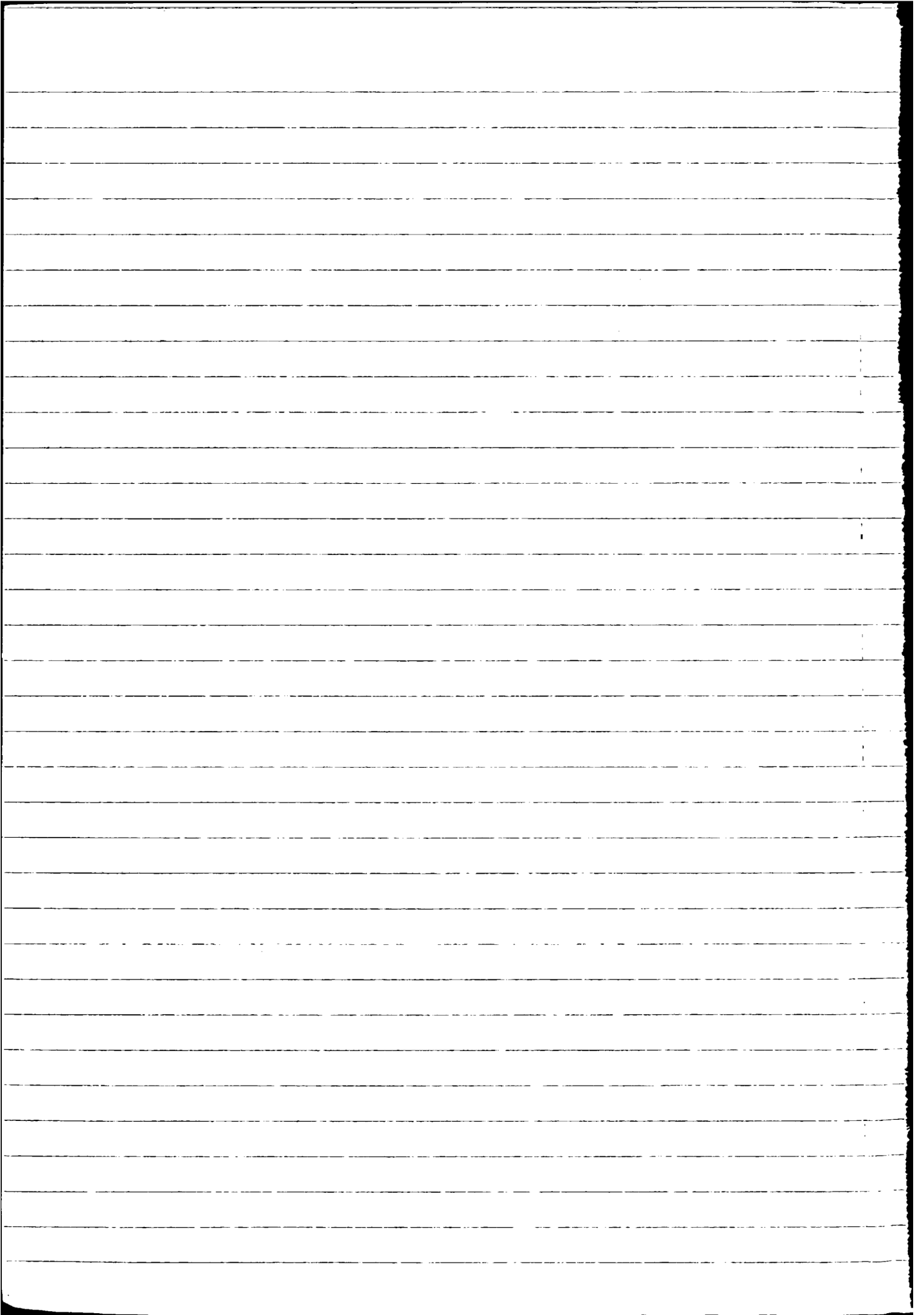
↳ conduct

BETEX 0

DROP per HDQC

↳ CF OUT, GROUNDS 17a18 go

para 274 et seq.



C.1.20.

- ↳ UCTd challenge → Fine D) that
- ↳ Proc. history. → 353-6.

12;12.

- ↳ contractual burden of proof.
- ↳ ~~fixed~~ construction is in range
- ↳ keep it.
- ↳ Practically, Horizon will sort this.

① Construction

② hist-contractual.

- ↳ 406. → put burden on GPM → OUT.

14

- ↳ No stat implication, but in the C12.
 - ↳ we're at core
-
-

- Dox not in his report, which may not be helpful (but we can't tell)
- Take the bad things; don't go further

~~Report~~
Dashboard
Board sub Co
Engagement letter.
Katrina / A+B Letter
Daily report → Plus for UKG1

TO DO

GRO

Day 17

07-06-19

- Continues of ~~the~~ audit theme → one amendment to Day 16
(the audit rec. not accepted but alternative provided,
is NOT ignored, just acted differently).
- ALSO re Doc. ref to what is inconsistent
- BUGS → GO TO PEAKS.

"Phantom Transactions" → "Perceived by the user (BUT)

- ↳ ~~is~~ forced by [std. security feature] to close
a TXN, which has been open for too long.
- clear from Peak & flagged by AOB

↳ Power Engineer, investigated and not occurred since 2007.

- Took the bad things but don't go on to refer
to things that are good / give balance.

"Giro Bank"

- ↳ JC says "a clear example of bugs within
H that affect branch a/c's by way of
a financial discrep."

↳ error manifests itself in what was sent to
Girobank, NOT a discrep. in the branch
accounts [Peak records branch saying
it all look OK]

JC = THIS COULD GIVE RISE TO A RECONCILIATION
PROBLEM & A TC ISSUED.

TR = BUT IT WAS RAISED & IDENTIFIED & ADDRESSED.

- IT SHOWS CONTROLS

JC → Says it's ~~not~~ doesn't pick up
things that must pass through.

