

**Telecon with POL team plus Paula, after Arbuthnot call
on 2 July 2013**

IAN HENDERSON: ... to lock this down close of play Thursday, issue it to you for information only, not on a, you know, sort of a consultation basis on Friday and, interestingly, he said he felt it was important that it was done on that basis. He is adamant or he feels quite strongly that this must remain Second Sight's report not, you know, something that is, you know, sort of produced with, you know, too much alteration from yourselves. But obviously we do welcome your feedback on factual matters.

RON WARMINGTON: We have also stressed how fast moving some of the four spot reviews still are and, as a consequence of that, it is quite conceivable therefore that the interim report will contain what a week later will be found to be errors, as well as matters on which we might agree to disagree.

IAN HENDERSON: Yes. I mean, I think the way I put it is, you know, new information is coming to light. You know, it's important that we get to the bottom of these sort of issues and he seems to, you know, to support that view. So we talked him through his structure report, and he's happy that we give him the proposed final version on Monday, and Janet will take on the role of printing it. What was a bit of a surprise to me was I asked the question: what is the status of the report? At the moment we see it as a confidential report to him and his office, you know, for use by sort of MPs and so on. His response was, "Well, I don't think that's sustainable. There's a huge amount of interest from the press, media and so on." I think we've got to accept the fact that this is going to be in the public domain.

SIMON: Just to let you know, Paula has now joined us.

PAULA VENNELLS: Hi, Ian.

IAN HENDERSON: Hi, Paula.

So perhaps the most important issues are really James' sort of feedback to us. That is clearly an important sort of point, you know, particularly for the --

PAULA VENNELLS: Can I just stop you there. So he says there's an enormous amount of interest. Has he generated that or is this --

IAN HENDERSON: Well, that's -- you know, between us girls, I mean, that was the view that was forming in my mind. He seems to be pushing this. You know, he pretty well confirmed he's going to prerecord issues with the BBC and so on. The other thing which you need to be aware of and consider the consequences: later today he's planning to have another meeting with the Post Office minister. Is it Jo Swinson; have I got the right name?

PAULA VENNELLS: Yeah.

IAN HENDERSON: He's pushing that very hard. He said that he's already spoken to the Speaker of the House of Commons but has asked for some Parliamentary time next week. He initially said or suggested that Second Sight should issue a press release, and I said I don't think that's appropriate, and he's agreed with that. We will issue the report. We will issue probably an executive summary but, as far as we're concerned, the report is between us and James Arbuthnot's office.

SIMON: Hang on a second. Pause there. So he's got interviews that BBC, but he has not seen any information about what the report contains?

IAN HENDERSON: No, but he's booking time next week. He says that he's booked time for a statement in the House. So again this theme seems to fit in with

this, you know, hidden agenda or whatever it is of him driving this forward. I mean, he's using words like, "There is a huge amount of interest in this", "It's important that this is out in the public domain" and so on, and he's talking about a statement in the House possibly as early as sort of Tuesday or Wednesday next week.

FEMALE SPEAKER 1: Okay. So a statement saying what?

IAN HENDERSON: Who knows.

MALE SPEAKER 1: Any sense at all of what he --

RON WARMINGTON: His main theme continues to be the possibility, whether there exists the possibility of wrongful prosecution or, for that matter, wrongful civil action, but he's less concerned about that.

IAN HENDERSON: He's certainly referring to miscarriages of justice. We've obviously briefed him on the defect issue, and I don't know to what extent he has been previous sort of briefed on that, but he seemed very concerned about that. He didn't, you know, suggest that it was a cover-up, but he said, "I find it quite astonishing that it is only now that that information is coming to light, bearing in mind that these were, you know, events and so on that occurred you know up to three years ago."

SIMON: Okay. Just for the record, before the room can be clear (unclear) written to the subpostmasters about that and how many court cases we had mentioned (unclear) if we (unclear) for information only --

LESLEY: -- (unclear) in terms of responding to that, can we make it quite clear that that is all in the public domain? So there's certainly no cover-up, but it's absolutely in the public domain and there's certainly been other (unclear) have been through court cases.

