

Witness Name: Baroness Neville-Rolfe

Statement No.: WITN10200100

Dated: 26 June 2024

POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF BARONESS NEVILLE-ROLFE DBE CMG

I, Lucy Neville-Rolfe, formerly Parliamentary Under Secretary of State and Minister for Intellectual Property at the Department for Business, Innovation and Skills, will say as follows:

INTRODUCTION

1. I am a Member of the House of Lords and am currently serving as a Minister of State in the Cabinet Office.

2. I have had three careers.
 - (i) Between 1973 and 1997 I was a civil servant. I joined the fast stream in 1973 and left as a Grade 3 (what is now called a Director) in 1997. Among the posts I held, I was private secretary to the Minister of Agriculture, Fisheries and Food (1977-79), I was a member of the Prime Minister's Policy Unit at 10 Downing Street (1992-94) and Director of the Deregulation Unit in the Department of Trade and Industry (1995-97).
 - (ii) In 1997 I left the civil service to work in the private sector. I was appointed as Director of Corporate Affairs at Tesco in 1997, became company secretary in 2003 and was a main board member as Director of Corporate and Legal Affairs from 2006 to 2013, when I retired. Since then, when not

a government minister, I have held numerous paid and unpaid positions including, but not limited to, being a non-executive director at FTSE companies ITV, Secure Trust Bank and Capita, as well as HDR UK and Metro AG, and I have chaired Assured Food Standards, Crown Agents and the UK-ASEAN (South East Asian) Business Council.

(iii) I have been a member of the House of Lords since October 2013 and, when not a minister, have always played a full part in debates, especially on business matters. I was a government minister from 2014 until 2017 in the Business and Culture departments and the Treasury; I was reappointed as a Minister of State in the Cabinet Office in 2022.

3. As relevant to the Inquiry, on 15 July 2014 I was appointed Parliamentary Under Secretary of State and Minister for Intellectual Property at the Department for Business, Innovation and Skills ("BIS"). This was my first ministerial role. Following the General Election in May 2015, I took on the postal affairs brief in addition to my existing ministerial portfolio and, at the same time, I also became Parliamentary Under Secretary of State at the Department for Culture, Media and Sport. The postal affairs brief was part of my portfolio from 12 May 2015 until 13 July 2016, when Theresa May was appointed Prime Minister, after which I moved into a different ministerial role.

4. I make this statement in response to the Inquiry's request for evidence dated 2 May 2024 ("the Rule 9 request"). I have prepared it with the support of the Government Legal Department and counsel. I have been dependent on others putting documents before me to assist with the chronology of events as set out in this statement. Any views expressed in this statement are my own. I would be very happy to clarify or expand upon the evidence set out in this statement should it assist the Inquiry.

5. I would like to emphasise that a large number of documents which would have been helpful in preparing this statement, such as the minutes of several meetings and my Ministerial Diary, have not been made available to me. This is perhaps because in 2016 the Shareholder Executive ("ShEx") and its staff and records were transferred out of BIS to become part of the newly formed UKGI and in the

same year BIS was merged into a new department. This has made it particularly difficult for me to piece together what happened 10 years ago and I am surprised by the lack of records of senior civil servant engagement in Horizon in the core department and of my regular, brief updates with the Secretary of State.

6. I should say at once that I am horrified that innocent people have been prosecuted, convicted and, in some cases, jailed. Others have been subject to civil proceedings, bankruptcy and lost reputation. I very much welcome this inquiry. I welcome the fact that it seems that some sort of justice will now be done albeit retrospectively and too late for those who have been wrongly accused.
7. I have structured this statement in two sections. The first section contains a detailed chronological account, based on a combination of documentary records and my own recollections and observations. In the second section, I respond to the specific questions set out in the Rule 9 request.

SECTION 1: CHRONOLOGICAL ACCOUNT

8. As indicated above, on 15 July 2014, I was appointed Parliamentary Under Secretary of State and Minister for Intellectual Property at the Department for Business, Innovation and Skills ("BIS"). On around 15 May 2015 I was informed that the Secretary of State for Business, Innovation and Skills ("BIS"), Sajid Javid, had decided that postal affairs would be added to my existing ministerial portfolio (WITN10200101 Email dated 18 May 2015 deciding that postal affairs would be added to BNR's existing ministerial portfolio).
9. My role at BIS was wide ranging and included a number of policy areas in addition to postal affairs. As Lords Minister I was responsible for nearly all departmental business in the House of Lords which included in that year taking through the House the Enterprise Bill (adding privatisation of the Green Investment Bank was controversial) and the highly contentious Trade Union Bill. My portfolio at BIS also included Intellectual Property, attending the Competitiveness Council in Brussels and associated overseas visits to Poland, Berlin and elsewhere and to Asia on Intellectual Property. I was also the Minister responsible for Companies House, a

new and important brief in May 2015, and the Professional and Business Services Council.

10. My portfolio at DCMS occupied at least one day a week, and included policy areas such as nuisance calls and data protection and attending the Council of Ministers which at that time focused on roaming charges and GDPR. My DCMS portfolio was added by Prime Minister David Cameron because of the need to have someone experienced in the Lords to deal with the review of the BBC. I was also the lead minister on the Cultural Property (Armed Conflicts) Act 2017 and took it through the Lords.
11. In both departments I dealt with frequent questions and statements which is the staple of a Lords Minister, often outside my own areas of responsibility.
12. During that period, mid-May 2015 to mid-July 2016, I gave 89 oral answers, statements and speeches in Parliament across a very wide range of policy issues. I have provided at Annex A to this witness statement a chronological list of those statements. Whilst this demonstrates the scope of work in which I was involved in the House, it gives no idea of the burden of work on Bills, which took up the greater part of my time.
13. So I had a wide brief and was travelling overseas at least once a month. My prime priorities were my Bills, Intellectual Property and attending the EU Competitiveness and sometimes other EU Councils and long term relationship building ahead of our 2017 Presidency of the EU (assuming we stayed in the EU).
14. The postal affairs brief had several facets. A briefing note (WITN10200101) prepared for me when I took over the postal affairs brief provides a useful summary. Issues included Network Transformation, finances and funding, with a range of other live issues. In addition to Horizon, I spent time understanding their business plans and helping where appropriate - for example I met with the Economic Secretary to the Treasury, Harriet Baldwin MP, to try and persuade her to let post offices continue to sell premium bonds. I also visited a number of post offices when I was visiting other regions of the country on BIS or DCMS business.

15. My civil service experience gave me some insight into what to expect as a minister. A minister inherits an established line on most subjects which can only be changed with real effort and the agreement of senior ministers. Your office receives considerable amounts of paper of which only a part will be set before you and of that you can only read part. To a significant extent a minister is reliant on the judgement of private secretaries. A good allocation of time is essential noting that much is not negotiable, for example, parliamentary statements, debates and overseas commitments.
16. The essential function of a minister's private office, made up of one or more private secretaries and other officials, is therefore to manage the huge demands on ministerial time. Ministers are heavily reliant on the private office to make the right judgements about what the minister needs to know about and/or see and to record their meetings and decisions – although as noted above, the records that have been made available to me in preparing this statement are incomplete.
17. I am an active Parliamentarian and before I took on the postal affairs brief I was aware in general terms that concerns had been raised by some MPs about the Post Office's IT system, and that the issue had been debated in Parliament. For this reason I was immediately concerned about my new Post Office brief, and identified that I would need to understand "*the problems with the Horizon IT system and the losses people are complaining about*" (WITN10200101). I wanted to be thoroughly briefed and prepared for the work to come. On 18 May 2015 I therefore requested an "*early meeting*" with officials so that they could brief me on these issues (WITN10200101). That meeting was arranged to take place on 2 June 2015.
18. On 29 May 2015, Laura Thompson, Assistant Director in ShEx, emailed my private office (UKGI00004415 Email dated 29 May 2015 with Day 2 briefing overview pack attached) with a 28-page briefing pack in advance of the 2 June face-to-face briefing (UKGI00004416 Day 2 briefing overview pack dated May 2015). I understood at that time that ShEx had expertise and responsibility for managing and advising ministers on Government's Arm's Length Bodies ("ALBs"), including

the Post Office. Throughout my tenure as the relevant minister, Laura Thompson was the main official advising me on issues relating to the Post Office.

19. My private office passed the briefing pack on to me. It was undoubtedly a well-prepared briefing. As explained above, it summarised the broad range of issues across the brief, setting them out in a clear and helpful fashion, with Horizon towards the bottom of the list. I found it quite reassuring.
20. Under the heading "Horizon system and mediation scheme", the briefing pack stated that "***There has been over two years of independent scrutiny of POL's Horizon IT system and no evidence of systemic flaws has been found***". It also stated "*Following complaints from a small number of (mostly former) subpostmasters about the Horizon IT system, in 2012 the Post Office commissioned an independent firm, Second Sight, to examine the system for systemic flaws that could cause accounting discrepancies. Second Sight's interim report, published in July 2013, and final report, published in April 2015, both make clear that there is no evidence of system-wide problems with Horizon*".
21. The briefing pack also indicated that a mediation scheme was in place.
22. Having read through the briefing pack, I asked for a more detailed briefing on, specifically, Horizon. On or around 2 June 2015, I received a "*Further briefing on the Post Office Horizon IT system and associated mediation scheme*" prepared by Laura Thompson (UKGI00004453 Meeting agenda for Post Office Horizon mediation scheme meeting dated 2 June 2015).
23. This indicated, again, that Second Sight's independent review had found "*no evidence of systemic flaws in Horizon which could cause the issues raised [i.e. accounting discrepancies]*" but stated that "*in some cases POL could have provided more training and support to subpostmasters, and POL have since made changes to address this*" (paragraph 2).
24. The 2 June briefing note also referred, again, to the mediation scheme, stating that there were 136 applicants, and going on to emphasise that this was a tiny

number of complaints and that “*The vast majority of subpostmasters are using Horizon effectively every day*” (paragraph 3).

25. At paragraph 4, the briefing note states that Second Sight have “*undertaken separate investigations into each of the 136 cases in the scheme*” and “*There has therefore been over two years of independent scrutiny and in that time no evidence of systemic flaws in Horizon has been found.*”
26. The briefing note continues, at paragraph 5, to inform me that “*the investigators found that the main reason for losses in the majority of cases was “errors made at the counter” by the subpostmaster or their staff [...] cases range from, at one end, examples where POL could and should have provided more support to the subpostmaster in preventing errors being made, to the other end, where there has been clear fraud or dishonesty from the subpostmaster or their staff. Where POL identify areas for improvement on their part, they are committed to implementing them.*”
27. The briefing note goes on to provide clear and strong advice that I should not become involved (paragraph 7):
- (i) “*Despite JSFA’s complaints and calls for a new investigation, it is our strong recommendation that Government should maintain the position that this is not a matter for Government, and increase our distance from this matter.*”
 - (ii) “*There is no evidence of systemic flaws in Horizon; any issues that individual subpostmasters have faced are contractual disputes between two independent businesses (POL and agent). This point has stood firm after over two years’ worth of close independent scrutiny.*”
 - (iii) “*There is no evidence that any of POL’s prosecutions against subpostmasters for either false accounting or theft are unsafe. POL has a duty to disclose any new material that comes to light that could support a subpostmaster’s defence, and none has emerged.*”
 - (iv) The NFSP “*does not support JFSA’s arguments. The NFSP general secretary, George Thomson, has said publicly that he considers JFSA*

members to be “trying it on” and that their complaints are doing damage to subpostmasters’ businesses.”

28. I was informed (paragraph 7) that the CCRC was considering some convictions and that POL had agreed to preserve documents accordingly¹. I took comfort from this as I knew the CCRC conducted thorough, objective reviews of difficult cases.
29. I was also advised (paragraph 13) that I should not engage in correspondence with the JFSA or agree to a meeting with Alan Bates, because this “*will serve to prolong their campaign*”, and that correspondence with them should be handled at an official (not ministerial) level.
30. The briefing note contained two annexes: a summary of the mediation scheme and a draft letter to Alan Bates. The draft letter was a proposed response to a letter from Alan Bates addressed to Anna Soubry, Minister of State for Business and Enterprise at B (UKGI00004438 Letter from Alan Bates addressed to Anna Soubry, Minister of State for Business and Enterprise at BIS dated 19 May 2015).
31. On 2 June 2015, I had a meeting with Laura Thompson, in which I believe I was briefed in line with her briefing pack of 29 May and briefing note of 2 June. I understand the Department for Business and Trade (“DBT”)² has been unable to locate any minutes or other record of that meeting. However, I specifically remember being told that, despite rigorous independent scrutiny over several years, no evidence of systemic issues with Horizon had been found. This line was repeated by ShEx in its advice given to me throughout my time as the junior minister responsible for the Post Office. The advice was clear and unending.
32. A number of points are worth highlighting in relation to the information and advice I received at this time. First, and most importantly, ministers are entitled to rely on advice from officials. The pressure on a minister’s time is relentless and it is

¹ From my career in business, I was well aware of the need to preserve documents in cases of litigation.

² The successor department to BIS.

necessary for a minister, and their private office, to make judgements about the most effective and efficient use of that time. A minister cannot possibly hope, or be expected, to read all documents relevant to their portfolio. They are to a large extent reliant on briefings and advice from officials who, under the civil service code, are required to act with integrity, honesty, objectivity and impartiality. Of course, ministers can and do test and challenge the information and advice they are given – and, indeed, I am not shy in doing so – but, again, ministers cannot second guess all the information they are given but must make judgements in the knowledge that they do not have much time and in the expectation that they are provided with information in good faith and following proper analysis of the available evidence³. Government could not function any other way. As a former civil servant myself, I always assumed that officials were giving me proper advice, and as a minister I was used to relying on the objectivity and thoroughness of official advice.

33. Second, Laura Thompson seemed to be competent, across the detail and to know what she was talking about. Third, I had recently taken over the postal affairs brief, and it was clear that my ministerial predecessors had considered these same issues before me and there was an established Government line. Fourth, I was conscious that POL had been established as an ALB precisely so it could operate free of political interference. And, fifth, I was being informed that there were no systemic problems, the postmasters' trade union did not support the complaints, the CCRC was looking at historic convictions and POL was taking responsible steps (by way of mediation and improved training and support) to deal with all issues – in other words, sensible processes were already in place.

34. I recall that the involvement of the CCRC was important to me, as it seemed on the face of it a good avenue for the investigation of any errors or miscarriages of justice. I remember asking several times how this was progressing in the 14 months or so I was responsible for postal affairs.