→ Cut off → if out on one day, may get a TC for

↳ Difference b/w reports; may lead to TC / Error Notice
(BUT) will be picked up next day / Month End.

included in
Agreed bugs / mistake of bugs etc causing
errors in branch app's incl'd Peaks etc
which don't.

BUGS → PEAKS ACTUALLY SHOW THE
MEASURES WORKING TO AVOID
~~THE~~ RISK OF LOSS TO PMR.

NEGATIVE = ~~THE~~ JC says we don't know
but PO does → the info from SSC
is NOT (E) to show POZ closes it down.

TR - Countermeasures increase (rather than decrease) for robustness.

- Investigatory Process is a good ~~one~~ countermeasure
or "on the whole" FJ's investigatory process is "a good one".
~~Investigatory Process is a good countermeasure~~

JC → taken to Peaks which did not lead to PO issuing TC/Error Notice which puts SPM to risk of loss.

JC → I agree they aren't bugs which impact BrAc's.
→ FLIP FLOPPED later → yes it could cause fin. discrep. which could ultimately have an impact on BrAc's.

63; 18
66; 17

Ⓢ Anor Peak which deals w/ a report ~~which~~ which shows a number diff to ~~the PMR~~ what the PMR expected, when the PMR had carried out ~~some~~ further txn ~~after~~ after producing the report.

71

"Recovery failures."

↳ inherent in the system, ~~still a problem~~
↳ ie if system fails, the system's recovery systems can also fail. That's inevitable.
↳ Always reported → to FJ & PMR.

Peak are not evidence of a bug, "but even if they were they would not be picked up."

JC: Struggled to answer what his number was b/c 12 a 29

↳ JC: (13)

TWO THINGS on
COYNE PREP COMMENTS:

- no contact issue raised
- contact of relisting etc
- he was clearly doing work not being shared.

- On the dot → no applications.

Let's see
how long before
Fraser
interviews. ---

~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
Green's section
+ up nicely. ---

Good save ---

Day 18.

17-06-19

RW called.

XX begins 10:40

CV. → no particular experience in stats

RW → My PhD applies maths extensively; stats not a separate point of that. It's part of my work as a scientist.

PG = you made corrections to your maths.

↳ correction in ~~the~~ par 761

PG = not a behavioural economist

RW = "Shallow" knowledge of economics; more business finance

PG = difference b/w 'estimate' and 'assumption'

↳ seeks to undermine RW's estimates as being based on AvD's not anything else.

PG = You can't make fact based assumptions
= Fact > should be used for assumptions.

PG → to Chris Emery CV.

PG → ~~Was~~ Was Credence a logical productRW → ~~Maybe~~ Maybe, but nothing to do with me.

PG → Approach to your assumptions

↳ Challenges ~~the~~ reliance of Gadseseth, &

may revise if not accepted.

↳ That can only happen once judgment.

RW = "good point"

RW → the court can go to my spreadsheets & redo them w/ its own data.

22/11/2022

Agreed position on
H Issue 8 a 14.

→ Attack his expertise in stats ⇒ Goes to his quant analysis.
 ↳ Est's are unreliable given based on assumptions.
 ↳ no facts to make them
 ↳ no expertise " " " (behavioral economics)

→ Attack on reliance of Rocheth evidences.

① // → Assumptions not reliable
 ↳ Based on Wit Sturt (E) → unreliable, also wrong
 ↳ No experience
 ↳ No Facts

② ~~Wit Sturt~~ RW considered dox not avail to Coyne?

③ Challenges RW as "balanced & fair"
 ↳ similar challenge TK gave to Coyne.

④ Unequal Access. ⇒ Judge was interested.

⑤ Internal IT transformation dox to show dissatisfaction
 w/ IT suite (hinting @ obsolescence), user unfriendly, bank of line
 #1000 from which are difficult.
 ⑥ ↳ We have persisted with a poor system.

⑥ line b/w Horizon & Back Office.

PG → Were you in court when DOE gave (G)? Yes

(31)

PG → Any change of heart? RW: I'd have to tell but if my opinion changed

RW → Any fundamental change I would have had to bring to the court.

RW → no major change of heart, but maybe adjustments.

PG → goes to Credence doc, eg "all key stroke activity"

RW / ~~had~~ my general understanding was that it records activity, but until I saw Mather's I didn't know it was specifically ~~down~~ down to the key-stroke level.

PG → seeks to undermine RW on "key stroke activity" - ...
ie that he relied on Mather, which ~~was~~ ^{was} corrected.

RW → no, Mather was constant of what I knew but went further.

RW → PD has for that branch doesn't have.

~~the~~ to eg Credence report, requested by Patry but not provided.

PG → Another example is legal tax insertion did or of a counter-wr. gr. the 32% per Goddard

→ Goes to Roll → can he inject tax w/o visibility to PWR?

RW says "no", based on Goddard.

RW → I shouldn't have done that → "established" is too strong.

(51)

PG → It's contrary to open declaration @ para 1194.

RW accepts this

PG → says this reflects a wrong approach in you preferred Goddard to Roll & then went further.

RW → correct.

>

x

x UNDERMINE ~~OTHER~~ BASIS FOR OPINIONS

x ~~REPRESENTATION~~ ~~BY~~ ~~MEANS~~ TO PUT
PREJUDICIAL DOX

x CHALLENGE STATISTICAL MODELLING USED TO
UNDERPIN "EXTENT" A LIKELIHOOD OF ERRORS IN DR.

Undermine Op. in

GRO

→ Cost fix per week.

→

PG → goes on to ask if there are other examples
RW → I can't think of other examples where I went to (E)
→ my approach was to try to qualify responses. I didn't here.
- BREAK -

PG → Then takes RW to Parker 2, which says it ~~was possible~~ ^{fairly high but not visible to RW}
was possible.

↳ RW rejected this in Report 1

↳ RW did so on Godese's (E)

RW → No, Cont. > 32 is one way a-pur old advice.