IAN HENDERSON: Well, I think his point was, you know, until the last sort of few days, he was certainly

unaware of that, and I think there was a feeling, you know, bearing in mind that this investigation was set up 12 months ago, there was a lengthy and protracted build-up to that, you know, why is it only now that he is hearing about this? Now, you know that may be a valid point.

RON WARMINGTON: Yes, he said something like, "They haven't told me about it", or, "They hadn't told me about it."

SIMON: I think we ought to register that point. I think us discussing it is probably not going to -- okay, can we just keep going then. What else transpired at the meeting?

IAN HENDERSON: Well, as I say, it was largely us sort of just briefing him on the structure, you know, the timing, the logistics, and so on, and then right at the end -- I mean, he, you know, gave us a bit more of an insight into, you know, his thoughts, his plans, and so on, and that's what I've told you about his meetings with the Post Office minister, you know, and the fact that he thinks it's very important that this is out there in the public domain and is reported to the House. Quite what, you know, he's going to say, I think, you know, is speculation to a certain extent.

LESLEY: Coming back to the point that was covered yesterday in terms of, you know, be clear -- there are some process opportunities, for instance, (unclear: interference) and things that we need to fix. But the other point around the system itself in terms of the cases, there's nothing material been found in terms of Horizon. Was that made clear to James?

IAN HENDERSON: Well, no, because he like us he is using this broader definition of Horizon, and I think like us -- and I know, Simon, you said yesterday we've just got to agree to differ. I think, if you look that wider definition of Horizon, if you look the totality of the user experience, you know, what you,

I think, collectively sort of identified as sort of, you know, process changes, opportunities, and so on, you know, he is putting more into the category of, you know, these are, using that definition, sort of defects in Horizon.

RON WARMINGTON: Yes, I mean --

LESLEY: Sorry to jump in but that's not what we talked about yesterday. So we were absolutely clear yesterday in terms of how we carve up each element of the process so (unclear) the system so that we are absolutely clear where we've got the issues which we do need to address.

RON WARMINGTON: Lesley, we are crystal clear on that. However, I don't think you'll find that he cares. From his viewpoint, it doesn't matter whether it's the software code or the procedures. Take the example of spot review 22 and the scratch cards. The fact that £744,000 worth of TCs were generated as a result of the procedure, that 20 branches were audited and £144,000 worth of differences were attributed to the situation where there existed, as it were, an air-gap between the Horizon System and its driver, the scratch card system. You know, that's -- it doesn't really matter whether we regard that as a software defect, which it wasn't, or a Horizon -- sort of narrow Horizon process deficiency, which it possibly could be defined as, or whether it's a broad Horizon issue, which it most clearly was otherwise we wouldn't have changed the procedure, improved the procedure quite dramatically by reducing the -- by illuminating the air-gap between Camelot and Horizon, and thereby sort of eliminating all that source of enormous quantity and value of TCs.

As far as he's concerned, if somebody committed false accounting as a result of that particular problem, because they had such a huge difference that they couldn't get to the bottom of it, that would represent a miscarriage of justice, and that's what he's trying to get to.

SIMON: So in that case I don't think there's any evidence, certainly not in the spot review.

RON WARMINGTON: We haven't investigated that, Simon, have we? We haven't investigated the 20 branches or for that matter the £744,000 worth of TCs, because it doesn't fall within our sample.

SIMON: There's no evidence that there was.

IAN HENDERSON: Simon, the message is: don't rely on this narrow definition of Horizon. I think, frankly, any references to software and so on are not going to help your case. James is operating well beyond that. He, you know, like us is looking at the totality of the user experience when he's talking about Horizon.

RON WARMINGTON: To alleviate your concerns, Lesley, we are making abundantly clear where we have encountered software issues and, frankly, in the four spot reviews so far. The nearest you will get -- and you've conceded this -- is that the screen and printed messages in the event of the system dropping to recovery mode and using a mobile link, and failing to execute in this case half of the transaction -- the banking transaction went through, the Horizon transaction did not, but as far as the customer's concerned it is one transaction. In that instance, is that a software bug? No, it's not a bug, but it does, as you've conceded, give an indication that there could be a better way of handling it.

LESLEY: A better way of communicating it.