35. Taking all of this together, I agreed to follow the advice I was given at this time.

³ Which I understand is a requirement of the civil service code.

36. Pausing there, I had no idea that Second Sight's second report was so critical, and I do not understand why ShEx consistently minimised its findings when providing me with advice as the responsible junior minister. I assumed, and as a minister I was entitled to expect, that ShEx would summarise the report accurately. If ministers cannot trust the accuracy of information provided by officials, Government would grind to a halt.
37. As described below, as I became more aware over time of specific concerns with Horizon and POL's response, I began to doubt and push back against similar advice I received later and began to intervene. This was a gradual process which came about through a steady accumulation of information. There was no 'lightbulb moment'.
38. As indicated above, I received and accepted advice from Laura Thompson that I should not meet with Alan Bates, and that correspondence with him and the JFSA should be handled by officials. It was not unusual to receive advice of this type. I note that I did agree to meet with George Thomson of the NFSP, the responsible trade body, the following month, and this would fit in with my general approach right across my portfolio.
39. For context, as a busy minister I could not agree to all requests for meetings. As a general rule, my approach, like that of most other ministers most of the time, was to decline meetings with individuals or informal groups without official status or the involvement of MPs. A huge volume of individuals and groups want to see ministers, and ministers are asked to attend a very large number of meetings all the time. That is especially true as a business minister. It is therefore necessary to listen to advice: if the advice of officials had been to meet Mr Bates I would probably have done so, but they were giving strong contrary advice.
40. As advised in the introductory briefing document, I asked my private office to set up an introductory meeting with Paula Vennells, POL's CEO. That was classically how I worked with ALBs within my portfolio. The meeting was an introductory meeting to touch on Post Office business generally, and was not arranged

specifically to deal with Horizon issues. The meeting was arranged to take place on 11 June 2015.

41. In preparation for that meeting, on 9 June 2015 I received a briefing paper from Laura Thompson (via my private office) (UKGI00001074 Meeting agenda for meeting with Paula Vennells, Post Office Limited CEO meeting dated 9 June 2015). The paper gives a sense of the breadth of the issues arising under my postal affairs brief. In respect of Horizon, Laura Thompson briefed me that Ms Vennells might want to reassure me that POL were handling the issues relating to the mediation scheme. The briefing again emphasised that *"it remains the case that there is no evidence of systemic fault with the IT system"*. Ms Thompson also stated that *"We (ShEx) have communicated to POL that the Government maintains that the mediation scheme and cases within it are independent of Government. POL are supportive of that approach."*

42. I met Paula Vennells, and other POL executives, on 11 June 2015. I understand that DBT has been unable to locate any minutes or other record of the meeting, though I have been provided with a copy of a letter from Ms Vennells dated 15 June summarising the contents of the meeting from her / POL's perspective (POL00117718 Letter from Paula Vennells dated 15 June summarising the contents of the meeting). The letter does not refer to Horizon being discussed and, if it was, I do not recall it.

43. At some point after 22 June 2015, my private office received a letter from Mr Wilson dated 22 June 2015 (UKGI00004710), apparently in response to a letter which was sent on my behalf on 11 June 2015 (which I have not seen in the course of preparing this statement), which would have been drafted by ShEx officials and which apparently adopted the standard ShEx line that there was *"no evidence of systemic flaws"*. Mr Wilson stated that *"following on from your recent letters to various it would be nice to think you had spoken to the numerous M.P's that have much more information on this scandal and not just accepted what you have been told by Post Office. Good place to start would be James Arbuthnot & then Second Sight"*. He concludes with the comment, *"Don't make the mistake of supporting the wrong-doers!"*.

44. My general practice, and I expect the general practice of many junior ministers, would be to sign letters upon advice from officials. I would receive many letters across my portfolios in BIS and DCMS and additional letters would be directed to me albeit addressed to the Secretary of State and other ministers. They arrived in a central unit not in my office and if they came to my Parliament account would be passed on to my office to forward for official attention. The letters would generally be directed on to officials for advice before going back to the junior minister to respond to if they came from an MP, a peer or a recognised trade association or union. Other letters and emails were dealt with by officials. Usually, the letter would come back with a proposed reply, drafted by officials, if one from me was advised. It would be impossible to read into every issue myself. I relied, and continue to rely, on the advice of officials and I would sign letters upon advice, unless I knew of a good reason not to.
45. The Inquiry has also provided me late in the day with an email chain involving Julian Wilson (UKGI00004978 Email chain involving Julian Wilson dated 9 July 2015). I can see that Mr Wilson's email was sent to my private office and responded to by James Baugh, of ShEx, which adopted the line that I could not comment on individual cases. As noted above it was standard practice to deal with such letters in this way and I doubt if I saw it.
46. On 24 June 2015, Laura Thompson sent a submission to both me and George Freeman (my ministerial counterpart in the House of Commons) regarding a BBC Panorama programme on Horizon which was due to be broadcast on 29 June 2015 (though it did not in fact air until 17 August) (UKGI00000040 Submission dated 24 June 2015 about BBC Panorama programme on Post Office Horizon IT system). This was timed to coincide with an adjournment debate called by Andrew Bridgen MP, and the submission indicated that both Mr Bridgen and James Arbuthnot were understood to be involved in its making. It stated that the programme was expected to be "*highly critical*" of POL. Ms Thompson again advised that Horizon "*is a matter for Post Office and sub-postmasters and it would be inappropriate for Government to intervene*".

47. The Post Office had fallen within my portfolio for around seven weeks by this time and I could see a pattern emerging: it was the consistent advice of ShEx that these matters were independent of Government, that POL was dealing with the various matters appropriately, and on Horizon that there was no evidence of any systemic problem despite rigorous independent testing, and that I should not be interfering.
48. I knew that the Post Office functioned as an Arm's Length Body, with Government as its sole shareholder. I was aware of course from my business experience that POL's Board of Directors were duty bound to act in the best interests of the Government shareholder. I knew that ShEx oversaw the Government's shareholder function, in other words, Government oversaw and scrutinised POL through ShEx. To do that, ShEx was represented on POL's Board.
49. I considered then, and I do now, that this arrangement, when there is competence and honesty, to have a great many benefits; not least because scrutiny of POL on behalf of the Government, as sole shareholder function, is undertaken by experts in ShEx (now UKGI) with relevant experience across many corporations rather than inexpert civil servants.
50. Whilst I do not believe I saw it at the time, I have since been provided with a letter dated 26 June 2015 from Paula Vennells to George Freeman, in advance of the adjournment debate, in which she stated that POL had gone to "*great lengths*" to investigate the problems with Horizon and that "*the past three years have underlined the confidence we have always had in Horizon – it has been found to work as it should*". Ms Vennells set out in her letter that POL had found nothing to suggest that any conviction was unsafe, and that POL took "*great care*" regarding its continuing duty of disclosure on all legal matters including full cooperation with the CCRC (POL00110078 Letter to George Freeman dated 26 June 2015). This was of a piece with the information I was being provided by ShEx. We now know, of course, that it was seriously misleading.
51. On 29 June 2015, Andrew Bridgen MP called an adjournment debate in the House of Commons on the issues with Horizon. At that debate a number of MPs raised constituents' complaints. Mr Bridgen stated that he and a number of colleagues

had “*lost all faith and trust in the Post Office’s willingness to investigate the issue properly and thoroughly*”, criticised the mediation scheme, and called for a public inquiry. George Freeman (who took the debate) referred to the striking degree of concern expressed by Parliamentarians at and in the lead up to the debate, and offered to convene a meeting between MPs and POL executives in which the issues could be discussed. He also stated “*Second Sight produced two independent reports—one in 2013 and the other earlier this year—both of which found there was no evidence of systemic flaws in the system. That is an important point that I would like to reiterate in response to the shadow Minister’s point: there is no evidence of systemic flaws in the system. Second Sight’s reports have, rightly, pointed out some areas where the Post Office could have improved how it operates, particularly on the training and support that it provided in some individual cases. As I said earlier, the Post Office is acting on those points.*” This was, of course, in line with the information that ShEx and POL were giving us as ministers.

52. I understood that at least some subpostmasters were losing, or had lost, trust and confidence in the mediation scheme, whilst at around this time ShEx officials were telling me that “*Post Office have put in a great deal of effort to be helpful and transparent here, yet are constantly denounced for their approach and their apparent “contempt” for MPs without any real evidence to demonstrate why. They accept the seriousness of the situation and are committed to resolving it, but are becoming increasingly frustrated by the attacks against them and it is not clear what more they can do ...*” (WITN10200103 Meeting agenda dated 1 July 2015 for meeting about Post Office Horizon: meeting with MPs and stakeholders). I was keen to preserve the mediation scheme, see the CCRC reach conclusions and encourage engagement between the subpostmasters and POL. I agreed with George Freeman that the way forward was to bring the interested parties together and at least provide a forum for open, frank and sensible discussion. This was an important step, and would not have happened had we continued to follow ShEx advice.

53. Andrew Bridgen followed this up in Prime Minister’s Questions on 1 July 2015: “*Owing to ongoing issues with the Post Office’s Horizon software accounting*

system, I believe that many honest, decent, hard-working sub-postmasters and sub-postmistresses have lost their reputations, their livelihoods, their savings and, in the worst cases, their liberty. This is a national disgrace. Will my right hon. Friend consider the requests from Members across the House for a judicial inquiry into this matter and bring it to a conclusion?" The Prime Minister stated in reply *"My hon. Friend has done a real service in campaigning tirelessly on this issue, and I know that he has led a debate in the House on it as well. The Post Office's answer is to say that it set up an independent inquiry which has not found evidence of wrongdoing, but, clearly, that has not satisfied many Members on both sides of the House who have seen individual constituency cases and want better answers. What I think needs to happen next is for the Under-Secretary of State for Business, Innovation and Skills, my hon. Friend the Member for Mid Norfolk (George Freeman), to convene a meeting involving Members of the House, the Post Office and representatives of sub-postmasters to discuss their concerns and see what should happen next. I would hope that it would not be necessary to have a full independent judicial inquiry to get to the bottom of this issue, but get to the bottom of it we must."* I shared this view.

54. On 1 July 2015 Laura Thompson sent me (via my private office) and George Freeman a further submission in relation to the meeting between POL and the MPs proposed during the adjournment debate (WITN10200103). Ms Thompson recorded that *"we have considered carefully how to facilitate a productive meeting while meeting the commitments made to Parliament. It is vital to balance these commitments alongside the risk of legal challenge and further significant reputational damage to Post Office, and the risk of increased media interest and pressure which might lead to Government being forced into a judicial inquiry"*. She recommended, on behalf of ShEx, that the meeting should involve Andrew Bridgen MP and *"1-2 other MPs who have led on this issue"* together with senior representatives of POL, and be *"facilitated by Ministers"* (WITN10200103).
55. Ms Thompson's advice was that *"given that some scheme applicants have applied to the Criminal Cases Review Commission, it is important that this meeting neither undermines the role of the CCRC nor prejudices any of the individual cases being*

considered". Her advice was therefore that individual cases should not be discussed.

56. Ms Thompson strongly recommended that JFSA was not as *"they are not a representative body – they are members of the public"*, that *"each member of the JFSA has a case in the mediation scheme"* and *"as with Second Sight, JFSA have proven in the past not to abide by undertakings of confidentiality"* (WITN10200103). She also stated *"they have demonstrated in their conduct since being appointed that they have not respected confidentiality undertakings and have been openly critical of Post Office on social media, despite having been appointed as independent investigators"* (WITN10200103).

57. In respect of the NFSP, she recommended not inviting them on the basis that if they were invited then the Government might be criticised for not inviting JFSA. She said that in inviting NFSP, *"we face accusations that the Government is skewing the meeting in Post Office's favour (since the NFSP are supportive of Post Office on this matter)"*.

58. The key thing, from my perspective, was to get the MPs together in a room with Paula Vennells and POL executives and to hear what they had to say. I was aware that the relationship between POL and Second Sight was not healthy, and thought it would be easier to get Ms Vennells to attend if they were not there. I also took at face value the concern that Second Sight presented a risk of leaking what was said at the meeting, and also thought it was important to avoid the meeting descending into a discussion of individual cases. The point was to have a productive discussion between MPs and POL senior management as part of a process to *"get to the bottom of the matter"*, and it seemed most likely that that would happen without Second Sight at this stage. As explained below, I did subsequently meet with Ron Warmington and Ian Henderson.

59. On 2 July 2015 I wrote to Andrew Bridgen MP and Paula Vennells to invite them to the meeting, which was arranged for 15 July 2015 (UKGI00004820 Letter to Andrew Bridgen dated 2 July 2015, POL00027164 Letter to Paula Vennells dated 2 July 2015). I also wrote to Kevan Jones MP in similar terms.

60. Ms Vennells replied to my letter on 10 July, declining the invitation – which disappointed me – but indicating Mark Davies and Patrick Bourke would attend for POL. She also took the opportunity in that letter to criticise MPs for failing to engage with POL, emphasised the small number of complaints and implied they were largely historic, and stated that POL had set up the mediation scheme in spite of “*the findings ... that our computer system did not suffer from systemic flaws*”, blaming individual errors in branch for the majority of problems. She also emphasised – misleadingly, in retrospect – POL’s ongoing disclosure duty, and indicated her view that Second Sight’s involvement in the meetings would be neither “*necessary or appropriate*” (UKGI00000026 Letter to Baroness Neville-Rolfe from Paula Venells dated 10 July 2015).
61. On 13 July 2015 Laura Thompson sent me (via my private office) a briefing pack relating to the forthcoming meeting between MPs and POL (BEIS0000012 Meeting agenda dated 13 July 2015 for meeting with MPs and Post Office on Horizon system). She again reiterated the usual points (see paragraphs 7-9), and the annexed speaking note encouraged me, if necessary, to “*remind MPs that they have a responsibility as public servants to act fairly, and listen to the Post Office’s side of the story*”. I accepted the advice that my own role should be to facilitate discussion between POL and the MPs. I wanted to create a dialogue and to try to resolve issues.
62. The meeting between MPs and POL was attended by Andrew Bridgen, Kevan Jones, Mark Davies (Communications Director, POL), Patrick Bourke (Programme Director of the mediation scheme, POL), Laura Thompson (ShEx) and me. A note of the meeting was drafted by Ms Thompson (UKGI00013954, UKGI00005125 Note of meeting following Adjournment debate on Post Office Horizon IT System). The note records that Messrs Bridgen and Jones outlined their concerns relating to some individuals. The concerns focused on the length of time the issue had been ongoing and the view of the MPs that POL had acted with a lack of transparency in dealing with the claims that there had been problems with Horizon; the way in which POL had used its powers of prosecution; the length of time it took for cases to progress through the mediation scheme; concerns about

miscarriages of justice where individuals had been advised to plead guilty to false accounting by their legal representatives. I believe they also raised concerns about document destruction.