~~PG = you were inexplicably reluctant to accept something contrary to D's interests.~~

(76)

PG = you should have considered the position whether the Cs (E) is right as well as it's wrong.

PG - Conclude firmly one way in ~~the~~ ^{first} stmt, not the second → WIERD?

RW = It's not weird, I'm going to the (E).

PG = You're only going one way.

↳ "Balanced & Fair"

RW = I think I'm not going beyond the (E).

PG = This is "toxic" about ~~your~~ ^{your} approval

RW = No

~~PG~~

"UNEQUAL ACCESS"

→ Q's asked by Wark with to FJR ^{in Mand.}, but only to Freeth once the answer was provided (May)

(80)

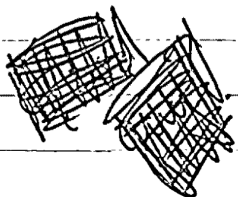
(X)

JUDGE V. BUSY MAKING NOTES

(X)

LUNCH

i



PG - Board meets 31-01-17.

↳ PD "obvious discontent" of the whole IT estate

(100)

RW - 20 years is a long life.

- "I think it's doing quite well"

PG = "operator unfriendly" form a 20's doc.

→ PD is saying our state back office is unreliable.

RW → "Robustness" metrics back end etc, but I was told these were out of scope by the law

↳ PG: but PCs etc are important counter-measures

~~PG~~

PG = Effective in showing (a RW agreement) back office processes are relevant to Robustness.

PG = goes to Bakham SPO doc = "It's Horizon"

- Power failures

} → Re-X.

→ ~~PG~~ lead - fix not complete. Some left.

- Go back a ~~error~~ fix it all.

"If we do it quickly, PD may not realize..."

(PG)

(PG)

PG - You focussed on "actual" impact

- "added in "lasting" impact.

- " " in impact on PG's branches.

} On M-1-1

RW: "external" regard numbers

if those needed calibration.

PG - you don't look at Hellfire

↳ Pats Tank's ~~the~~ "Hellfire" email to RW.

[will go to show that ~~the~~ not all complaints go in to

POZ]

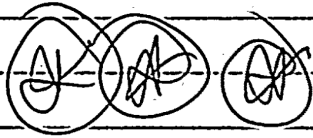
⊕ Judge will say it ≠ robust b/c errors
may not be resolved before the end of the TP/
they are incorporated into the branches account.

↳ We proceed as if these are a debt, & that's wrong.

→ All this by

Pg = Your view on robustness relies on TCs and other counter-measures.

~~judge interested in "lashing"~~ judge interested in "lashing" - RW says it's not corrected



kill say it's lashing if it's not corrected before end of Trading Period

(149)

→ RW agrees that his opinions ~~on~~ ^{on} robustness will be different if you remove the TC process.

GREEN THEN THROUGH WORDEN QUANT. ANALYSIS.

↳ Pg = Your numbers suggest "really unlikely"

↳ RW = Cortica convert ~~my~~ ^{my} numbers.

~~judge interested in "lashing"~~

Pg = "Lamy Black" meeting.

↳ Pg = "specific knowledge changes the whole dynamic" in assumptions shift the numbers.

↳ Attacks RW's assumption that there's a special about the Cs.

Ph says, no, there is, they're all turned up to the GCD.

RW goes back to "I don't think a bug picks a Cs branch".

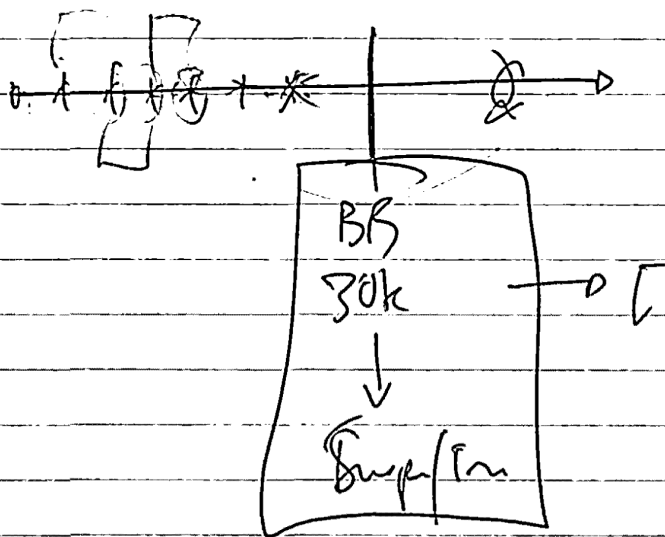
Pg → challenge on cust sessions a Cs branches, both of which changed.

RW → these figures don't require precision.

Pg → They're all errors against the Cs.

3 TABLETS - PG HIT THEM ALL.

- ~~①~~ ① → WRONG COLUMNS FOR WEEKLY
- ~~②~~ ② → NO. OF CL'S
- ③ → NO. OF TYN - 48m not 47m.
- ④ → SESSIONS/TYN.



→ Errors went against Cs
[PW will say this is balanced]

PW → these are balanced by the C-favourable assumptions also made.

eg → there's a difference b/w expressly C-favourable, & concealing C-adverse assumptions.

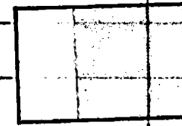
HHJ - wanted cover letters on MSC → will have a go @ DC/W&S for inconsistency.

Properly challenged on columns used.

PW: OBSTACULAR REFUSAL TO BUDGE FROM HIS NO'S.

BOARD SUB-Co

12-06-19



* H.I.T RESUMED TUES 4 JUNE FOR EXPERT (E)
↳ Court heard (E) of fact in March/April

7 PAGES

* THIS SHOULD BE THE KEY BACKGROUND GIVEN

THE H.I.T.

* AREAS OF AGREEMENT → Relatively Robust
→ Small No. of Bugs

* LAST WEEK WAS COYNE

↳ Undermine credibility (dox not supporting,
nothing positive)

↳ Remote access is rare & ~~careful~~ careful

↳ Uncertain on bugs → v. few.