RON WARMINGTON: Yes. I mean, here the person did something wrong, gave out the receipt when he shouldn't have, before he should have, but the customer had gone by time the system printed out all the instructions as to what he should do, and even if he didn't know how to interpret them -- they're not very easy to interpret. Trust me, I've tried.

SIMON: Would you describe that as a systemic error?

RON WARMINGTON: It doesn't matter. What we're saying, Simon, is it doesn't matter. It doesn't matter how we describe it. We will describe it accurately, and we have described it accurately. But in James' eyes it doesn't matter a damn.

SIMON: For our eyes though, we need to put something out. We can't conflict with you. So would it be accurate to say: no systemic errors in --

IAN HENDERSON: Simon, I don't think we can be categoric like that. Trying to compartmentalise frankly is going to back-fire on you. That's the message we're picking up from James' office. He has got no time whatsoever for these semantic definitions and distinctions. You know, he wants all of us to stand back and actually, you know, think about the bigger picture and the totality of the user experience.

SIMON: I was thinking that maybe what he wants to do. Is that what we want to do as the Post Office?

RON WARMINGTON: We're the meat in the sandwich on that, Simon. You know, that may require more than the planned meeting between your Chairman and James, which I think is scheduled for tomorrow?

LESLEY: It's Paula and Alwen, I think.

RON WARMINGTON: Oh, is it Paula and Alwen? Okay.

PAULA VENNELLS: I think we need -- I mean, I understand the message you're giving us. I've (unclear: interference) semantics. I think there are very different things here between -- you know, a systemic problem with Horizon System that brings into question all the transactions, and the fact that it is not a user-friendly experience for user subpostmasters and we need to (unclear: interference) you know, and I said this yesterday, the number of transactions we do, the number of

branches that run and the number of complaints that we've had, even though we've been out and advertised and been very open about them.

IAN HENDERSON: That's something that's not in our report, and we want to put in there upfront, as part of sort of context -- and, Simon, thank you for those numbers that I think came through this morning. So we will even open on that basis which, you know, hopefully will help demonstrate and explain that what we're talking about is a very small, you know, proportion of, you know, transactions and -- you know, that flow through the Horizon sort of system.

RON WARMINGTON: Yes. We're not going to put pictures in the report, of course, but, you know, one can't help viewing this pictorially as a whacking great pyramid with masses and masses of satisfied people and transactions executed at the base and right up to the peak, and then a layer of people stealing from you, and then a layer of people making mistakes, and then a small layer of that of people who have made mistakes which they would not have made if the system had been designed differently. I'm afraid --

SUSAN: Okay, I get that.

RON WARMINGTON: We're dealing with that top of the pyramid, tiny.

SUSAN: Can I just ask a question which you may wish to reflect on.

RON WARMINGTON: Yes.

SUSAN: Are you happy that James uses your report in this way, because I think he's using it in a way we didn't anticipate.

RON WARMINGTON: He is taking --

SUSAN: We anticipated that he would use the report, use your report and -- I mean, I've not seen the report

but as I believe it will be written, (unclear)
a balanced view that these four spot reviews and the
use of narrow (unclear) computer, it doesn't -- this
doesn't indicate a systemic problem with our
computer systems, it indicates, and we talked about
it yesterday, a lack of willingness to get
(unclear), a lack of willingness to get feedback,
and to act on it it and a lot of it is historical.

RON WARMINGTON: Yes.

SUSAN: So, I mean, are you not concerned that your
report is going to be used in a way that actually
you haven't written it to be used in this way, and
it goes to do a lot of damage to our organisation in
a way that's probably not justified(?).

RON WARMINGTON: Well, of course we're concerned about
all those things, Susan, and there does seem to be
a touch -- what I was picking up in the call with
James was a legalistic, cold interpretation of
things. For example, Simon, the agonising work that
you are having to do on spot review 5 in connection
with -- sorry, spot review -- yes, sorry, the
defects issue, where you are trying to say
essentially, "Look, don't worry. We wrote off the
differences and they were tiny in most cases anyway
and some of them didn't affect SPMRs. They affected
people that, you know, weren't going to be hurt."
He brushed that aside, absolutely kicked it into the
long grass, and just said, "It's not relevant."
Okay?

SUSAN: He's not really interested in the facts.