63. I recall thinking that the concerns expressed by Andrew Bridgen and Kevan Jones needed to be taken extremely seriously. I have described above the way in which I gradually became increasingly concerned about whether Horizon operated as the Post Office claimed. This meeting, which took place within 2 months of my taking up the postal affairs role, was an important step in that process. Amongst other things, it brought home that the processes in place – including mediation and the CCRC process – were not working satisfactorily. More generally I was from the start surprised that so many people from normally reliable sections of the community were being convicted of dishonesty. This was troubling.
64. In a submission dated 17 July 2015 (UKGI00015226 Meeting agenda dated 17 July 2015 about Post Office Horizon: Next Steps), Ms Thompson described the meeting as “*very frank*” and wrote that “*the MPs concerns were wide ranging*”, that “*their distrust of Post Office was clear*” and that “*no side changed their position*”. That was a fair synopsis. My priority was for these issues to be resolved, and I was beginning to think that some pressure from Government might be necessary.
65. All of the advice I was receiving regarding Horizon was from ShEx. This was supposed to be impartial and balanced. However, my faith in that advice was beginning to wane. I now wanted to hear different views and wanted to apply some more independent scrutiny of the issue than had been offered to date by ShEx and, at that meeting, I agreed with Andrew Bridgen that I should meet James Arbuthnot MP.
66. On 13 July 2015, Tim Parker had been announced as POL’s new Chairman, replacing Alice Perkins. Mr Parker was due to take over in October and Neil McCausland, the Senior Independent Director, took over as Interim Chair. I thought the appointment of Tim Parker, as an experienced businessman with a reputation for getting to grips with problems, was a good and reassuring one. Following the meeting between MPs and POL, I quite quickly began to think that

his arrival might be a good opportunity to put pressure on him to commission an independent QC-led (or similar) inquiry and, as explained below, this led to the review by Jonathan Swift QC.

67. Andrew Bridgen MP emailed me the day after the meeting, 16 July 2015, expressing his continuing concerns regarding BIS's failure to meet directly with Second Sight. He indicated a particular concern that POL would direct Second Sight to destroy documentation associated with their investigation. He sought my assurance that I would take steps to ensure that this did not happen (WITN10200105 Email chain dated 16 July 2015 from Andrew Bridgen).

68. I asked my private office to consult with ShEx in relation to this email. Laura Thompson of ShEx responded to say that "*the short answer is that Post Office have already committed on several occasions, including to the BIS Select Committee, that they will not destroy documentation relating to this matter*" (UKGI00005053, UKGI00005060 Email chain dated 16 July 2015). I also asked my private office to contact POL to confirm the position. My private secretary then responded to Mr Bridgen, stating (in line with POL's assurances) that POL had "*a legal duty to disclose any information which could undermine a conviction or assist an individual's defence, and they comply with that duty fully. Furthermore, the Post Office have committed publicly on more than one occasion, including the previous BIS Select Committee, that they will not destroy any documentation relating to this matter. They have also repeated that commitment to me today*" (WITN10200105 Email dated 16 June 2015). As explained below, officials followed this up formally and we received a formal written assurance from Jane MacLeod, POL's General Counsel, dated 29 July 2015 (UKGI00005151 Letter to Baroness Neville-Rolfe dated 29 July 2015 about retention of documents).

69. Mr Bridgen emailed me later that day, again suggesting that Second Sight be asked about their findings (WITN10200107 Email chain dated 16 July 2015).

70. In the meantime, on 14 July 2015 I met with George Thomson of the NFSP. I understand no note of the meeting has been located. I agreed to meet Mr Thomson as representing the national union for subpostmasters. Laura Thompson

advised me that Horizon would be discussed at that introductory meeting. She suggested that I meet Mr Thomson again after the 15 July meeting between POL and the MPs to discuss the Horizon issue in more detail (UKGI00005002 Email chain dated 13 July 2015). I recall the meeting was positive, and was mainly concerned with issues other than Horizon.

71. On 17 July 2015 I received (via my private office) a further submission from Ms Thompson, advising me on “next steps” [254-255].
72. At paragraph 9 of her note she says that following those meetings “*we recommend you should write to the Prime Minister, to set out your assessment of the situation and the Government’s position, having “got to the bottom of the matter” to use his words. We strongly recommend that the Government comes to an agreed position, and ideally should communicate whether it will take any action. We advise that the priority should be to put this issue to bed – continued uncertainty and allegation does damage to Post Office’s business and prevents those individuals with cases from reaching a resolution*”.
73. I essentially ignored this advice. By this stage, and especially following the meeting with MPs and POL, I was coming to have reservations about ShEx’s advice overall and the attitude of the Post Office to the whole issue.
74. As to Ms Thompson’s advice that the “*priority should be to put this issue to bed – continued uncertainty and allegation does damage to Post Office’s business and prevents those individuals with cases from reaching a resolution*”, I certainly wished to resolve issues as soon as possible, but only after proper assurance that postmasters’ concerns had been addressed. As set out below, my priority was not to “*put this issue to bed*” – in fact I put pressure on Tim Parker to institute an independent investigation and report led by a QC (or equivalently independent and intellectually capable individual).
75. On 17 July 2015 Laura Thompson emailed my private office with advice regarding Mr Bridgen’s emails of the previous day (UKGI00005102 Email chain dated 17 July 2015). She stated “*We would recommend against the Government (Ministers*

or officials) meeting Second Sight. Doing so would undermine the position that this matter is independent of Government. Second Sight have not found evidence of systemic problems, so we must let the established legal processes (in which Government has no locus) continue – whether that might be mediation, an appeal, a civil claim, or raising the case with the Criminal Cases Review Commission”. Ms Thompson set out some background to Second Sight’s engagement and work product and the concerns that Second Sight had lost their independence and might be acting outside of their domain of expertise.

76. I note that the advice that Government should not become involved by speaking directly with Second Sight seems at odds with Ms Thompson’s submission of the same day, referred to above, in which she suggested that Government should “*get to the bottom of the matter*”. At the same time, I remained concerned that POL was an ALB (and that there were good reasons for this), and there was a fine line to tread: it seemed to me at this stage that the right approach was for Government to make sure that POL had the right processes in place and was treating the issues seriously, and that Government should not intervene unnecessarily. In any event, whilst I had increasing concerns, I was still being told by officials (and by POL) that Second Sight had found no systemic issues with Horizon, the postmasters’ trade union did not support the complaints, the CCRC was looking at historic convictions and POL was taking responsible steps (by way of mediation and improved training and support) to deal with all issues.

77. On 24 July 2015 my private office was emailed by Mr Bridgen forwarding an email sent by Ron Warmington of Second Sight to George Freeman on 22 July 2015 (UKGI00005133 Email chain dated 24 July 2015). I was either provided with a copy of the email or informed of its contents. In his email, Mr Warmington referred to Mr Freeman’s statement to Parliament in the adjournment debate (and to a letter to Mr Ian Warren) and stated: “*You have summarised our Reports with the following words: “Second Sight have produced two independent reports, in 2013 and 2015, both of which demonstrate that there is no evidence of systemic flaws within the Horizon system which could cause the issues reported”. That is NOT a correct statement.*” Mr Warmington referred Mr Freeman to a number of passages of the Report, before continuing “*You may have noted [...] that Post Office has*

continually focussed attention on the system itself (i.e. 'Horizon', and its successor system, 'Horizon Online'), and even more narrowly on the software, rather than on the entirety of the operational platform used by its Subpostmasters. It follows that even if there had never been any systemic flaws in either version of the system (that being a contention with which we do not agree), that would not mean that the operational platform as a whole was always fit for purpose for all of the tens of thousands of users. As we have stated in our Report, it was not."

78. It is evident that Mr Warmington attached a copy of the Second Sight Briefing Report – Part Two to this email (POL00029849 Initial Complaint Review and Mediation Scheme Briefing Report Part two). I would not ordinarily expect my private office to have provided me with a report such as this, which was of a technical nature and extended to 50 pages, unless I requested it. I have seen documents which indicate that at some point in late July or early August 2015 I did receive the report and read some or all of it – I think it is likely that I read at least the passages referred to by Mr Warmington in his email.
79. Mr Bridgen's covering email stated that Mr Warmington's email "*contradicts statements by the Post Office*". Mr Bridgen was clearly right about this. It was obvious to me that there needed to be some independent oversight and resolution of these issues, but equally clearly the Government – and I as a minister – were not well placed to arbitrate these issues to work out who was right and who was wrong. From my perspective, it was essential to have the right system in place to sort this matter out.
80. Mr Bridgen also stated that his constituent declined again to take part in the mediation scheme as he had spoken to colleagues taking part who felt that they were insulted through the process – this was plainly concerning to me.
81. I requested advice from ShEx in respect of these emails.
82. I received emailed advice from Laura Thompson (via my private office) the same day, 24 July 2015 (UKGI00005133, Email chain dated 24 July 2015). Ms Thompson stated that officials had seen both the Second Sight report and "*Post*

Office's response to the report which they published to correct factual errors and inaccuracies" (paragraph 2).

83. At paragraph 4, Ms Thompson stated *"We have looked again at the paragraphs he has highlighted in Second Sight's report. The statement that "there is no evidence of systemic flaws within the Horizon system" remains correct. This is a position we have stated repeatedly, including in Parliament, so it is unclear why Second Sight are choosing to raise this now. We are happy to provide further detail on the specific points if Ministers require."*
84. At paragraphs 2 and 4 she again gave strong advice discouraging me from intervening. She stated *"Firstly, I would emphasise that our position is not to arbitrate in this matter – it is a commercial matter for the Post Office. As shareholder, we expect Post Office to operate commercially and to handle operational and legal matters such as this one without Government intervention, which would be unnecessary and inappropriate. As you are aware, Post Office has a dedicated team working on this and the Board (on which we are represented) also provides scrutiny on this matter. POL's General Counsel, who joined in January this year, has reviewed the situation with a fresh pair of eyes and is content that POL's position is correct."* In the same vein, she stated at paragraph 5 *"Our strong recommendation remains that Government intervention is neither necessary, proportionate or appropriate."*
85. At paragraph 6, she again emphasised the existing processes to address Horizon issues, including the possibility of civil claims, mediation and applications to the CCRC. She stated *"These claims are a matter of law and it is not the role of Government to intervene – nor indeed does Government have the locus to do so."*
86. At paragraph 8, she rebutted the suggestion that mediation was not working properly and that subpostmasters felt insulted, stating *"while they may feel this way, I would note that mediation is not led by Post Office. In line with best practice, mediations have been facilitated by independent, trained and experienced mediators from the Centre for Effective Dispute Resolution."*

87. As explained above, Government cannot function if ministers are unable to trust the information provided by officials. However, I was not happy with what I was being told. I asked for a meeting with officials at which I could set out my concerns and take some advice on the way forward.
88. I met with Laura Thompson the following week (i.e. the week commencing 27 July 2015) (UKGI00001067 Meeting agenda dated 31 July 2015 about Post Office Horizon: next steps). I made it clear that I wanted to be given proposals for *independent oversight* of Horizon issues, which was to be discussed at a meeting to take place the following Tuesday (4 August 2015). By that stage I was dissatisfied with the advice I was receiving from ShEx, and I wanted a senior official outside of ShEx to provide support.
89. I was also advised to attend a meeting with Paula Vennells and Jane MacLeod (POL's General Counsel), and that I would be provided with a briefing prepared by POL setting out the independent scrutiny already given to these issues.
90. I was subsequently provided with a further submission, dated 31 July 2015, setting out what was agreed at the 27 July meeting. The submission also gave advice that "*in any action, we would also want you to consider the merits of Government being seen to act or not. There is a risk that, the more the Government gets involved, the more we are asked to remain involved or intervene further. Alternative options could involve, say, Post Office deciding to take action to increase independent oversight, which as Government we could support*".
91. I understand that my officials spoke to Jane MacLeod, POL's General Counsel, on 28 July 2015, in relation to preservation of documents. The contents of that discussion were recorded in a letter from Ms MacLeod to me dated 29 July 2015 (UKGI00005151 Letter to Baroness Neville-Rolfe dated 29 July 2015).
92. On Tuesday 4 August 2015, I met with ShEx officials as agreed. I attended along with two Special Advisors, Salma Shah and Nick King, and two of my private secretaries. ShEx was represented by Anthony Odgers, Richard Callard and Laura Thompson. Patrick Kilgarriff, from BIS Legal, and two members of the press

office were also present (UKGI00005297 Post Office meeting notes dated 4 August 2015). Despite my request, I was not supported by a senior official outside of ShEx, and so I was deprived of high-level official input into the policy independent of ShEx.

93. It was at this meeting that I proposed that I should ask Tim Parker, the incoming POL Chairman, to investigate the Horizon issues. My proposal was that Mr Parker would instruct a respected Queen's Counsel (or someone similar) to undertake an independent review of the underlying issues and scrutiny applied to date. This drew on my experience as a senior executive at Tesco and elsewhere where we brought in independent QCs or other respected and independent people (e.g. a senior civil servant) to advise the Board. I knew from experience that a QC-led review would be rigorous, focused and genuinely independent.

94. It was my view that these issues did require independent investigation. I remained mindful of the arm's length relationship with POL, constantly reiterated by ShEx and indeed others (for example, Salma Shah, a Special Advisor who emphasised the value of operational independence), and I did not consider that Government was well placed to investigate these matters itself. I considered that the investigation could be commissioned by POL so at arm's length - provided that sufficient objectivity could be maintained. From my experience at Tesco, I considered that the instruction of leading counsel would ensure that objectivity. One of the actions from the meeting was that I would speak to Tim Parker and encourage him to *"take a fresh look at these issues and engage with those who are still raising concerns"*.