* THIS WEEK IS WORDEN

↳ C's doing same thing

↳ Credibility →

↳ Statistical Analysis

↳ Lack of Precision

↳ Bias towards AOL

↳ Theme on disclosure / access to documents / prej dox.

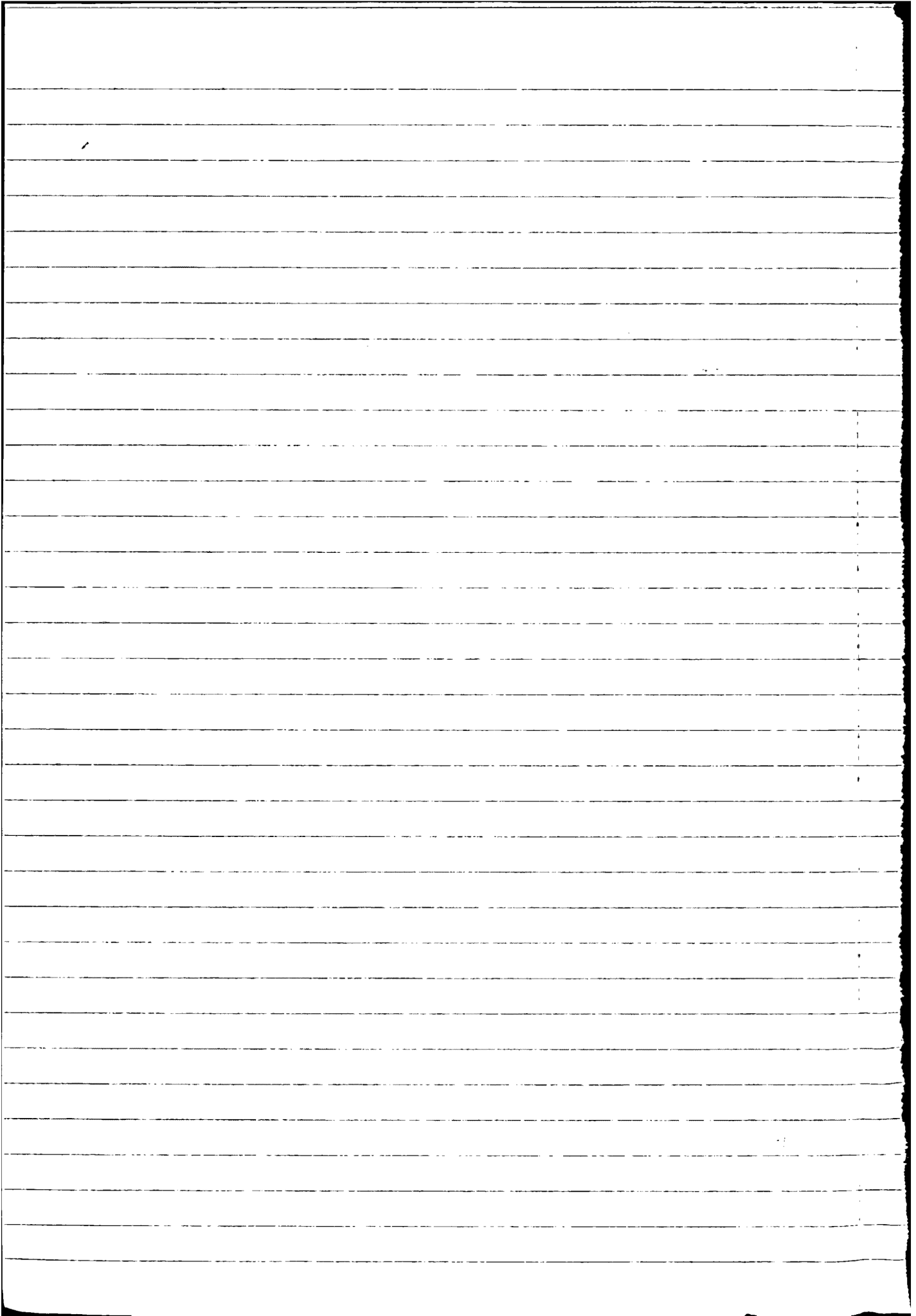
↳ Still to go → Remote Access

→ Bugs

RISKS → Judge has to weigh competing approaches

→ What he does with the evidence of fact.

→



Agree Agree. →

"Regularising" the Grounds (KM)

- Training of Assistants.
- Ribleness → serious a ~~document~~ ^{unusual}. → Coma Issue 20.

NTC → had signed. ∴ incorporated.
→

Analysis → "old towel" } WORK ON DAY,
→ about behaviours }

Content to file

~~Key~~ Key INVEST - 24.06.19

- Slide Deck Vindensay

Ac - objectives = we've been getting this wrong

- changing how we're dealing with this

[Ac = plan to run through trials → not sure this was the case]

- Financial info. sought.

"Keep thoughts to ourselves"

- Take a page of cv's - white paper / no logos etc

Range = ~~that~~ what we'd go into mediation with.

NOT HAVING HEARD THE P229m.

↳ Ker - a @ ARE.

↳ Tom

↳ AC

Andy Presson:

Staff said:
He needs to pick up.

Ben: Why? Semantics.

AC → Unhelpful.

⊗ WHEN.

The image shows a large, empty rectangular area with horizontal lines, resembling a ledger or a form for data entry. The lines are evenly spaced and run horizontally across the page. The area is bounded by a thick black border on the top, bottom, and right sides, and a thinner line on the left side. The background is white, and the lines are black. There is no text or data within this area.

→ AI = in
= Travel through

BT = → is there a probable output.

AI → mediation after H.I.T.
→ big gap b/w numbers, mediation won't work but
ground work for settlement.

ARA → may want to make provision
→ future costs not provided - Paying as we go.
→ Sends a signal?

TC = "Claim has no merit".

BF = "Probable economic output" from the event.

Clear view on what to put in ARA.

↳ FINE - BOOKENDS

⊗ Accounts end July.