RON WARMINGTON: He's interested in the cold issue of
whether there have been system defects, bugs -- we
haven't used that term -- that have generated
shortfalls which could, during a moment of stress,
in fact, at the end of a trading period, have
brought about a panic-stricken decision to falsely
account. That's where it's coming from. It doesn't
matter whether two weeks later, two hours later, it
was corrected. If somebody was forced by such a bug

or one that has yet to be disclosed, the unknown unknowns that Ian's referred to, to make a life-changing decision, then that's what's relevant.

IAN HENDERSON: He also seems to be focusing on what I call the human element, something that, you know, hadn't been mentioned since the March meeting. He asked us, for example, did we know how many suicides were linked to, you know, sort of Post Office cases, and so on (unclear: interference) clue. But I just mention that, you know, in case that also gives an insight into his thinking.

SIMON: So, if we were to ask you the question, what would you suggest so -- to me it sounds like he's got an agenda, right? That's clear now. What would you suggest is the best course action for Post Office to take right now?

RON WARMINGTON: I think you need that, you know, really important meeting with him really quickly. You know, the fact that, Susan, you came out of the meeting with the thought that those defects should be disclosed to him straight away -- I entirely endorsed that in the meeting yesterday and I entirely endorse it again -- but I think you would be ill-advised to do anything other than to paint that as black a picture as you can; in other words, to say, "Look, this is it, this is it." But not to in any way try and sort of minimise the apparent impact or seriousness, I would say, of the disclosure that's got to be made. Because he's questioning, "If you know about it all that time ago, why didn't you tell me about it?" That's what he's saying.

SIMON: So I guess the answer is: why would we?

RON WARMINGTON: Well ...

SIMON: But (unclear).

IAN HENDERSON: I think that is part of his concern.

I think he feels that, you know, you've not got the right attitude, the right approach, the right, you know, sort of internal processes for dealing with this. I think he's concerned this is a bit of a five-minute wonder. If it wasn't for the pressure from, you know, JFSA, if it wasn't from the pressure, you know, dare I say, even from this investigation, you know, how would you be behaving and, you know, when this is all over, whenever that is, are you going to revert to type?

I mean, I think he is looking for evidence of real fundamental change within the Post Office. That is the closest I can get to identifying his hidden agenda. I think he feels that the Post Office is not well suited to coping with these sort of issues. I may be sticking my neck out, but that's the feeling I was left with this morning.

RON WARMINGTON: By the way, we have stressed that how from the outset we have been -- and it's in the report -- that, you know, we've been impressed by the desire to seek the truth. However, we have to give caution that, you know, we mentioned to your faces, we do sense also, or we have experienced also this tendency to try and force narrow definitions onto things. You know, yeah, this did impact on people, but you asked if it impacted on SPMRs, and the answer is: well, it didn't because it impacted on multiples. That sort of, what might be interpreted in the press the weasel wording is extremely dangerous. You know, we haven't used that phraseology, we haven't referred in the report to that point, but it came up on spot review 5 also in answer to the Rudkin issue. You know, we're not just asking whether people in that basement had access to live systems, even if your answer is they did have access to what they called the live system but it wasn't live, which itself -- you know, we're having to word carefully to make it sound under than stupid and, you know, when you say, "They didn't have access to the Horizon system but they actually were passing entries to the live data, but you didn't ask that", that really is dangerous ground.

IAN HENDERSON: The other thing that I sensed is he's been talking to other people about some of these cases. Now whether that's MPs, whether it's, you know, direct to some of the SPMRs, but on a number of occasions this morning he had a level of detail that frankly surprised me and, you know, seemed to indicate that he is getting information, he is being fed information either directly from SPMRs or from somewhere else.

SIMON: So what sort of information did he --

IAN HENDERSON: Well, for example, we talked about Rudkin straight sort of Bracknell, and he said, "Well, I understand that they have got access to, you know, sort of live data in Bracknell." Now, that's not the sort of comment that I would have expected, you know, based on certainly any of the conversations that we've had with him. We've not gone into that sort of detail.

SIMON: Do you think that might be from Alan Bates?