95. Also on 4 August 2015, Ron Warmington of Second Sight emailed my parliamentary email address (copying in George Freeman and Andrew Bridgen) indicating that he had not received a response to his earlier email to Mr Freeman and that *"the possibility seems to exist that Mr Freeman was inaccurately briefed on the results of our firm's investigation. As stated below, we have concluded that there were, and probably still are, systemic flaws within Horizon"*. Mr Warmington attached his email of 22 July 2015 to Mr Freeman which, as explained above, Mr

Bridgen had previously forwarded to me (UKGI00005300 Email dated 5 August 2015).

96. My private secretary acknowledged receipt the same day and said that I would respond at my earliest opportunity. Mr Warmington responded to say "*I'm in no rush for any answer. I just want to make sure that the Minister is alert to the possibility that she too will be misinformed*" (UKGI00005279 Email dated 4 August 2015).
97. On 5 August 2015, Andrew Bridgen forwarded the emails to my private office, saying "*I have been forwarded this e-mail as Mr Warmington has yet to receive a response. Perhaps you could advise given the seriousness of this allegation that Parliament may have been misled by the Post Office.*" He attached Second Sight's Part 2 report (UKGI00005300 Email dated 5 August 2015)=).
98. Also on 5 August, I had an introductory meeting with Dave Ward of the Communications Workers Union (UKGI00015625 Meeting agenda dated 30 July 2015 about Meeting with representatives of Communications Workers Union), another trade union with an interest in the Post Office. In advance of that meeting, I received a briefing from Michael Dollin of ShEx, which covered a wide range of issues which might come up in the meeting, including Horizon where Mr Dollin repeated the usual ShEx lines. I am informed that no note of this meeting is available. I do not recall discussing Horizon to any great extent with Mr Ward, though I think it probably was discussed. I recall that he was generally reasonably positive.
99. As indicated above, I had agreed to a meeting with Paula Vennells and Jane MacLeod on 6 August 2015. As explained above, by this stage I was dissatisfied with the advice I was receiving from ShEx, and I wanted a senior official outside of ShEx to provide support. On 3 August 2015, my Private Secretary communicated to Laura Thompson my request for support from a senior official from outside ShEx at this meeting (UKGI00005195). Officials pushed back against this, but I maintained that I wanted someone other than ShEx to be there. In the event, I was not provided with the support I wanted and had asked for, but

instead was accompanied by a more senior ShEx official, Richard Callard, together with Laura Thompson.

100. In advance of the 6 August meeting, ShEx provided me with a short briefing note and some lines to take (UKGI00000035 Notes from Baroness Neville-Rolfe meeting with Post Office dated Thursday 6 August), which they had drafted and which did not reflect my concerns at the time or my intended direction of travel. I did not want to be told yet again about POL's side of the story; what I wanted was to ensure that there would be a fresh and independent review to see if issues with Horizon had been missed. The lines to take do say that I should "*Explain that [I am] speaking to Tim Parker shortly and will emphasise the importance Government places on him taking ownership of the issue*".
101. Regrettably, I understand that DBT has been unable to locate any minutes or other record of the meeting of 6 August. However, I received (via my private office) a letter from Jane MacLeod dated 7 September 2015 [383] which states that I indicated I would ask Tim Parker to review POL's position. Whilst I cannot recall whether I said I thought a QC-led (or similar) independent review should be commissioned, I might not have done as I had not yet spoken to Tim Parker about it. In preparing this statement, I have been shown a copy of an unsigned letter, possibly in draft, from Paula Vennells to me dated 11 August 2015 (POL00254149 Draft letter from Paula Vennelles dated 11 August 2015). I do not recall reading this letter at the time. However, this does seem to suggest that I highlighted at the meeting the concerns raised by MPs previously, including that postmasters felt insulted by POL's approach to mediation. I do recall finding one of the POL attendees to be particularly overbearing and dismissive of my concerns.
102. I have also been shown a copy of a chain of emails (provided by the Inquiry) dated 4 August 2015 between Richard Callard of ShEx and Avene O'Farrell and Mark Davies of POL in relation to my meeting with Paula Vennells on 6 August (UKGI00005261 Email dated 4 August 2015). Of course I did not see these emails at the time. Mr Callard asks Avene O'Farrell if he could speak to Ms Vennells before our meeting as it would be "*worth her being aware of (my) mood and position (not that there's too much to worry about)*". Mark Davies, POL's

Communications Director, responds by organising a conversation with ShEx. I find this troubling. This seems to me to be clear evidence that ShEx – whose role it was to provide me and other ministers with objective and impartial advice, to scrutinise POL's actions and to hold it to account – was taking steps to provide advance warning to POL about my concerns and intended direction of travel. I cannot see any good reason for them to have done so. I am sadly driven to the conclusion that ShEx and POL, perhaps inadvertently were in effect working together to try to deflect me, and that ShEx were not giving me the independent and impartial advice that I needed.

103. I recall speaking to Tim Parker – probably later on 6 August 2015, and that I impressed upon him that he needed to ensure that the Horizon issues were looked at again, and taken seriously. I just wanted this sorted out properly and believed that he would realise that he and the other board members had a duty to do just that. I recall asking him to bring in an independent QC or equivalent to head a review when he took up office, and he moved to do so soon after he took office. I understand, again, that DBT does not hold a record of this call.

104. On 6 August 2015, Richard Callard emailed my private office to say that he had also spoken to Tim Parker, stating he (Tim Parker) "*will of course take a critical and independent look at the issue*".

105. On 7 August 2015, my private secretary emailed me a proposed response to Mr Warmington, apparently prepared by Laura Thompson and Richard Callard (WITN10200111 Emailed dated 7 August 2015). The draft response maintained and developed the line that "*no evidence of systemic flaws – that is to say, consistently recurring faults – has been identified within the Horizon system, either through your investigations or through the regular testing, audit and accreditation processes that all large IT systems are subject to. As you say, your work looks wider than the IT system, and where problems have been identified in individual circumstances, those are best resolved directly between the two parties involved.*" The draft response also stated that "*where your investigations have highlighted areas for concern, Post Office have committed to addressing them and making*

improvements, particularly around the training and support they provide to subpostmasters.”

106. I was unhappy with the draft letter, and on 10 August Laura Thompson emailed my private office to say “*we spoke and you passed on that the Minister would like the letter to Second Sight to be shorter, and more nuanced around the IT system itself*” (WITN10200112, Email dated 12 August 2015).

107. On 14 August 2015 my private office sent a response in my name to Mr Warmington (UKGI00005504 Email dated 19 August 2015). It indicated that I had read Second Sight’s second report and also POL’s response (POL00002415 Initial Complaint Review and Mediation Scheme reply of Post Office Limited to Second Sight’s Briefing Report- Part two dated 22 September 2014) and thanked him for his work. I should add that given the terms of the letter and what had passed I would by now have looked at the reports, but not necessarily in any great detail.

108. On the same day (14 August 2015) I wrote to the MPs, Kevan Jones and Andrew Bridgen informing them that I would be meeting with James Arbuthnot (WITN10200113 Letter to Kevan Jones dated 14 August 2015, UKGI00005483 Letter to Andrew Bridgen dated 14 August 2015, WITN10200115 Email dated 14 August 2015 attaching letter updating on Horizon1408151, WITN10200116 Email dated 14 August 2015 attaching letter updating on Horizon). I also stated “*I have also spoken to Post Office and I am confident that they take very seriously their responsibilities to subpostmasters, and that they are committed to ensuring those individuals who have raised concerns can have their cases heard. You will be aware that Post Office Limited have a new Chairman, Tim Parker, who will take up his role formally in October. I have asked Mr Parker to ensure that when he takes up his role he gives this matter his earliest attention. I hope his fresh pair of eyes will provide some further reassurance to you.*” I concluded by saying “*I hope you will be reassured that the Government has given this matter serious consideration, and moreover, that there are independently assured processes in place to enable individuals to resolve their differences with Post Office or seek redress. I would like to thank you for your efforts in raising the concerns of your*

constituents and others who have raised concerns, and I hope that you will continue to help ensure they are able to find resolution.”

109. At around the same time, I was also involved in preparing a note to update No.10 and other departments on developments which would have issued from the Secretary of State’s office – so not my document (WITN10200117). I was provided with a draft note prepared by officials which had also been through the Secretary of State’s special advisors. I was not content with it. An email from my private secretary to Laura Thompson stated *“She [i.e. me] feels we have gone backwards and that the note doesn’t reflect the conversations she’s had with officials or the good Bridgen letter.”* The email goes on to state *“However, the line Despite three years of independent scrutiny no systemic issues found with the IT system is not one she is comfortable with given Second Sight and others are now taking issue with this statement.”*

110. I did feel at this stage that I was fighting ShEx.

111. Laura Thompson emailed my private office in response to that email, attaching a revised draft. She stated in her covering email *“We discussed that it does remain the case that no evidence has been brought forward that demonstrates any systemic flaws with the IT system, despite the fact that some campaigners are taking issue with that statement. That is not to say that evidence could not emerge at a later date, but we can only work with the information we have to hand, and there have been considerable efforts to surface any issues by not only of Second Sight but also through Post Office’s own investigations and the independent auditing that all IT systems go through. However we understand the Minister’s concerns and I have amended the wording of the note, as well as removing that line from the LTT section.”* I made further edits to the draft note, but it is important to emphasise that as a junior minister the note was not mine.

112. The Panorama programme was broadcast on 17 August 2015. Its contents were of course deeply concerning though, aside from the Fujitsu whistleblower’s revelations about remote access, the allegations were not new. By this stage, of

course, I had already asked Tim Parker to commission a new independent review of Horizon, and had been given confirmation that this would happen.

113. On 24 August 2015, my private office received an email from Andrew Bridgen, copied to and co-signed by Kevan Jones and Oliver Letwin MP. They requested a further meeting in light of allegations made in the Panorama broadcast. They highlighted two principal issues requiring urgent attention: *“(1) the statement that transactions from the Fujitsu whistle blower that transactions could be remotely could be remotely manipulated and (2) the statements by Second Sight which contradicted the version of the Second Sight report that Post Office has presented to Ministers, MPs, and the media”*. The email said that *“in light of these serious developments, we are convinced that the interests of our constituents require this matter to be independently investigated”* and suggested some individuals who might be able to conduct that review (UKGI00020015 email dated 24 August 2015).

114. My private office asked ShEx to provide advice in respect of that email. This was provided by Tim McInnes of ShEx on 25 August (WITN1020119 Email dated 25 August 2015).

115. In relation to Fujitsu Remote Access, Mr McInnes informed me that:

“- Horizon does not have functionality that allows Post Office or Fujitsu to edit or delete transactions recorded by branches. There has been no evidence in any case reviewed as part of the Scheme that shows that these controls have failed or that the above statement is incorrect.

- It has however always been possible for Post Office to correct errors and/or update a branch's accounts. This is most commonly done by way of a transaction correction however it could also be by way of a balancing transaction or transaction acknowledgement [...]

- All of the above processes for correcting / updating a branch's accounts have similar features. All of them involve inputting a new transaction into the branch's records (no editing or removing any previous transactions) and all

are shown transparently in the branch transaction records available to Subpostmasters (as well as in the master ARQ data)." This last point was an important assertion which later proved untrue.

116. As to the second issue, "*Second Sight Allegations*", Mr McInnes advised that:
- "- Second Sight has written to Ministers to complain its report has been misrepresented and now appear to be asserting that systemic flaws in Horizon do exist. Second Sight's report have not identified any link between Horizon and the losses to the postmasters in the cases they reviewed, nor has it identified any transaction caused by a technical fault in Horizon which has resulted in a postmaster wrongly being held responsible for a loss. There is no evidence that the Horizon system does not work as it should.*
- There is, in fact, overwhelming evidence that the losses complained of were caused by user actions, including in some cases, deliberate dishonest conduct."*

117. Tim McInnes proposed that I respond to the MPs reminding them that I would be meeting James Arbuthnot to discuss "*a range of points, including the allegations raised in the recent BBC Panorama broadcast*" and that I had instructed Tim Parker to "*take a close look at Horizon when he takes up his role in October*".

118. My private secretary sent Tim McInnes' proposed reply to the MPs to my personal email address on 25 August 2015. I responded later that afternoon saying, "*I am not happy with this and I would prefer to have substantive advice including an analysis of the points the MPs make after my return and how we can respond to them persuasively. Is there a case for alerting Tim Parker? We are dealing with senior people like Letwin and Arbuthnot and this is not easy as I have said all along*" (WITN10200120 Email dated 26 August 2015).

119. My private secretary then sent forwarded me Tim McInnes's complete email of 24 August 2015 (WITN10200120). I replied on 26 August 2015 saying "*I will leave this until I get back. This will give you time to provide something fuller on the issues*

and on all the accusations in the programme, provide a substantive and objective letter to the 3 MPs bearing in mind that we now have 4 important people who are not going along with our approach. We also need to assess our tactical handling options and how these will play out, including the involvement of Tim Parker and how we use this to best effect” (WITN10200120 Email dated 26 August 2015). That request was sent by my private office to Tim McInnes later that day (UKGI00005664 Email dated 26 August 2015).

120. I was concerned that Tim McInnes was not fully engaging with the issues raised by Mr Bridgen, Mr Jones, and Mr Letwin. This was the first time I had been briefed on the technical functionality of Horizon and I am confident it was the first time I was made aware of any (albeit limited) remote access functionality. I was also concerned at the repeated assertion that POL and ShEx’s line, as repeated by George Freeman in Parliament, that Second Sight had found no evidence of systemic issues was incorrect. The fact that an increasing number of MPs, including Oliver Letwin (a Cabinet minister, accomplished politician and serious intellect), had reservations about POL’s approach was a real concern.

121. On 4 September 2015 I received the fuller advice I had requested from ShEx, authored by Laura Thompson (UKGI00000042 Meeting agenda dated 4 September 2015 about Post Office Horizon: next steps). I had asked senior officials, outside of ShEx, to review that fuller advice before it was sent to me, and I understand that Patrick Kilgarriff (BIS legal director) and Nick King (Special Advisor) reviewed the briefing note prior to it being sent to me (UKGI00005676 Email chain dated 2 September 2015). No senior BIS policy official appears to have been involved however.

122. Ms Thompson’s recommendation was that I should reply to Messrs Letwin, Bridgen and Jones by simply repeating the Government’s position that the correct channels for resolving these concerns was either through the mediation scheme or legal means including through the CCRC. She also recommended that I refer again to my request that Tim Parker give the matter his consideration upon him taking up his post in October, and of my meeting with James Arbuthnot scheduled for 17 September. The advice continued that it remained ShEx’s strong

recommendation that Government resist calls for further independent inquiry on the basis that such measures could interfere with the CCRC process and/or discourage applicants from seeking resolution through the mediation scheme. Laura Thompson once again repeated that no evidence had been presented to demonstrate that any convictions were unsafe or that a fault in Horizon had caused the losses to subpostmasters.