⊗ MI to Quarterly behaviours. → to ARC (Ken McCall).

HORIZON CONTINGENCY

↳ late July - "bang the drum"

3 months

- ↳ Pay a Remuneration
- ↳ Reversal or Simplification
- ↳ Process / Transparency
- ↳ Branch Hub ; New Hills etc

TC = Personal contact - conf. call etc?

AC = One simple clear message.

DEWITTE →

↳ nb. Set aside judgments? → no diff. to current status post-C.I.T.
KM ↳ Deterioration of compliance.
 or Top 5 areas.

Stake → sources & processing of data

~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXX~~

→ RW says the MC should be fine, so it's a "back stop."

1. ARA data → better source

→ PO doesn't use it when it should ^{cost} ~~cost~~ → medoc.

↳ PO MOTIVATED BY COSTS NOT FAIRNESS TO SPAN.

→ can be fulfilled → gaps & duplicates.

2. Recnt issues of Mennally by in limitations of FX.

3. PO approach to issues per receipts/prints mounted.

4. Callender Sq. → much wider impact than initially reported

→ per Goodkall XX. ~~Most sites probably back for years~~

↳ Done in 2015 recognizing its cost, but not all.

↳ Thus: difficult to get PO to accept

= ~~provision~~ forced PMR to false etc.

5. Dalmelligan

6. ~~XXXXXXXXXXXXXXXXXXXX~~ Challenged again start analyzing a sources

↳ Accounts /

↳

→ Not picked up. Could be left swinging

Day 19

13-06-19

RW: Corrections from Tues 11-06-19

↳ the scaling figure of ~~books~~ 1.7.

↳ Max in first report for 561 & 491. →

PG = Audit Store should have been used more ^(per TC), but labour a factor
a costly to use it.

PG = Costs = disincentive. There is more so if the cost is £200 per unit or £450....

RW: 100,000 a year ~~cost~~ (for TCs) makes a difference.

= ARQ is a back stop.

PG → giving answers consistent with PO case rather than
actual facts. (eg with staff/200 per request)

PG → Stubbs 2010 Audit. →

→ [PUTTING DOX TO WIT (WIT AS A VEHICLE)]

→ But we got ARQ data. Email says it's not cost,
but media attention.

→ Then email saying "it's a cost"

⇒ TRAC ROSE.

PROCESS POINT

↳ More access to
ARQ data, so that
cost = disincentive

~~PG~~ PG = it's a consequence of how the system is designed
that PO can't access ARQ

BUT WIDER ACCESS COMPROMISES SECURITY/INTEGRITY.

PG = Shld have been designed as WORM.

Rad = Session = Tyn
= "Back to the Future"
= I was told to keep it simple"
= TCS → Robustness. → J. can't form a view?

CRITICISMS =

~~MASSIVE~~

- ARQ Extraction = extract then convert.
 → XML
 → TO SPREADSHEET.

RW = GAPS & DUPLICATES → something to worry about.
 → Raise the alarm!

PG = Missed ARQ data de-duplicated.

Coyne says "Design RW is lives + means you are approaching these from "design aspiration", he looks at what "happens on the ground".

PG = Go to Helen Pennington

↳ PROJ. DOE.

↳ Gary fix, not acted.

RW: NO DISPUTE BUTTON. Considered & rejected in 2008.

PROCESS POINT
→ DISPUTE BUTTON

PG =

2ND HALF MORNING

H/171/4.

CLOSINGS -

* Do we need an Appendix on
Disclosures.

* Do we want to give our answers (and any?) to the RIT
as part of Closing

Stats are flawed bc they take an even distribution

Pg = Issue 4. - Controls & Measures.

Pg - To the screens / user - interface.

↳ Cost cld have

↳ PROJ - DOC.

↳ Did not try to access User Interface.

— AFTERNOON —

Recent Matters → FY Rem 1c

↳ Manual Entry of Cash rather than Scanner.

Proj = only discl. v. recently (31.05.19). Issue date back to Feb/Mar.

↳ Barcode Failure → risk of miskey

→

~~PG~~ PG = takes notes @ how we communicated the issue to branch.

PG → Bank to ~~check~~ Errors in TCs on Cs branches

~~PG is going to check~~

ACCESS TO JENKINS.

RLS

↳ Helped RW understand how db-entry works better.

↳ Addresses this in his report.

TRAC was concerned about the conversion

Receipts Parents Mismatch

↳ GJ didn't mention compensation to those affected.

RECEIPTS/PARENTS MISMATCH.

↳ RW: High Probability but it gets fixed when this is evident.

~~PG is going to check~~

PG: If you rely on users to help monitor the system (in counter-measure), don't you need to be careful.

PG: From the doc, we see that recovery of R/Mismatch is not automatic, it's discretionary

and discretionary as to which way to fix it.

→ I have a problem

POZ won't help ["Hell line"; can't refer to Susp A/C]

(in shock of the problem) (bullied to pay // false account)

POZ profits from Suspended Accounts.

POZ might ~~not~~ have identified everyone it affected.

Take a step back \rightarrow Is it symptomatic or an outlier
Does it reflect current practice.

PG: Admin costs are reduced if you pressure PMs to ~~spend~~ pay up, esp if you get the ff.

: then goes to SS report on Suspense Accounts.

~~PG~~: RW recognises "micro-bugs"
↳ PG - you

~~PG~~:

PG: Unreconciled prints go into a Suspense A/C

: Not automatically fixed.

RW: ~~PG~~ These features don't change my opinion.

↳ Still buy like this likely to get advised by a variety of means and high probability that it will get fixed.

PG: Suspense A/C team want authority, but

RW: Procedural responses in outside PERKS etc

RW: I ~~expect~~ ^{expect} it will be done

~~PG~~ ↳ PG: you formed that view w/o knowing the details.

AND GODESETH ON THIS WAS POOR.

~~PG~~

PG: Philp Dask said "say made good" even though you haven't.