RON WARMINGTON: No, because we've never said to Alan that we think they've got access to the live data from Bracknell. So unless he's making that up -- I don't know. That's what I warned you about yesterday, that the last thing you want is a spot review response that says categorically: there was no access to live data from Bracknell or, you know, if you narrow it down from the boiler room in Bracknell, for somebody -- or from the second floor which is where the person that we've now identified, thanks to Rudkin, because it didn't come from your records, even though we asked you to disclose the emails, the email that gave the name came from Rudkin. That's a bit serious.

But what I'm getting at is it's no good having a response that says: nobody could have had access to data from that basement because there was no access to the system, if in a week's time some bloody whistle-blower pipes up to say, "Well,

actually I was working on the second floor and we routinely did X."

LESLEY: We've been through this I don't know how many times. The basement has tech systems in it. We're about to interview the (unclear).

RON WARMINGTON: Martin Rolf, yes.

LESLEY: We got that name this week and we're going to interview him, and he was absolutely clear in the statement that he's given to us, before we put him in front of one of the lawyers, to say that there's no access to the data. We are -- as of yesterday, so another action from yesterday -- (unclear) a check who has access throughout that whole Bracknell building.

RON WARMINGTON: Yes.

LESLEY: We spoke to (unclear) Fujitsu this morning on that, so we've taken that away to look at.

RON WARMINGTON: Well, yeah. I mean, we've got -- unfortunately it's more difficult even than you could have feared, because we've got to wind back the clock to what the situation was in 2000 -- you know, when Rudkin visited in November 2008, yes.

SIMON: Okay, right.

RON WARMINGTON: It's not easy.

SIMON: So we've got some actions to take from that (unclear). Is there anything else?

SUSAN: Did James give you any impression about what he thought (unclear)?

IAN HENDERSON: I think I outlined -- I mean, I asked him that question, and he responded briefing the Post Office minister, possibly sort of multiple, you know, sort of meetings to discuss this, both this week and next week. The surprise to me was that he

has already spoken to the Speaker in terms of booking time in Parliament, and I think, yeah, he, you know, wants to push this forward (interference) quite quickly. Right at the end, I said, "How do you see this sort of progressing", and, I mean, in a nutshell, you know, he said he thinks it's very important that, you know, in some shape or form -- and we don't know what that means -- he thinks it's important that these enquiries continue.

LESLEY: Just one question: when is he going to be interviewed by the BBC?

IAN HENDERSON: Probably Friday.

LESLEY: Friday. So that's before he gets the report?

IAN HENDERSON: Yeah.

SIMON: (Unclear) I think we're going down old ground. We as a team need to sit down and think about this. You've done what we asked you to do, is relay the information. Is there anything else you think --

IAN HENDERSON: Simon, one thing you might want to think about -- I mean, I was planning to deal with the report sequentially, serially. In other words, as we discussed, we're going to release bits of it to you probably today that, you know, we don't think will materially change. The first full copy of the proposed final report we'll release to you on Friday. I wasn't proposing to release that to Arbuthnot at that point because, you know, obviously we need to give time for us to sort of consider any further changes and so on. But it does raise the question whether we should also release it to Arbuthnot on Friday so that he's in a more informed position than he would be otherwise. So I might ask a question have you got any views on that.

SUSAN: I think we'll get to you on that one, Ron.

RON WARMINGTON: Yes, we can.

SUSAN: (Unclear) go out and say you could write whatever you like in that report, I'm afraid, and I just don't think it's going to make an iota of difference to what he says, which is my point to you about how do you feel about that, because I think what he says will bear little resemblance to what you write in your report. How can it be otherwise if he's going out to talk to the BBC on Friday?

SIMON: Yeah.

RON WARMINGTON: I think we were both struck by the fact that he was taking a tougher line on this than I would have expected.

IAN HENDERSON: Bearing in mind the row that we had back in March over my sort of comments on the meeting, I mean, if anything, he's taking a far sort of tougher line than the one that I reported back then, you know, that I got a bit of a caning for.

SUSAN: Very inconsistent with that approach. He's changed his position.

SIMON: Okay. Anything else, Ron and Ian?

PAULA VENNELLS: Before that, I think the only question in my mind at the moment is to try to understand what might have changed his position. Have you had any thoughts on that?

IAN HENDERSON: I think it could be this contact with the Post Office minister and maybe, you know, the bigger picture in terms of, you know, Parliamentary sort of discussion vis-à-vis Post Office, and so on, that that seems to be much more to the forefront of his thinking than has ever been the case previously.