123. I was not impressed by this advice. It did not strike me as doing anything further than the original email from Tim McInnes on 24 August 2015.

124. By this time, I had lost confidence in the quality of ShEx's advice. We were going round in circles, and they were unwilling to engage with the issues in the way I felt they needed to. In my view ShEx had lost objectivity, and its officials were unable or unwilling to scrutinise POL properly – even though that was an essential part of their role. The advice they gave seemed closed minded, deaf to the issues and constantly repeating the same mantra. As time went by I felt as though they were trying to obstruct, or shut down, my efforts to get to grips with the issues. This may have been connected in some way to a dogmatic belief that ALBs should be entirely free of Government interference; and certainly I was repeatedly advised that POL should be left alone. I do recall feeling the pressure of the consistent advice from ShEx that these were not matters for Government and to hold that official line, but based on what I now knew that was no longer a tenable position.

125. I decided that I should take the opportunity to speak to and seek the advice of Oliver Letwin and, as explained below, we ultimately spoke on 14 September 2015.

126. On 6 September 2015, I sent an email to my private office dealing with a number of Horizon issues (UKGI00000952 Email chain dated 9 July 2015). In paragraph 1, I asked my team to send the updating note for No.10 (referred to above) to Oliver Letwin and to prepare a brief covering letter from me. At paragraph 2, I stated that I should formalise my request to Tim Parker regarding the independent review, and in doing so I should leverage the increasing public pressure and involvement of Oliver Letwin (who, as Chancellor of the Duchy of Lancaster and Minister of State for Government Policy, was a senior Government

minister) in order to emphasise the real importance of a serious independent review. At paragraph 3, I made comments on the responses to MPs, highlighting that I had not read the reports (but had glanced at them), and that I could not take a definitive view. I also wanted to make it clear that I was not on POL's side of the argument. At paragraph 4, I stated "*Finally, remember that our overwhelming objective is to do the right and fair thing. The Post Office may have done so, but we have to be open to the possibility that for whatever reason they have not.*"

127. On 7 September 2015, I received a letter from Jane MacLeod, General Counsel at POL, which again restated POL's position on some of the matters discussed at our 6 August meeting, and sought to rebut the Panorama allegations (POL00041135 Letter to Baroness Neville-Rolfe dated 7 September 2015).

128. On 10 September 2015 my private office sent a letter from me (drafted by ShEx) to Tim Parker, copied to Paula Vennells, (POL00102551 Letter to Tim Parker dated 10 September 2015) to follow up on our conversation of 6 August 2015. In this letter I say "*The issues surrounding the Horizon IT system have not been resolved. Indeed, some of the MPs concerns have written to me again following the Panorama programme pressing the case for an independent investigation. The Government takes seriously the concerns raised by individuals and MPs regarding the Post Office Horizon system and the suggestions that there may have been miscarriages of justice as a result of issues with Horizon [...] I am therefore requesting that, on assuming your role as Chair, you give this matter your earliest attention and, if you determine that any further action is necessary, will take steps to ensure that happens*". The letter could have been stronger, but I was keen to get it off rather than go round in circles with ShEx.

129. On 14 September 2015, I spoke to Oliver Letwin regarding my next steps. This was an extremely helpful discussion, with a senior, experienced and wise Cabinet minister. Laura Thompson's readout of the meeting (UKGI00005912 Email chain dated 14 September 2015) captures the main points. It records that Mr Letwin observed that "*there was cross party support at the outset but also acknowledging a genuine question between SPMs who were guilty and those who had been mistreated. He said that, while POL had set up the review and the [Second Sight]*

report, he felt there were still some questions to be answered, and until a genuinely independent person could look at the whole picture, the issues would persist. He felt Govt needed to understand (through an independent reviewer) the scale of the problem before it could be decided what was to be done. BNR responded that both she and SoS were keen to make sure OL understood the background. She made the points from her speaking note around matters of law, CCRC and mediation. OL felt the involvement of the CCRC was constructive and accepted that would take time. BNR spoke about the progress on mediation, acknowledging that the POL contract was strict but rightly so, and that there were a mixture of cases in the pile for mediation. They will take time to work through. BNR explained that she had formally asked Tim Parker to look at the issue and explained his background. OL was very positive about this, noting that TP would come to the issue fresh with no vested interests. He suggested this was the right approach and BNR should set that out in her reply to AB. TP would need to look seriously at all the information including the findings of SS. OL suggested BNR run her plan past JA on Thursday before she replies to AB. BNR said she would update OL after the JA meeting via his office. OL said the call had been immensely helpful.”

130. This gave me confidence that my instinct to get Tim Parker to commission an independent review was the right one.

131. At about this time I was also increasingly of the view that I should agree to the many requests from MPs to meet with Second Sight.

132. On 17 September 2015 I met James Arbuthnot. In advance of that meeting, I received a briefing from Laura Thompson (UKGI00000058 Meeting agenda dated 11 September 2015 about Meeting with James Arbuthnot on post Office Horizon). She advised that the aim of this meeting was to hear his concerns and demonstrate to him that the Government was listening. From my perspective, I was keen to hear from him what action he was calling for and to see where the Government might assist. Ms Thompson yet again stated that *“It is important to keep in mind the fact that to date, through extensive investigation, still no evidence has emerged that there are faults in the system or that any convictions are unsafe.”* She also stated that *“any suggestions for Government actions should be considered in the context*

of inflated expectations of compensation amongst some campaigners, that Government cannot repeal convictions or intervene in the CCRC's work"(UKGI00000058). This point about compensation had been made in the initial written briefing on 2 June 2015, but had not, to the best of my recollection, been repeated since.

133. The meeting itself was positive and instructive, and I believe Mr Arbuthnot also found it useful. His main ask was that I meet Second Sight in order to better understand the issues and to "*decide for myself*" whether their concerns warrant more Government attention or action. I said I would consider this and, ultimately, I decided to meet with them. Mr Arbuthnot and I agreed that the CCRC's investigations were important and should be allowed time to conclude, although he did raise some concerns about the process including disclosure by POL. Mr Arbuthnot told me that there were concerns that there might be evidence that Fujitsu could remotely alter balances in SPM accounts. He suggested that I discuss this with Second Sight if I met with them. I sought Mr Arbuthnot's views on my proposed approach to an independent review by Tim Parker. He was concerned that as the new Chairman of POL he might not be sufficiently objective to provide that independent scrutiny. James Arbuthnot suggested asking Sir Anthony Hooper to conduct that review. I said I would consider this but noted that he had previously declined to meet Ministers on these issues when he was in post as independent Chair of the Working Group. I also had faith in Tim Parker coming in as a new broom.

134. A summary of the headline points of my meeting with Mr Arbuthnot are captured in a note to Oliver Letwin (UKGI00006022 Summary note for Oliver Letwin of headline points of meeting with Mr Arbuthnot)⁴. The letter explained that I was considering whether I should meet Second Sight, and stated that "*As this is potentially a serious problem for the Government I would appreciate your [i.e. Mr Letwin's] views before I write*".

⁴ Emails concerning the process of drafting that note are at UKGI00005978 and UKGI00006021; I note that those emails record me as describing an earlier draft of the note, prepared by ShEx as "*disingenuous*". Copies of these documents were provided to me by the Inquiry.

135. On 1 October 2015, I received a briefing from Laura Thompson at ShEx following my meeting with James Arbuthnot (BEIS0000013 Meeting agenda dated 1 October 2015 about Post Office Horizon: Update). In that briefing, Ms Thompson weighed up the advantages and disadvantages of my meeting Second Sight and advised that I should meet them.
136. On or shortly after 1 October 2015, I received a letter from Tim Parker confirming that he would instruct leading counsel to provide advice on the scope of his investigation, how to conduct the necessary enquiries, and to assist in considering how to present and act on the findings (UKGI00006138 Letter to Baroness Neville-Rolfe from Tim Parker dated 1 October 2015). I was naturally happy to receive this confirmation. I considered it to be really important that this was to happen, and provided me with great reassurance that Tim Parker was getting on with this quickly and taking the issues seriously.
137. I recall that at some point I was informed that Jonathan Swift QC (now Mr Justice Swift) had been instructed to lead the review. I remember researching him on the internet and was happy to see that he was at the top of the profession and exactly the calibre of person I wanted. This reassured me that the review was going to be rigorous and that Tim Parker was gripping the issue.
138. On 5 October 2015, I informed Laura Thompson, through my private office, of my decision to meet Second Sight and Sir Anthony Hooper. I was advised, through my private office, that this should be communicated to POL in the first instance (UKGI00006092 Email dated 5 October 2015 attaching 151001 Post Office Horizon Update submission Revised).
139. I spoke to Paula Vennells regarding my intention to meet Second Sight and Sir Anthony Hooper on 9 October 2015. I do not recall the conversation in any detail, but I have seen a note of the meeting drafted by Laura Thompson of ShEx and shared with my private office (UKGI00006142 Email chain dated 21 December 2015). The note records "*POL wanted to flag their concerns around the Minister meeting Second Sight. They felt that doing so would risk undermining her*

independence and distance from the situation, and were also concerned that if news of the meeting were to leak to the media, it would risk individuals withdrawing from the mediation process [...] Paula was also concerned that the Minister's meeting might conflict with any meeting Tim Parker decided to have with SS. BNR noted Paula's views but felt it important to make the offer of a meeting to Second Sight and inform Mr Arbuthnot that she was doing so. She suggested that the offer should be a private meeting, and should happen quite soon, so that it would take place before Tim Parker invited them to meet. It would be a short meeting."

140. I wrote to James Arbuthnot on 13 October 2015 thanking him for our meeting on 17 September 2015 and confirming that I would be writing to Second Sight to offer a meeting (JARB0000121 Letter to James Arbuthnot dated 13 October 2015).
141. On 14 October 2015 my private office wrote to Mr Warmington to arrange a meeting (WITN10200125 Email dated 14 October 2015). Mr Warmington replied to that email the following day, 15 October 2015, accepting the invitation on behalf of himself and Ian Henderson (WITN10200126 Emailed dated 15 October 2015). That meeting was arranged to take place on 19 October 2015 (WITN10200126).
142. On 15 October 2015, I received a briefing from Laura Thompson of ShEx in advance of my meeting with Second Sight on 19 October 2015 (WITN10200127 Meeting agenda dated 15 October 2015 about Meeting with second sight on Post Office Horizon). She recommended that I be "*in listening mode*", with the focus on "*system-wide problems, rather than individual examples or cases.*" I was told that Mr Warmington had requested that I read their most recent report in advance of the meeting; Ms Thompson said that if I chose to do so "*we recommend that you also read the Post Office's response to that report.*" I do not believe I read either report against the time.
143. I met Ron Warmington and Ian Henderson of Second Sight on 19 October 2015. I understand that, regrettably, DBT has been unable to locate any minutes or other record of the meeting. I recall listening sympathetically to the issues raised, but I do not remember much of the substance of the meeting: the meeting was certainly not a "lightbulb moment". I am confident I would have informed them of

the Parker review and that I had asked Tim Parker to meet them and that I encouraged them to raise issues with Mr Parker as part of that review.

144. On 13 November 2015, Oliver Letwin wrote to me asking whether I had met Second Sight and what my conclusions from that meeting were. He also asked for a timetable for Tim Parker's investigation (UKGI00006232 Letter to BNR dated 13 November 2015).

145. I responded on 29 November 2015 (UKGI00010325 Letter to Oliver Letwin dated 29 November 2015). In that letter I stated "*I met with Ron Warmington and Ian Henderson from Second Sight on 19 October. It was a helpful meeting and they raised a number of important points. I suggested that they contact Tim Parker, the new Chair of Post Office Limited, to follow these points up. Tim is currently conducting a review into this issue and has appointed a QC to advise him. I understand he is currently setting up meetings with the key parties and I am expecting him to update me on his findings in the New Year.*"

146. On 20 November 2015, my private office received an email from Laura Thompson informing me that JFSA had "*announced on their website that they are preparing for Group Litigation against the Post Office*" and appointed a firm of solicitors, Freeths, to represent them (UKGI00006279 Email dated 23 November 2015). In response, I asked for an explanation of the mechanics of a class action and the potential grounds (UKGI00006279) and a sense of timescales (UKGI00001171 Email chain re: Submission to Ministers on Post Office Horizon - potential group civil action).

147. On 14 December 2015, Laura Thompson of ShEx wrote to my private office providing some updates in respect of the Post Office. She wrote that Tim Parker's review was progressing as planned with the majority of work to be completed before Christmas with a view to finalising the report in mid-January 2016. I found this extremely encouraging. It was suggested that I should meet Tim Parker in late January or early February (WITN10200129 Email dated 21 December 2015, WITN10200130 Email chain dated 7 January 2016).

148. On 31 December 2015, my private office contacted Diane Blanchard, Tim Parker's PA, seeking to arrange a meeting in late January or early February (UKGI00006451 Email chain dated 6 January 2016). A meeting was arranged to take place on 26 January 2016.
149. On 22 January 2016, I received a briefing from ShEx ahead of my meeting with Tim Parker on 26 January 2016. I was informed that the review was in the process of being finalised, and that the investigation had involved a number of meetings including with Lord Arbuthnot and Second Sight (UKGI00000020, Meeting agenda dated 22 January 2016 about Meeting with Tim Parker).
150. I met Tim Parker on 26 January 2016. Laura Thompson was present and took a note. There is none apparently available from my own office although a private secretary was present. A number of issues unrelated to Horizon were discussed following on from a meeting he had had with the Secretary of State on 24 November. In relation to Horizon, he told me that Jonathan Swift QC "*was about to report. He had found no systemic problem*" (UKGI00006482 Note of meeting with Tim Parker on 26th January 2016).
151. On 9 February 2016 I met with ShEx officials to discuss a number of Post Office issues. In line with my meeting with Tim Parker, it was noted that "*The QC engaged by Tim Parker to look into the HORIZON IT system is due to deliver their report soon. He has indicated that there is no systemic problem*" (UKGI00006528 Note of Post Office Meeting dated 9 February 2016).
152. On 7 March 2016, I received a letter dated 4 March from Tim Parker setting out further information about the approach to his review, the scope of work undertaken so far, the findings to date and further work which Mr Parker had commissioned as part of the review (POL00024913 Letter to Baroness Neville-Rolfe from Tim Parker dated 4 March 2016).
153. Mr Parker's letter explained that the objective of the review was "*To review the Post Office's handing of the complaints made by sub-postmasters regarding the alleged flaws in [Horizon] and determine whether the processes [...] to understand,*

investigate and resolve those complains were reasonable and appropriate". The review was to address "both what had happened to date (in the period 2010 – 2015), and also the important question as to whether there were any gaps in the work done and what more, if anything, could now reasonably be done to address the complaints that have been raised". To achieve those objectives, the review focused particularly on "(i) criminal prosecutions; (ii) the Horizon system (i.e., the software); (iii) the support provided to sub-postmasters through training and helplines; and (iv) the investigations in the circumstances of specific cases where a complaint had been raised".