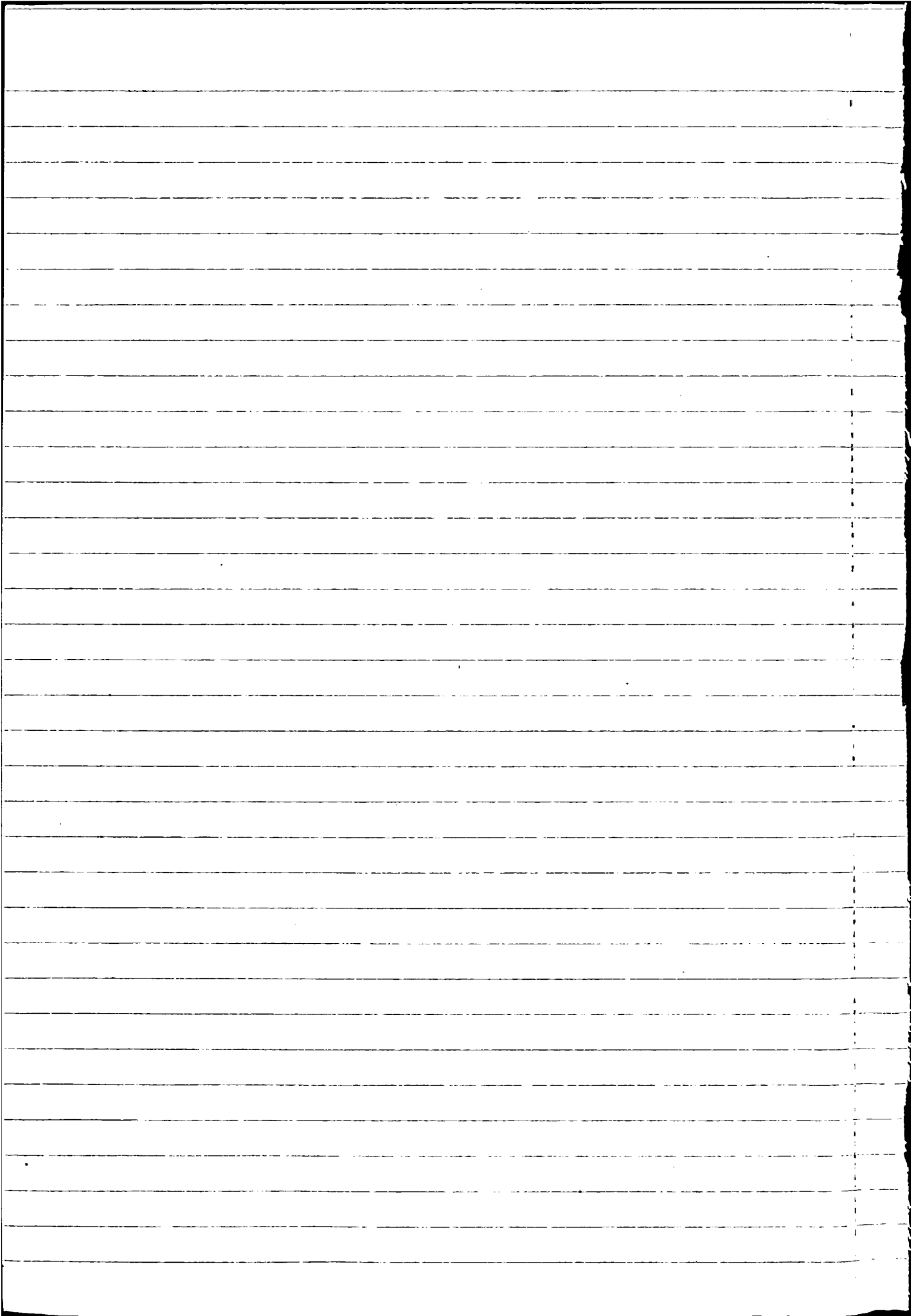
PG: Highlights difficulty in raising problems → getting it into the system

~~PG~~

RW: Riposte lock happened more frequently than the consequence which affected Callida Sy.

PG: Callida Sy shows no systematic problem against system which automatically fixes the problem.
↳ + IOL decided not to mix in this.

NB: Judge - you don't need to put everything in RW that you put in Godwin's.



Dalmelbytoe - 112 occurrences (88 branches)
↳ TCs or branch correction (reversal)
~~↳ ~~TCs or branch correction (reversal)~~~~

RW: I recognized this as a "running KEC" but not as the Dalmelbytoe bug.

RW: The system misleads them.

PG: How did you know the Dalmel. bugs were fixed by TCs, when not mentioned

AW: I assumed that it wd be treated the same way as the other 20k p.a. remaining TCs

PG: Coyne had to find this,

↳ ~~TCs~~ Abs released fix in April 2016.

PG says we should have volunteered this.

RW: I was looking for "lashing" bugs

↳ Emmer, I want like the bugs not in the H.I. wording

PG: Back the Dalmelbytoe bug

↳ Known to AOL 2015/16.

↳ Not known to your attention

↳ AW: first aware when I saw JC.

(BT) Goddard dealt w/ Dalmelbytoe, v. expressly.

PG → tries to ~~argue~~ use this show lack of care → in Goddard, but refer to the other 3.

AW → I still thought it was running problem, which don't lead to lasting problems.

(PG) - you should have included this in your report but didn't.

AW - no, it's a running error

↳ MY OPINION IS REMAINING ERRORS GET CORRECTED

~~DISCLOSURE~~ DISCLOSURE.

↳ ARD data → more than allowance of 720.

↳ Extraction of MSC data.

↳ DISCLOSED IN SPREADSHEETS

↳ RE-DISCL'D IN DIFF. FORMAT.

↳ OCBs & OCRs → 2500 recently disclosed (per Coyne ReX.)

→ mid-April.

→ explanation?

↳ TRAC.

BUT W/S Required. → noon Wed 19.06.19.

↳ No incl. dates told, a form whom

CMCs IN DIARY.