RON WARMINGTON: Well, he didn't mention one other thing, Ian, which I hadn't taken a note of and I only just now remember. He said he was sort of -- he remarked on the fact that prosecutions were still continuing.

IAN HENDERSON: Yeah.

RON WARMINGTON: I think he expected the whole process to be kind of frozen while the investigation was going on even though it's taken a year. He remarked on that.

PAULA VENNELLS: Okay.

SIMON: Doesn't explain why he changed his mind.

RON WARMINGTON: I think he's angry about that. I got a sense of a tad of anger from that.

IAN HENDERSON: The other time that I sensed anger was the whole sort of defect issue, you know, why am I only now hearing about this now? I mean, there was a real sense of anger in his voice when he said that.

RON WARMINGTON: Coldness.

SIMON: Thank you. Does anyone round is the table have any other questions?

RON WARMINGTON: One other thing. I'm going to take the position -- I haven't discussed this with Ian -- Ian, we can discuss it out loud here. When it comes to the press, my position, really preferable is we want to make no comments to the press until the final report is issued.

IAN HENDERSON: I'm not even sure at that moment. As far as I'm concerned, you know, this is a report that we are doing, you know, to MPs and not for us to comment.

RON WARMINGTON: Well, it's actually our clients are Post Office Limited, Paula particularly, and Arbuthnot. You know, therefore, we're bound by confidentiality agreements anyway. I'm not thinking that far forward, but what I am happy to say to the press is: "No comment, you know, you can wait until the final report. I'm not guaranteeing I can make a comment then. The reports will speak for themselves."

IAN HENDERSON: I think, Ron, the line we took last time was: refer everything to Post Office press team. It's not even no comment. It's just --

RON WARMINGTON: Yeah.

IAN HENDERSON: -- we need to speak to Post Office comms.

RON WARMINGTON: That's fine with me.

PAULA VENNELLS: Thanks guys. Bye.

RON WARMINGTON: Thank you.

(Call finishes)

RON WARMINGTON: Ron Warmington.

IAN HENDERSON: Was that Paula Vennells on the meeting?

RON WARMINGTON: Yes, she walked in late and she spoke to us.

IAN HENDERSON: I missed that.

RON WARMINGTON: No. He said -- I'd sent you a text that said she was likely to be coming in. He'd sent me one right at the last -- well, he sent me a text which I forwarded to you after --

IAN HENDERSON: As in Simon?

RON WARMINGTON: Yes, yes.

IAN HENDERSON: Only I didn't get that at all.

RON WARMINGTON: Sorry. It's all I could do because I was on the line at that point. At 10.33 I said: "just got this message from Simon. Bit of a snag. Will be couple of mins", and then a few minutes later I said, and this also from him, "Okay. By the way, Paula will join us (probably)."

IAN HENDERSON: Yeah.

RON WARMINGTON: And she did. She walked in about five minutes after it started and she asked a couple of questions.

IAN HENDERSON: We got the stupid Paula that I don't like.

RON WARMINGTON: Oh, yeah. No, this was Paula, the chief exec.

IAN HENDERSON: I'm glad we didn't pull any punches then.

RON WARMINGTON: Exactly. All that stuff, you know, has come out. They are going to have to really wrestle with this, aren't they?

IAN HENDERSON: Yes.

RON WARMINGTON: You know, it's -- I think they're -- once again Lesley was trying to sort of defend her own fucking patch.

IAN HENDERSON: Yeah.

RON WARMINGTON: And then sacrificing just about the whole of everything also, and saying, "I don't give a shit about -- you can say what you like about everybody else, any other department, but just don't criticise the software"

IAN HENDERSON: Which is why I was a bit short with her because I'm getting seriously pissed off with her approach.

RON WARMINGTON: Well, we've told them that it ain't going to work to say that, so that -- it's just going to serve them really badly, but she seems to be so fucking dim that she's not understanding that. I'm sure Paula has taken that point on board straight away.

IAN HENDERSON: No, I'm delighted that Paula, you know,

was on that call.

RON WARMINGTON: This narrowness of interpretation, she heard us talk about that too.