154. In respect of (i) (criminal prosecutions), Mr Parker stated that he would instruct specialist criminal counsel to provide advice as to whether the decision to charge theft and false accounting could undermine the safety of any conviction for false accounting if (a) the conviction was on the basis of a guilty plea following which, and/or in return for which, the theft charge was dropped, and (b) there had not been a sufficient evidential basis to bring the theft charge. He also stated that he was satisfied that POL had adopted a proper approach to disclosure.

155. In respect of (ii) (the software), Mr Parker stated "*Post Office recognises that in a system of the age, size and complexity of Horizon, it was unremarkable that occasional bugs, errors or glitches were uncovered and addressed. A limited number of specific problems with the potential to affect branch accounts were brought to the attention of Second Sight during the course of their work, together with details of the way in which the Post Office had addressed these matters. It is apparent that these bugs were capable of having a generic Impact (i.e. of affecting all users of the Horizon system and not only those who had raised complaints about them). However, no evidence has emerged to suggest that a technical fault in Horizon resulted in a postmaster wrongly being held responsible for a loss. In the context of this review exercise, I have concluded that there is no basis on which to recommend further action in relation to these known, specific, errors.*"

156. He went on to say that "*the review report suggested that consideration should be given to whether it would be possible, by analysis of the transaction logs of sub-postmasters who made complaints, to determine more comprehensively whether*

or not the matters complained of by each sub-postmaster could show the existence of some other, generic bug, within the system. Work is now underway to assess if such testing is possible, and if so, to scope the work that would need to be done”.

157. Finally, Mr Parker said that *“further work is also underway to address suggestions that branch accounts might have been remotely altered without complainants’ knowledge. In particular the security controls governing access to the digitally sealed electronic audit store of branch accounts over the life of the Horizon system, will be reviewed.”*

158. In relation to (iii) (training and support), Mr Parker noted the difficulties in determining the merits of these complaints, and stated *“I have concluded that these issues have already been addressed as comprehensively as is reasonably possible by both the Post Office and by Second Sight through their Investigations of all complainants’ cases. However, I am taking forward one further line of enquiry in relation to the very limited number of cases where specific allegations were made of misleading advice being provided by the Post Office’s helplines.”*

159. In relation to (iv) (specific cases), Mr Parker stated *“The review also looked at the Post Office’s investigations of the complaints as part of the Mediation Scheme process. It has concluded that the investigations were detailed and thorough, and left no more than very limited gaps which might now reasonably be filled by further work. There is only one further accounting exercise recommended by the review team, which consists of an examination of the extent of any relationship between unmatched balances in the Post Office’s general suspense account and branch discrepancies, and Independent experts have been Instructed to undertake this examination.”*

160. Under the heading “Next Steps”, Mr Parker stated:

“I have commissioned independent persons to undertake the necessary work. I am satisfied that they meet the standards of expertise and independence appropriate to the tasks.

I do, of course, share your aim that matters should be drawn to a conclusion as soon as possible consistent with the need for the work that remains to be done to a high standard. I hope you will understand that, particularly in relation to the further testing of the Horizon system, this work may take some time. I anticipate that I will be in a position to report back on the outcome of this further work during May.

I firmly believe that the focus and scope of my review to date, together with the further work which I have now commissioned, will at that time allow me to confirm that the processes designed and implemented by Post Office Limited to understand, investigate and resolve those complaints were reasonable and appropriate, and that there are no further enquiries which need to be undertaken into this matter, whether by Post Office Limited or, indeed, by anyone else.”

161. The impression I had was that the investigation remained ongoing, and that whilst much good work had been done there was still considerable work to be done. I did not understand that the review was complete. Mr Parker’s letter stated that it was written to describe the work undertaken “so far” as part of the review, and his “*initial*” findings, and set out his plan to bring the review to a conclusion. He described his letter as an “*update*”, and suggested that “*once the various additional strands of work I am pursuing are complete, we will need to find an appropriate method of communicating the results of my review to a wider audience*”. I was not provided with a copy of any final report prepared by Jonathan Swift QC, and did not understand at that stage that one existed – whilst Mr Parker, at the very end of the letter, stated “*If you would like to discuss the review report with me, I would be happy to do so*”, I did not understand there to be any significance in the expression “*review report*” and did not take this to be a reference to some separate freestanding report. I also expected Mr Parker to describe to me with full candour the contents of the advice he had received.

162. I was pleased to understand that Mr Parker had “*commissioned independent persons to undertake the necessary work*”. Though I did not want the review to

drag on unnecessarily, I was content that Mr Parker was doing the right thing by continuing with the review, and accepted that it would be necessary to wait until the further work was done to receive the final outcome of the review.

163. I did not know at the time but know now that Mr Parker had in fact received a final report dated 8 February 2016 from Jonathan Swift QC, entitled "*A Review on Behalf of The Chairman of Post Office Limited. Concerning The Steps Taken in Response to Various Complaints Made by Sub-Postmasters*" ("the Swift Report") (POL00167707). The first time I saw the Swift Report was earlier this year and as result of this Inquiry's work.

164. It is my firm view that Mr Parker should have made it plain to me that he was in receipt of Jonathan Swift QC's final report. If there was some genuine reason why he could not provide me with the report, then he should have explained that and provided me with an accurate and reasonably complete summary of the report.

165. I do not know why Mr Parker did not state clearly in his letter (or when I spoke to him) that he had received a final report from Jonathan Swift QC. I also do not know why he did not provide the Swift Report proactively with his letter of 4 March 2016, especially given that, whilst there was further work to do, the document was in final form. I understand now that Mr Parker did not provide the Swift Report to the POL Board.

166. Even more importantly I now see having had access to the Swift Report that Mr Parker's reassuring summary of the report was materially misleading. Specifically, it failed to make any reference to the important points made in paragraphs 145-147 of the Swift report, which concern remote access and directly undermine the information provided to ministers and, in turn, Parliament, and indicate serious historic and ongoing concerns as to POL's compliance with its disclosure obligations in relation to criminal prosecutions and convictions. This contradicts the assurances given in the second paragraph of the Criminal Prosecutions section of Mr Parker's letter "*I am satisfied that Post Office has adopted a proper approach to disclosure such that it satisfies its duty of disclosure as prosecutor*". All this

touches on my key concern which was that postmasters should be able to secure justice through the CCRC process.

167. Similarly, whilst it refers to further work commissioned in relation to POL's tactic of charging theft and false accounting, it did not refer to the important and strongly critical findings in paragraphs 100-109 of the review.

168. These specific findings should have been brought to my attention.

169. I was surprised and disappointed to discover, years later, that Mr Swift's findings were not disclosed as part of any criminal or civil proceedings. I do think this is nothing short of scandalous.

170. I received Mr Parker's letter on 7 March 2016 and on the same day responded to say "*I would like officials to advise on a reply / the need for a meeting. I would also like advice on when I should brief the Secretary of State. It's not definitive as I see it*" (UKGI00006583 Email chain dated 11 March 2016).

171. On 10 March 2015 Laura Thompson sent the requested advice to my private office (UKGI00006583). She summarised Tim Parker's letter and advised that there was no need to meet Mr Parker or respond to his letter.

172. Despite this advice, I decided that I wanted to meet Tim Parker to discuss his letter and the next steps, and a meeting was arranged to take place on 27 April 2016.

173. Around 10 March, I spoke to Lord Arbuthnot in the House of Lords and I relayed to him the contents of Mr Parker's letter in summary. I said I would update him in May in line with the expected conclusion of the review.

174. On 14 April 2016 my private office was copied to an email from the Secretary of State's private office to No.10 saying that POL had received a letter from Freeths Solicitors putting them on notice that civil proceedings had been issued against them on behalf of 91 claimants (WITN10200134). The email was in very similar

terms to the usual ShEx line, which leads me to conclude that ShEx were briefing the Secretary of State / his office in the same way that they were briefing me.

175. On 14 April 2016, I received a submission from Laura Thompson summarising the contents of that email (WITN10200135, Meeting agenda dated 14 April 2015 about Post Office Horizon: update on group legal action). She recorded that I had arranged to meet Tim Parker on 27 April “*to hear more about the final parts of his review into this issue*”.

176. On 26 April 2016, I received a briefing from Laura Thompson in advance of my meeting with Tim Parker the following day. Ms Thompson stated “*We understand he remains on-track to complete the review by the end of May.*” The common understanding at that stage was that the review remained ongoing. Ms Thompson advised me to discuss with Mr Parker how the findings of his review “*once complete*” should be communicated to interested parties, a matter which may become complicated given that legal proceedings were now underway (UKGI00000048 Meeting agenda dated 26 April 2016 about Post Office Horizon: update on group legal action).

177. I met Tim Parker on 27 April 2016. I understand DBT has been unable to locate a copy of any minutes of the meeting, but the content of that meeting was reflected in a submission dated 3 May 2016 from Laura Thompson (UKGI00006692 Meeting agenda dated 3 May 2016 about Post Office Horizon: update on group legal action). At the meeting she said we had discussed progress of the review, and the group litigation. Tim Parker told me that the litigation would be discussed at a POL Board meeting on 24 May 2016 and that as far as he was aware the litigation was not affecting the last pieces of his work to bring his investigation to a conclusion. He told me that remaining work with Deloitte “*may take another month or so*”. I would have assumed from my experience in industry that there would be a discussion at Board level about this report. I would have assumed that the report’s conclusions would have been recorded and the outstanding investigations listed with a timeline mapped out for completion. I consider it fell within the responsibilities of the ShEx representative on POL’s Board to ensure that the

Board discussed the report and saw any remaining work through to completion, or to report it to me if for any reason that were not to happen.

178. Ms Thompson's 3 May 2016 submission also referred to media reporting of good progress with the CCRC review, and stated that POL "*will seek an update on timings on the basis of this report*".

179. I understood from Tim Parker's 4 March 2016 letter and from our 27 April meeting that the review was continuing, and I was content with that. My role at this stage was to get him to do the review with a serious silk, take it seriously and see it through.

180. I have now had sight of an unsigned draft letter dated 21 June 2016 from Tim Parker and addressed to me (POL00022776 Letter to Baroness Neville-Rolfe from Tim Parker dated 21 June 2016). In that draft letter Mr Parker states that POL "*has received very strong advice from Leading Counsel that the work being undertaken under the aegis of my review should come to an immediate end, and instead address the issues through equivalent work taken forward in the litigation [...] I have therefore instructed that the work being undertaken pursuant to my review should now be stopped*".

181. The first time I saw this draft letter was in preparation for this Inquiry. It was published by POL on 23 January 2023 in response to a Freedom of Information Act. POL said in that response that they could not locate any information that the letter was sent to the Department and I am informed that DBT has no record of receiving any such letter. I am confident I did not see it at the time.

182. I do not know why the draft letter was not sent to me (though I do note it was dated 2 days before the Brexit referendum). It was my understanding in June 2016 and beyond that Tim Parker's work on the review was continuing.

183. On 7 July 2016, I met with Richard Callard, Laura Thompson and Tim McInnes (all of ShEx) to discuss matters concerning the Post Office in advance of my regular meeting with Tim Parker scheduled for 19 July 2016 (WITN10200137Notes from

Post Office catch up dated 7 July). A wide range of issues were discussed. A note of that meeting records that *“In the light of group civil litigation, Tim Parker will also bring thought to the catch-up on the future of POL continuing actions. Action: Laura to speak to BIS Legal to consider position.”* I would have understood the *“continuing actions”* to be a reference to the ongoing review.

184. On 13 July 2016, Theresa May was appointed Prime Minister and I ceased to have ministerial responsibility for postal affairs. My successor, Margot James, was appointed on 17 July 2016.

185. I thought it important that I should honour the meeting with Tim Parker on 19 July 2016, despite relinquishing the postal affairs brief. I received a briefing from Laura Thompson in advance of that meeting, which stated *“We advised when we saw you recently that POL were taking additional legal advice from a QC regarding the group litigation against Post Office, and the implications of this action on ongoing work regarding the Horizon matter. Mr Parker will give you an update on this matter and the implications for his review of the system”* (UKGI00001025 Meeting agenda dated 18 July 2016 about meeting with Tim Parker).

186. I met Mr Parker the following day, 19 July 2016. It was our last meeting, and it was essentially a farewell meeting. I do not recall we discussed anything terribly substantive on anything. I certainly have no recollection of any discussion relevant to the Horizon legal cases although I did of course know from the briefing that POL were taking additional legal advice from a QC about the implications of ongoing work following the Swift review. I would in any event have expected something of that importance to be considered by BIS lawyers and their senior officials. My new portfolio as Minister of State – as I had been told some days before by No 10 – was primarily focused on energy as well as intellectual property.

SECTION 2: RULE 9 QUESTIONS

187. In this section, I address the specific questions contained in the Rule 9 request.

Complaint Review and Mediation Scheme

188. I am asked to describe my knowledge and understanding of:

- a. the reason(s) for the establishment of the Complaint Review and Mediation Scheme (the Scheme);
- b. the nature of the complaints made by subpostmasters about the accounting integrity of Horizon;
- c. the initial findings made by Second Sight;
- d. the concerns of Post Office Limited about the conduct of Second Sight;
- e. the reason(s) for termination of the Working Group and Second Sight's involvement.

189. As stated above, I recall that as a Member of the House of Lords I was very generally aware of concerns raised by Parliamentarians on behalf of postmasters, and recall that some postmasters were claiming that deficiencies in the Post Office's IT system were responsible for shortfalls they had experienced.

190. For this reason, when the postal affairs brief was added to my ministerial portfolio in May 2015 I immediately asked the responsible officials to brief me on "*the problems with the Horizon IT system and the losses people are complaining about*" (WITN10200101) My initial knowledge and understanding of these issues was derived from my oral briefing from ShEx on 2 June 2015 and the written materials I received in advance of that briefing, as described at paragraph 14 to 28 above.