↳ 23.07.19 } intended for 2019 progress.

18.09.19 } Stock take for this calendar year on 02.07.19.



→ Angela Spreadsheet

→ Contract.

→

W/S - AW says TC is unpt, but:

- ① Advancements out of scope
- ② "Contract analysis"

- * Robust relative.
- * No material design flaw.
- * Analysis is on implementation
- * Small extent of bugs
- * Support processes ribly good.

* Narrative j'ment
↳ then the evidence (cost, delay)
* Then what?
↳ Keep him in bounds.

x 555 times. →

BOXED



20.06.19

3 PAGES

TRQC.

- Roll - wit for us
- Coyne - incredible damage.

CONCERNERS/OVERSTMT-

CCRC.

TWO REASONS WHY WE'RE NOT GOOD:

(i) WIT (E), in public testimony (wit for us).

↳ He didn't know what was in his shirt; didn't appreciate the significance of being wrong.

↳ Gives Fraser [more] ammo on FJ, processes & reliability.

Fraser informed unfavourable impression of AOR witnesses
BUT should be about Experts.

Warden XX was aimed at credibility

↳ TOO FOCUSED ON NUMBERS, to the exclusion of the dox.

↳ Got the

↳ not aware of what the judge hears.

↳ closed mind; cavalier attitude

TRQC

EXPERTS AGREE ITS ROBUST

CRITICISMS IN COYNE ARE GONE.

WORDEN BAD, BUT DOX & ADMT B/N EXPERTS

} Should be enough for an objective judge.
BUT we have Fraser.

CHAIR - don't assume we have a bigger problem than we do.

Kerr Mc

CHAIR - don't take vity from table to operating environment.

TC = Need to distinguish b/w Comms & Processes ^{change?} _{mer.-resour.}
AC = It's mostly investigating differences

CHAIR = We need a defensible
reconciliation process.

CHAIR = Point is we should have
known.
= No assumptions.

(Red) NEED A CLEAR
LINE FROM FY
TO COVER BUGS
NO BUGS EACH WEEK.

TC → info given to Board which isn't complete
→ come out of position to "this is POL's position"
to "this is the case".

Chair → Feel uncomfortable that Board was labelling under
TC → we're too far removed. the impression that
→ are the convictions safe? all's OK.
↳ REVIEW.

CHAIR = THIS IS A MATERIAL CHANGE.
= Don't kid ourselves "we're in a better position
than we thought"

11:45

Small Kaka
Anna Finn
Budget Kalkin
Nicky

A large rectangular area with a solid black border and horizontal dashed lines, resembling a writing template or a form for data entry. The lines are evenly spaced and extend across the width of the page, leaving a small margin at the top. The entire page is otherwise blank.

Suggesting that we somehow got any C who
had ever been affected = ϕ .

↳ This goes to financial extent
↳ of C-branch which
lots of dx considered.

↳ Name given
↳ of ~~branch~~ which
↳ Det

knows access → draw a line b/w ~~Alta~~ ~~Area~~ H.

PIZZA ~~XXXXXXXXXXXX~~

COOKIES PAR-BAKED ROLLS

WATER

HAMMERS Check Mark's Hammers Kit + His Boots (welded studs)

LETTUCE Parking Permit

MAYO Check Car Insurance for France.

SNACKS

CRISPS

• Renewal Issue

• CIT Costs → reserved?

- who pays a in what proportion → USES THIS TO CRITICISE
→ std or indemnity ↳ may be relevant to Appeal.
- Int point
- Detailed Assent

• Costs Going Fwd.

- Help line

Express cover @ level of cost
(which is not clearly set out)

0

~~1800~~

Ⓢ Konvinski | Holloway - At FCA

Ⓢ Report - FXC Mgmt
- Dashboard.

Ⓢ Board Sub-G.

→ HIGHWAY / 99% vs 17%
→ CASH = Shortfalls.

SCHEDULE 1

AGREED LIST OF HORIZON ISSUES

For agreement pursuant to §4 of the Third CMC Order

The following proposed issues are confined to issues that concern the Horizon system (as defined here) and which (a) arise on the parties' generic statements of case, (b) can be resolved by IT expert evidence, and (c) require limited, if any, evidence of fact.¹

DEFINITIONS FOR THE PURPOSE OF THIS LIST OF ISSUES

"the Horizon System" shall for the purposes of this list of issues mean the Horizon computer system hardware and software, communications equipment in branch and central data centres where records of transactions made in branch were processed, as defined in GPOC, at §16 and as admitted by Post Office in its Defence, at §37.

BUGS, ERRORS AND DEFECTS IN HORIZON

Accuracy and integrity of data

- (1) To what extent was it possible or likely for bugs, errors or defects of the nature alleged at §§23 and 24 of the GPOC and referred to in §§ 49 to 56 of the Generic Defence to have the potential to (a) cause apparent or alleged discrepancies or shortfalls relating to Subpostmasters' branch accounts or transactions, or (b) undermine the reliability of Horizon accurately to process and to record transactions as alleged at §24.1 GPOC?
- (2) Did the Horizon IT system itself alert Subpostmasters of such bugs, errors or defects as described in (1) above and if so how.
- (3) To what extent and in what respects is the Horizon System "robust" and extremely unlikely to be the cause of shortfalls in branches?

[GPOC §23 and 24; Defence §§49 to 56]

Controls and measures for preventing / fixing bugs and developing the system

- (4) To what extent has there been potential for errors in data recorded within Horizon to arise in (a) data entry, (b) transfer or (c) processing of data in Horizon?

¹ In accordance with the indications given by the Court at the CMC on 22 February 2018

- (5) How, if at all, does the Horizon system itself compare transaction data recorded by Horizon against transaction data from sources outside of Horizon?
- (6) To what extent did measures and/or controls that existed in Horizon prevent, detect, identify, report or reduce to an extremely low level the risk of the following:
 - a. data entry errors;
 - b. data packet or system level errors (including data processing, effecting, and recording the same);
 - c. a failure to detect, correct and remedy software coding errors or bugs;
 - d. errors in the transmission, replication and storage of transaction record data; and
 - e. the data stored in the central data centre not being an accurate record of transactions entered on branch terminals?