IAN HENDERSON: Yeah.

RON WARMINGTON: A lot of it -- she's heard all the good stuff. So, okay, well, and I loved the trap you laid down in front of Alwen, by saying that he seemed to -- I thought: I know where this is going -- you said, "You seem to be better informed." It wasn't actually the point you're making, but she must have been -- her arse must have been twitching when you said that.

IAN HENDERSON: Seriously. How the hell did he know that there's access to live data in Bracknell?

RON WARMINGTON: I don't know.

IAN HENDERSON: He certainly hasn't got that from us.

RON WARMINGTON: I haven't told him that or -- you know, I haven't even told him the bit about the -- which I said is kind of laughable -- they weren't any live systems there even though they said there were. Right, okay, yeah. Right, got that. That's going to take some fucking explaining, isn't it? Can you imagine that, the way the press is going to get all over that? There wasn't a live system there, but they called it the live system. It's a tester -- it's just loose terminology.

IAN HENDERSON: Yeah, but actually I don't think that is the issue.

RON WARMINGTON: No. I mean, that's going to tie them even more in knots. If their story is that that's what it was all about, and then it turns out there was live data there, it's going to come out. I mean, I don't know how much clearer I have to make it to them.

IAN HENDERSON: That's why I was still banging on about

this back-office accounting system. I just wonder whether that is part of the explanation.

RON WARMINGTON: Yeah, and by the way, as we made the point to James, what the SPMRs are telling me is that, when those TCs, those automated TCs come out, like, right at the last minute in the month, they have no option but to accept them.

IAN HENDERSON: Except Post Office is saying something different. They say that there is still this option.

RON WARMINGTON: There is an option but they can't execute it. Armstrong made that point to me. He said, "If you get a TC coming out the day the last day of the trading period, you cannot get through to the Helpdesk, you cannot do anything about challenging it. You have to just accept it, because otherwise you are going to be unable to open the books the following morning."

IAN HENDERSON: (Unclear) over.

RON WARMINGTON: And the fucking Helpdesk closes at 8 o'clock --

IAN HENDERSON: Yeah.

RON WARMINGTON: -- as far as I understand. I haven't checked that.

IAN HENDERSON: No, but we mustn't say that level of detail on Monday because --

RON WARMINGTON: No, no, no, no. Exactly, I don't know that that's true. We won't have time to get off piste. So, all right, okay. So --

IAN HENDERSON: Right. Now what we need to do I think (a) we need a bit of a break and --

RON WARMINGTON: Yes. Then we go through, clean up the report with the stuff that we've got. Then I've

got -- on the bottom of one of my two copies, I've printed the bits that have got to be added in.

IAN HENDERSON: When do you want to do that? Let's pick a time.

RON WARMINGTON: As soon as you're ready. I wouldn't mind starting at 11.30. It's quarter past 11 now. Do it at 12 if you like.

IAN HENDERSON: Let's aim for 12.

RON WARMINGTON: Great, okay. I'll call you then at 12, and we'll get that cracking.

IAN HENDERSON: Yeah, and yes, because take it to the next iteration. One thing I did note, that paragraph that you read out towards the end, or a couple of paragraphs.

RON WARMINGTON: Yes, it was a repeat. There was a duplication in it.

IAN HENDERSON: Those were the paragraphs that you told Susan we were going to rewrite, because do you remember Susan said, "I'm not comfortable with that. I think you're being a bit harsh", and you said ...

RON WARMINGTON: Let me just find the page 7 ... yeah. Did I say that we'd rewrite those? Hang on, deliberately left out 108BIT. I've actually ringed it on my version as exec summary stuff in yellow. I've got other bits where I've changed.

IAN HENDERSON: It was 7.3, 7.4, 7.5. We're certainly bashing investigations, and Susan said, "I'm uncomfortable with that", and you said, "Oh, we'll rewrite that."

RON WARMINGTON: A bit. Okay, we agreed with Susan to soften it a bit, soften it at bit. Okay, all right.

IAN HENDERSON: Anyway.

RON WARMINGTON: All right.

PAULA VENNELLS: Well, call me at 12.

RON WARMINGTON: Yeah, will do. All right then. Okay.

IAN HENDERSON: Bye.

(Recording ends)