191. Over time, my knowledge and understanding evolved as described in Section 1 above.

192. I am asked if I agreed with the advice of the Shareholder Executive that the Government should maintain distance from the concerns raised by MPs and the JFSA regarding the conduct of Post Office Limited and its management of the Scheme.

193. As explained above, I initially agreed with the advice of ShEx officials that the Department should not interfere in these issues, for the reasons described at

paragraphs 29 to 33 above. In summary:

- (1) I was given information and assurances by ShEx officials that these issues were being handled appropriately by POL, and was given strong advice that Government should not intervene. As a busy minister I was not in a position to second guess all the advice I received from responsible officials across my entire portfolio (and Horizon was at the time one relatively small aspect of the postal affairs brief, which was one relatively small part of my wider ministerial portfolio) – how far to test and probe was essentially a judgement call, and I was reassured by the information I was provided with. I had no reason at the outset to believe I was being misled, and every reason to believe the information and advice was thorough, objective and impartial.
- (2) Laura Thompson herself appeared competent and on top of the detail and, to start with, I had faith in her advice.
- (3) I had recently come into the postal affairs brief, and was conscious that a succession of ministers had decided not to intervene in relation to these issues.
- (4) I was acutely conscious that POL had been established as an ALB precisely so it could operate free of political interference.
- (5) I was being informed that there were no systemic problems, the postmasters' trade union did not support the complaints, the CCRC was looking at historic convictions and POL was taking responsible steps (by way of mediation and improved training and support) to deal with all issues – in other words, sensible processes were already in place. Had ShEx officials given me accurate information about the contents of the Second Sight reports, the situation might have been different.

194. As time went by and I became aware of additional information (or, at least, opposed perspectives) – especially through my meetings and correspondence with MPs – I did decide to become more involved, testing and probing the advice and information ShEx officials were giving me, meeting with MPs, Second Sight and other stakeholders, and pressing Tim Parker to conduct a genuinely independent review. This level of involvement was unusual for a minister dealing with an ALB – which is meant to be operationally independent of Government.

Responding to Concerns of MPs and SPMs

195. I am asked to describe my response to the concerns raised by MPs about the integrity of the Horizon IT System, and how (if at all) my attitude to these concerns changed as a result of the adjournment debate held on 29 June 2015.

196. My main concern was that many honest and hardworking people might – though it seemed unlikely initially – might have suffered an injustice. As to the detail I have described above how I responded to MPs' concerns. I immediately requested a briefing on Horizon issues when I took over the postal affairs brief. I corresponded and met with MPs, and obtained information (though, as it turns out, somewhat misleading information) from the responsible ShEx officials in relation to the concerns MPs had raised. Following my meeting with James Arbuthnot, I agreed to meet with Ron Warmington and Ian Henderson. I tested and probed the information I received from ShEx and from POL. I sought and obtained assurances from ShEx and POL about document retention and I pressed Tim Parker to commission a QC-led independent review.

197. I agreed with George Freeman's observations that the strength of feeling in the adjournment debate was striking and agreed with him that it was appropriate to speak to MPs better to understand their concerns.

198. I am asked to describe my response to the proposal that the Government establish a judicial inquiry to investigate MPs' concerns.

199. I accepted the advice of officials that pressure to establish a public inquiry should be resisted at that time. Inquiries are a last resort. They also take an extremely long time and cost a great deal of money. It was better first to pursue the avenues of mediation, the CCRC in which I had great faith, and the Review I had asked Tim Parker to set up to identify outstanding issues. I believe that if the Swift report had been published or made available early on in the sub postmasters' litigation things might have been different and much quicker.

200. I have described above the steps I took. As a minister, I was reliant on the information which the responsible ShEx officials gave me. As explained, however, I began to doubt this information and pressed Tim Parker to institute an independent review, which I thought was the best and quickest way of getting to the bottom of the disturbing complaints from MPs. At the time both James Arbuthnot and Oliver Letwin seemed to agree.

201. I am asked if I agreed with the advice of the Shareholder Executive that *“the priority should be to put this issue to bed”*.

202. I did not. I wanted to get answers to the outstanding questions raised by MPs. As I said in my 6 September 2015 email (UKGI00000952), *“Finally remember that our overwhelming objective is to do the right and fair thing. The Post Office may have done so, but we have to be open to the possibility that for whatever reason they have not”*.

203. I am asked if I shared the concerns of the Shareholder Executive that the *“continued uncertainty and allegation does damage to the Post Office’s business and prevents those individuals with cases from reaching a resolution”*.

204. I agreed – in the abstract – with the proposition that continued uncertainty and allegation did damage to the Post Office’s business, as they would have done to any business. As POL has proved, however, it is never in the long-term interests of businesses to ignore or suppress problems. Most importantly, as explained above I did not see the damage caused by the “continued uncertainty and allegation” as being any sort of justification for avoiding getting to the truth through proper independent scrutiny, and it was for this reason that the Swift review took place.

205. Whilst I also recognised that this might also make it less likely that settlements would be reached through mediation (assuming that is what was meant by *“prevents those individuals with cases from reaching a resolution”*), I did not agree that this was a problem. I considered that individuals should be able to make

properly informed decisions about whether to mediate, without pressure. I was also aware that MPs were also raising concerns about the mediation scheme.

Second Sight's Briefing Report

206. I am asked to describe my knowledge and understanding of the issues raised in Second Sight's Briefing Report Part Two and to address, in particular:

- a. The existence of bugs, errors and defects in Horizon;
- b. The ability of Fujitsu Service Limited to alter transaction data without the knowledge of subpostmasters;
- c. The limited extent and format of the Horizon transaction data available to subpostmasters within branch;
- d. The concerns raised by Second Sight about the conduct of private prosecutions against subpostmasters; and
- e. The limitations which were placed upon Second Sight's access to Post Office documents and records.

207. My understanding of Second Sight's Briefing Report Part Two was initially limited to the information provided to me by ShEx officials. As explained, I had a busy ministerial portfolio and could not possibly read everything relevant to my work. As with other ministers, I was reliant on officials to make the right judgements about the documents I was required to read, and reliant on officials to provide accurate summaries of any documents I could not read in full. This was a lengthy document - assuming I got it in my box at all to start with - I had no reason, initially, to believe ShEx officials had failed to provide an accurate, thorough, impartial and objective summary. I did however speak to MPs and pushed back on the McInnes summary of its contents. I did look at the Second Sight Report and the POL response later on but it was clear this was not a dispute I could resolve personally resolve.

208. As to (a) (the existence of bugs, errors, and defects in Horizon), the briefing pack stated on its "Summary and Key Issues" page that there had been "*over two years' worth of independent investigation*" which had "*found no systemic faults in Horizon*". The slide dedicated to the "Horizon System and Mediation Scheme"

stated that Second Sight had been commissioned in 2012 to examine Horizon for “systemic flaws” that could explain the accounting discrepancies. I was told that in both Second Sight’s interim report and their final report it was made clear that “there is no evidence of system-wide problems with Horizon”.

209. That information was repeated at paragraphs 2 and 4 of the 2 June 2015 briefing document, which seemed a substantial and authoritative document. I was told at paragraph 5 of that document that Second Sight’s investigation had found that “*the main reason for losses in the majority of cases was ‘errors made at the counter’ by the subpostmaster or their staff*”. At paragraph 7 I was told again that “*there is no evidence of systemic flaws in Horizon*” and that “*this point has stood firm after over two years’ worth of close independent scrutiny*”.

210. My assumption was that, as with any computer system, there would be bugs in the Horizon software, but my initial understanding – based on the advice and information I was given by ShEx officials – was that these were not systemic or system-wide. I have set out in Section 2 above the information I received later that let me to conclude that a further independent review of Horizon was necessary.

211. I was not provided with any information in relation to (b) (the ability of Fujitsu to alter transaction data without the knowledge of subpostmasters) by way of my initial briefings. In fact, at that time, I think the only information I had about Fujitsu’s involvement was that it had supplied the Horizon software (which came from Annex A to the 2 June 2015 briefing document).

212. I did become aware quite early on that there were concerns and allegations about remote access. In Laura Thompson’s submission dated 24 June 2015 (UKGI00000040) she recorded that the BBC Panorama programme which was due for broadcast on 29 June (but which was delayed until 17 August) may feature an account of a former subpostmaster “*claiming that POL are able to remotely alter branch accounts to cause discrepancies*”. Ms Thompson informed me that “*all these allegations have been made before and POL plan to defend themselves robustly against them*”.

213. I am aware that Andrew Bridgen MP also raised the issue of remote access at the adjournment debate on 29 June 2015, in which he referred to information provided to him by his constituent, Michael Rudkin.
214. I was provided with a copy of Hansard recording the debate as an annex to Laura Thompson's 13 July 2015 submission (BEIS0000012). In Annex B, she referred to Michael Rudkin's account, raised by Andrew Bridgen, that he had "*unearthed malicious remote access of the Horizon system in the Fujitsu offices in Bracknell by POL, tampering with accounts*" (BEIS0000012). Ms Thompson wrote that POL had written to Mr Bridgen on a number of occasions offering to discuss Mr Rudkin's case, but he had declined. The briefing also annexed Andrew Bridgen's statements at the 29 June adjournment debate and similar statements he had made at a Westminster Hall debate on 17 December 2014 (before my involvement).
215. On 31 July 2015, I received a further briefing from Laura Thompson (UKGI00001067), which stated that the Panorama programme would feature an interview with "*A former Fujitsu (supplier of Horizon) employee, apparently a whistleblower saying that POL can remotely alter branch accounts to cause discrepancies. This is related to an account by Andrew Bridgen MP's constituent Mr Michael Rudkin, which Mr Bridgen raised in Parliament.*"
216. On 17 August 2015, the BBC Panorama programme was broadcast, and featured the Fujitsu whistleblower's account about remote access.
217. Remote access also featured in the 24 August 2015 email from Messrs Letwin, Bridgen and Jones, which referred to the statements made on Panorama by "*the Fujitsu whistle blower*" who said "*that transactions could be remotely manipulated*" (UKGI00020015).
218. As indicated above, I requested information on these issues. This was provided by Tim McInnes on 25 August 2015 (WITN1020119). He informed me:

"1.) Fujitsu Remote Access

- *Horizon does not have functionality that allows Post Office or Fujitsu to edit or delete the transactions recorded by branches. There has been no evidence in any case reviewed as part of the Scheme that shows that these controls have failed or that the above statement is incorrect.*
- *It has however always been possible for Post Office to correct errors in and/or update a branch's accounts. This is most commonly done by way of a transaction correction however it could also be by way of a balancing transaction or transaction acknowledgement. A Post Office employee could also, in special circumstances, log on to a branch terminal locally (i.e. by being physically in a branch) using a new User ID and password and then conduct transactions (though these would register against that unique User ID).*
- *All of the above processes for correcting / updating a branch's accounts have similar features. All of them involve inputting a new transaction into the branch's records (not editing or removing any previous transactions) and all are shown transparently in the branch transaction records available to Subpostmasters (as well as in the master ARQ data)."*

219. As explained above, I requested fuller advice, and in response to this request I received the 4 September 2015 briefing from Laura Thompson (UKGI00000042 Meeting agenda dated 4 September 2015 about Post Office Horizon: next steps). At paragraph 2, the briefing stated "*The email from Mr Bridgen highlights two particular areas of concern from the BBC Panorama programme: the former Fujitsu employee who claimed that transactions can be remotely manipulated; and the statements from Second Sight. These two issues are discussed in more detail in Annex B, along with further detail on other matters raised in the Panorama programme.*" It went on, at paragraph 4, to say "*It remains the case that no evidence has been put forward to demonstrate that many convictions are unsafe, or that issues with the Horizon system have caused losses to postmasters. The BBC Panorama programme contained no significant new issues or evidence that have not already been raised before and addressed by POL. As you heard when you met POL's CEO and General Counsel last month, POL have looked in depth at each individual case and at the issue as a whole – with the General Counsel herself having done this as recently as January this year when she joined the*

business – and found no evidence of unsafe convictions or systemic fault in Horizon.”

220. I am informed that DBT does not hold, or cannot locate, a copy of Annex B to this briefing. I assume the advice contained in Annex B was broadly similar to the advice provided in earlier and subsequent briefings.

221. Annex A contained a proposed reply to Messrs Bridgen, Letwin and Jones, drafted by ShEx, which stated *“Post Office take the concerns raised on Panorama, and elsewhere, very seriously and investigate every allegation that is made. With regard to the specific points in your email in relation to remote access to transactions, no evidence has been advanced that Horizon has the possibility of remotely manipulating transactions in the manner implied, that is to say, without a clear audit trail being created.”* It provided further proposed wording *“If the Minister wishes to address the specific points”*: *“With regard to remote access to transactions, no evidence has been advanced that Horizon has the possibility of remotely manipulating transactions in the manner implied, that is to say, without a clear audit trail being created.”*

222. That draft was subsequently amended to read *“Your email mentions two specific concerns, regarding the suggestion of remote access to transactions on Horizon, and the reports by Second Sight. These issues have been raised both during the BBC Panorama programme and also prior to its broadcast. The Government has received assurances from Post Office that it takes very seriously the concerns raised on Panorama and elsewhere, and investigates every allegation that is made.”* (WITN10200138 Emailed dated 18 September 2015)

223. During my meeting with James Arbuthnot on 17 September 2015, he raised concerns about remote access, and suggested I discuss this with Second Sight if I met them. As explained, during my meeting with Second Sight I asked them to raise their concerns as part of the Swift Review.

224. I was not provided with any information by way of the briefing documents relevant to (c) (the limited extent and format of the Horizon transaction data available to subpostmasters within branch) or (d) (the concerns raised by Second Sight about

the conduct of private prosecutions against subpostmasters). As I note below, I share the widespread concerns about POL's conduct of prosecutions.

225. As to (e) (the limitations which were placed upon Second Sight's access to Post Office documents and records), this was not a matter that I was briefed on initially. I was told in the 2 June 2015 briefing document that in or around March 2015, Post Office terminated its contract with Second Sight and that Second Sight would complete their work on the final report and the individual investigation reports for each of the remaining cases in the mediation scheme. As explained above, when the issue of document retention was raised with me I obtained assurances from POL.