[GPOC §§5, 14-15, 24.1, 24.1A, 94A, 95;

Defence §§35(2), 36, 38(1), 50(1), 52-54; Reply §41]

OPERATION OF HORIZON

Remote Access



- (7) Were Post Office and/or Fujitsu able to access transaction data recorded by Horizon remotely (i.e. not from within a branch)?

[Defence §7; Reply §9]

Availability of Information and Report Writing

- (8) What transaction data and reporting functions were available through Horizon to Post Office for identifying the occurrence of alleged shortfalls and the causes of alleged shortfalls in branches, including whether they were caused by bugs, errors and/or defects in the Horizon system?

[Defence §7; Reply §9]

- (9) At all material times, what transaction data and reporting functions (if any) were available through Horizon to Subpostmasters for:
 - a. identifying apparent or alleged discrepancies and shortfalls and/or the causes of the same; and

b. accessing and identifying transactions recorded on Horizon?

[GPOC §§14.2-14.3, 17 and 19.3; Defence §§38(2)(b), 38(3), 46(2); Reply §15.2-15.3]

Access to and/or Editing of Transactions and Branch Accounts

(10) Whether the Defendant and/or Fujitsu have had the ability/facility to: (i) insert, inject, edit or delete transaction data or data in branch accounts; (ii) implement fixes in Horizon that had the potential to affect transaction data or data in branch accounts; or (iii) rebuild branch transaction data:

- a. at all;
- b. without the knowledge of the Subpostmaster in question; and
- c. without the consent of the Subpostmaster in question.

(11) If they did, did the Horizon system have any permission controls upon the use of the above facility, and did the system maintain a log of such actions and such permission controls?

[GPOC §§21.3, 23, 25; Defence §§48(3), 50, 57]

(12) If the Defendant and/or Fujitsu did have such ability, how often was that used, if at all?

(13) To what extent did use of any such facility have the potential to affect the reliability of Branches' accounting positions?

[GPOC §§21.3, 23, 25; Defence §§48(3)(c), 57]

Branch trading statements, making good and disputing shortfalls

(14) How (if at all) does the Horizon system and its functionality:

- a. enable Subpostmasters to compare the stock and cash in a branch against the stock and cash indicated on Horizon?
- b. enable or require Subpostmasters to decide how to deal with, dispute, accept or make good an alleged discrepancy by (i) providing his or her own personal funds or (ii) settling centrally?
- c. record and reflect the consequence of raising a dispute on an alleged discrepancy, on Horizon Branch account data and, in particular:

- i. does raising a dispute with the Helpline cause a block to be placed on the value of an alleged shortfall; and
- ii. is that recorded on the Horizon system as a debt due to Post Office?
- d. enable Subpostmasters to produce (i) Cash Account before 2005 and (ii) Branch Trading Statement after 2005?
- e. enable or require Subpostmasters to continue to trade if they did not complete a Branch Trading Statement; and, if so, on what basis and with what consequences on the Horizon system?

[Defence §§42-46; Reply §§17.1-17.2, 21]

Transaction Corrections

(15) How did Horizon process and/or record Transaction Corrections?

[Defence §§12, 39-40, 45-46; Reply §21]

[NR 4] is justifying the "detailed financial analysis"
↳ robust xxm ---> really ---]

-> PO presumption of settled liability as a debt

-> Concludes of wrong or works.

• Expects

↳ ~~know~~ ^{don't} know supply

↳ know of positive

↳ know uncertain about no. of buys ^{not a buy} \rightarrow corrected

↳ know "relatively robust"

↳ know of good

↳ ^{know} know access rare & controlled

↳ Work - assumptions aren't reliable

- wrong approach (for example) ->

Risks \rightarrow amount of cost of fact.

\rightarrow extent of xx

- Disruptive to H.I.T.
- Costs of Renewal > £500k.
- CIT Costs
 - ↳ Not reserving = pre-determined (cost in steel; only once we cut)
 - ↳ Troubled the Judge. → echoes Renewal.
 - ↳ In Terrorism.
 - ↳ Costs don't have to wait →
 - ↳ Reports "I have a pre-determined view"
 - ↳ C.I.T = core issues in Group lit, NOT ~~pre-lit~~ pre-lit issues or non-group lit.

↳ PO IGNORED SPECIFIC RULES FOR QL COSTS.

↳ "Special Cases"

- PO's arguments = misused special rules → "no special rules for QL costs"
- why ~~are~~ unrealistic
- encourage a "war of attrition" whose victor will have the deepest pockets, but only defined outcome once everything had been done.

Discretion → NoJ applies to all Cs

→ Equal footing → PO is publicly funded (x 2) Refs

→ Will make orders going forward provided possible, fair and with proper discretion.

PO Conduct of the Trial

↳ PO put facts in issue which it plainly ought not to have done
 £2.2M to eq "settlementally" → BUT AVOIDED!

↳ Thus extended the length of the trial 50/41

↳

(40/41)

* H.I. Received 04-06-19 → Coyne KK

↳ Already completed in March (+ 14 day in April)

↳ ~~Received~~ Received Agreed Ground

↳ Relatively robust

~~Agreed Ground~~

↳ Coyne KK → Dox don't support starts

→ 0 positive in reports

→ No bugs → no group

↳ Wonder → statistical analysis is being challenged

~~Agreed~~ -

↳ No of weekly TRV

↳ No of Claimant

↳ No of TRV

→ Met to be Xed on limited access

specific bugs

⊗ Received on 04-06-19 for Expert @ the Court having already heard the @ of fact in March / April

⊗ Should be the battle ground given the H.I. gone expressly st

⊗ Last week was Coyne → minimum credibility

→ not really able to state of certainty

how many bugs he had identified

This week was → same thing