226. I am asked to describe my reaction to the suggestion by Ron Warmington that *"there were, and probably still are, systemic flaws within Horizon"*.

227. As indicated above, I became aware in August 2015 that Ron Warmington disputed the ShEx line that Second Sight had found no evidence of systemic issues. By this stage I had already decided the issues required further independent scrutiny – the dispute was not one I was competent to arbitrate – and had resolved to press the incoming POL Chair, Tim Parker, to commission a further independent review. This led to the Swift review.

Oversight of Post Office Limited

228. I am asked to describe the nature and frequency of my interactions with the senior leadership of Post Office Limited.

229. I had 3 meetings with the Chair of the POL Board and two ad hoc meetings with Paula Vennells over the course of my 14 months in post. I attended a Board Awayday where Horizon was not discussed. I also spoke at a Women's event chaired by Ms Vennells, which was good tempered and positive; there was not a discussion of anything to do with Horizon. All my meetings with Ms Vennells were well prepared and cordial although on occasions I found those accompanying her

rather overbearing and dismissive of my concerns – I recall specifically the meeting of 6 August 2015.

230. I also sent and received occasional letters, via my private office.

231. I am asked to describe the steps which I took to obtain assurance concerning Post Office Limited's handling of Second Sight and the Scheme.

232. As described above, I sought and obtained assurances from officials in ShEx and, on occasion, from the Chair and Chief Executive of POL.

233. I am asked whether I considered that Post Office Limited was taking appropriate steps to address the concerns raised by subpostmasters and Second Sight about Horizon.

234. As explained above, I initially accepted the information with which I was provided by ShEx officials to the effect that POL was taking proper steps to address identified issues. Specifically, I was informed that it had commissioned rigorous independent review which, despite at least two years of scrutiny, had failed to find any evidence of systemic issues; that it had remedied earlier deficiencies in the training and support provided to subpostmasters; that it had entered into independent mediation with aggrieved subpostmasters; and that it understood its disclosure obligations, and was cooperating with the CCRC, in relation to past convictions. Taken together, this seemed appropriate. That was also the advice I received from the relevant ShEx officials.

235. As explained, I began to doubt this information as time went by and acted accordingly commissioning what became the Swift report.

236. I am asked to describe my perception of the commercial relationship between Post Office Limited and Fujitsu, and in particular whether I considered it to be an equal partnership.

237. Fujitsu was the supplier of a complex and wide ranging IT operation and I did not have any particular concerns about the contract at that time and indeed it was

extended at the beginning of 2016 because of problems with IBM. Looking at the issue knowing what I know now, there are questions to be asked about the impact of the contract fines system. The large potential impact of that is highlighted in the footnote on page 50 of the Swift report showing the incentive Fujitsu had not to report glitches. The Second Sight report suggests that POL benefited financially from some of the errors subpostmasters were experiencing. Ministers have neither the time nor expertise to conduct reviews of ALBs' contracts unprompted, and these issues were not brought to my attention.

Relationship with Shareholder Executive

238. I am asked to describe the nature of my working relationship with the Shareholder Executive.

239. My relationship was mainly with Laura Thompson who was for the most part hard working, helpful and effective. However, she followed party lines decided above her by Richard Callard, the POL Board member, and others. In retrospect ShEx was too close to POL for effective scrutiny and I was at times frustrated by their unwillingness to question the status quo.

240. I am asked what (if any) concerns I had about the Shareholder Executive's handling of the complaints made by subpostmasters regarding Horizon's integrity.

241. As explained above, I initially did not have any concerns about the information and advice ShEx provided to me about Horizon. The briefing documents were good, at least superficially. Laura Thompson appeared competent and on top of the detail.

242. I have set out above how my faith in the objectivity and impartiality of the ShEx advice began to wane. They continually repeated the same mantra, and in the later stages it felt like I was having to fight them. They seemed closed to the possibility that all was not as it seemed, and seemed to be doing what they could to ignore my steers or reverse my direction of travel.

243. I am asked whether I considered that the Shareholder Executive was providing sufficient scrutiny / challenge in relation to Post Office Limited's handling of the complaints.

244. In retrospect, ShEx did not effectively fulfil their scrutiny and oversight responsibilities. Their role was to look critically at POL and to provide independent advice. As described above, I began to lose confidence in ShEx's advice and requested senior official support from outside ShEx, though this was not provided to me.

245. I should add that I am now aware from the evidence heard by the Inquiry, but was not at the time, that Mark Davies and his communications team at POL regularly worked together with ShEx to produce briefings sent to me and other ministers. This could have had implications for objectivity.

246. I am asked whether I considered that the governance arrangements in place between the Shareholder Executive and Post Office Limited were adequate.

247. At the time, I considered the system by which ShEx provided (supposedly) expert scrutiny of POL on behalf of the Government to be a sensible system. It is similar to the arrangements adopted by private equity, with a representative on the Board.

248. And as I remark elsewhere the ALB structure had much to commend it. So did the mechanisms by which ShEx provided an input for Government as shareholder.

249. As with any system, a lot depends on individuals and I do not know how they were managed. The problem arises when there is a crisis outside the commercial operation of the ALB. It is significant that if there are major problems of an ethical kind affecting an ALB, ministers will be held accountable, as has been shown in this case by Parliamentary hearings and debates. I understood all this from the beginning. ShEx officials mainly need to focus on commercial matters but this crisis required other skills. ShEx may have had the capacity to take a wider view but did not appear to apply it in this case. Nor did BIS itself. So this crisis has

revealed a serious deficiency on which government should reflect and in due course take action.

BBC Panorama Programme

250. I am asked to describe my reaction to the allegations made in the BBC Panorama programme broadcast on 17 August 2015.

251. I was aware of and disturbed by the contents of the Panorama programme as described in paragraph 112 above. It however covered the ground that MPs had raised with me and officials had warned me of in advance, notably on remote access. I had already told Tim Parker to commission the independent review by this stage. The programme precipitated further emails notably from Oliver Letwin which led to my helpful exchanges with him.

252. I am asked how (if at all) my attitude to the concerns of MPs, Second Sight and subpostmasters changed as a result of this broadcast.

253. I was more determined to pursue the independent Swift Review.

254. I am asked to explain the reason(s) why I made the following comments in response to the briefing at UKGI00000042: *“our overwhelming objective is to do the right and fair thing. The Post Office may have done so, but we have to be open to the possibility that for whatever reason they have not.”*

255. I was making two points here. First, I wanted to make it clear (if it wasn't already) that we, the Government, were not interested in hiding the truth and that the recent allegations by wise heads were significant.

256. Second, I was increasingly concerned about the Post Office / ShEx line. They seemed to be digging in, and I felt I was fighting them. There loomed a possibility, albeit slim, that injustice had been and/or was being done, the chances of which seemed to be increasing.

Ongoing Liaison with MPs and Second Sight

257. I am asked to describe my meeting with James Arbuthnot (as he then was) on 17 September 2015 and my response to the concerns which he raised.
258. I have described this meeting at paragraphs 132-134 above. The meeting was an extremely helpful one. I found James Arbuthnot impressive and very sensible.
259. I am asked what (if any) consideration did you give to commissioning an independent review of complaints about Horizon.
260. By early August 2015, less than 3 months into the job, I had come to the conclusion that there needed to be a new, independent review. I therefore made clear to Tim Parker, the incoming Chair, that I expected him to commission an independent review. I saw him as a new broom, in combination with a QC. I also saw Second Sight and asked them to input into that review, which they did.
261. The problem is not the idea of an independent QC-led report, but that it did not see the light of day, that it was not provided to those who might have benefited in legal proceedings and that the summary sent to me omitted vital points, as discussed above.
262. I am asked to explain why I decided to meet with Second Sight to discuss their concerns / findings.
263. James Arbuthnot suggested that it would be a worthwhile meeting, and I respected his judgement. I recall seeing them in the face of opposition, especially from POL.
264. I am asked whether I considered the objections which the Post Office raised to this meeting were legitimate.
265. POL raised three objections to this meeting. Whilst I considered them, I had already decided to meet Second Sight and did not allow POL's objections to deflect me. Dealing with each of the three objections in turn:

- (i) I did not see how meeting the authors of an independent report would risk undermining my independence and distance in any serious way. I wanted to meet both sides, and I heard from POL, MPs and Second Sight. In meeting Second Sight I would not be attempting to resolve this dispute myself, which I knew I was not competent to do. I explained this to Second Sight, told them that POL were now undertaking an independent review which I supported, and asked them to feed into it.
- (ii) I did not understand what potential conflict they were referring to. This is an example of POL trying to pressure me not to become involved. I did not agree with the concern.
- (iii) I was not concerned about any risk of individuals withdrawing from mediation, if our meeting became public. As noted above I feel individuals were free to seek mediation – or not – so this did not trouble me.

Review of the Horizon System

266. I am asked to explain why I invited Tim Parker to undertake a review of the Post Office's handling of complaints made about the Horizon system.

267. I became dissatisfied with the information we were getting from POL / ShEx and concerned by the concerns of MPs and by the apparently honest nature and background of many of those being pursued by the Post Office. The Government position was longstanding and mediation and the CCRC were progressing, but I was uneasy that things just might not be right and thought it right to get additional assurance.

268. I am asked whether I considered that the actions which Tim Parker proposed to take would provide an adequate response to the concerns which had been raised about Horizon.

269. I did, because he was going to bring in a top QC which he did and did quickly. The problem was not the Swift Review but the failure to inform Government including me that there was a final report and provide me with a copy, the positive

gloss Mr Parker gave it, its suppression in court cases – current and future – and the failure to follow through as proposed in the discussions with me.

270. I am asked to describe what I was told by Mr Parker about the findings and recommendation made as part of his review.

271. I have described in paragraphs 93-95 above the communications I had with Mr Parker in this respect. As explained there, I was given the impression that the review was ongoing with extra threads to be pursued and was neither provided with a report nor informed that one was available. In addition, and as set out above, Mr Parker's letter failed to mention important and critical findings contained in the report.

272. I am asked to explain why I sought advice from the Shareholder Executive in relation to Mr Parker's letter of 4 March 2016.

273. Ministers always seek advice. This is standard procedure. It aids efficiency in the context of very limited time, and additional pairs of eyes. Often officials rightly provide advice proactively in anticipation that ministers will welcome it.

274. I am asked to explain what I was told by Mr Parker about the effect of the Group Litigation upon his review.

275. I do not now recall what if anything Tim Parker told me about the effect of the group litigation upon his review, and unfortunately there are again no meeting notes. However as noted above I knew that POL were considering the impact of the litigation and I expected advice to go to the Government – not necessarily me – on that in due course. I assumed the Government lawyers would be involved and high level discussions would take place. What I did not expect was that this important work would be suppressed, as in effect it was as it was clearly relevant to the litigation.

Relationship with Trade Organisations

276. I am asked to describe the nature and frequency of my interactions with the NFSP and the CWU.

277. I had one meeting with the NFSP, represented by its General Secretary George Thomson. The meeting is described at paragraph 70 above. It took place on 14 July 2015, at which point I had held the postal affairs brief for 2 months. I recall the meeting was positive, and was mainly concerned with issues other than Horizon. By that stage, I had received two briefings from ShEx to the effect that the NFSP did not support the complaints about Horizon.

278. I also had a single meeting with the CWU, represented by its General Secretary Dave Ward. The meeting, which took place on 5 August 2015, is described at paragraph 99 above. I do not recall discussing Horizon to any great extent with Mr Ward, though I think it probably was discussed. I recall that he was generally reasonably positive.

279. I am asked whether I considered that the NFSP and CWU gave adequate challenge to the Post Office in relation to its handling of complaints about Horizon.

280. It was clear that the NFSP and CWU's concerns were elsewhere and that Horizon was a subject of limited interest to their leaders. At the time, I was not in a position to form a view about why they took the positions they did and whether they were right to do so. What I can say is that union support for the POL line was a factor (albeit one of many factors) in my decision making at the time.

General

281. I am asked to reflect on my time as Post Office Minister and set out whether there is anything you would have handled differently with hindsight in relation to the Horizon IT System and its associated issues; and to address the following issues, in particular:

- a. whether I was provided with sufficient information by the Post Office and government officials to understand the technical nature of the issues relating to Horizon's integrity;

- b. whether the government was right to maintain an arms-lengths approach to the concerns / complaints which were raised about the integrity of Horizon;
- c. whether the government should have pressed for an independent review / enquiry into the concerns / complaints which were raised about the integrity of Horizon;
- d. whether I and / or officials maintained effective oversight of the Post Office in relation to its handling of complaints about Horizon.

282. I did my best having regard to the Arm's Length structure, the advice I consistently received from officials, and the pre-existing Government position. It is important to highlight that I was not (as suggested in this question) the "Post Office Minister". As explained above, I was during the relevant 14-month period Parliamentary Under Secretary of State and Minister for Intellectual Property at the Department for Business, Innovation and Skills serving the Secretary of State and, at the same time, Parliamentary Under Secretary of State at the Department for Culture, Media and Sport. The postal affairs brief formed a relatively small part of my portfolio in the BIS ministerial portfolio; issues relating to the Post Office (an Arm's Length Body operating independently of government) formed just one part of the postal affairs brief; and only a fraction of those Post Office issues concerned Horizon. Whilst it is now obvious that Horizon was a major problem, the context is important. One of my many jobs as a minister was, with the support of officials, to try to identify risks and spot problems across the whole of my portfolio – and I was not just looking at the Post Office or just at Horizon within the postal brief.

283. I emphasise also that ministers cannot do this without leaning heavily on officials. I had many policy responsibilities within my two ministerial briefs. On the other hand, there was always at least one ShEx official whose sole focus was the Post Office. Far from identifying risks and problems relating to Horizon, ShEx were actively minimising them and telling me not to intervene.

284. Against the backdrop of large ministerial workloads and wide-ranging pressures, ministers must be able to rely on officials to do their jobs properly: providing thorough, accurate, impartial and objective information and advice. I feel I was sold short by officials in this instance. As a former civil servant myself, I do not come to this conclusion easily

285. I was being told, repeatedly, that there had been rigorous scrutiny of Horizon over the course of several years, and that no evidence of systemic flaws had been found. For example:

- (1) On 2 June 2015 I was told by Laura Thompson of ShEx in my introductory briefing that there had been "*over two years of independent scrutiny and in that time no evidence of systemic flaws in Horizon has been found*" (UKGI00004453).
- (2) On 30 July 2015, Michael Dollins of ShEx told me "*it remains the case that following intense scrutiny over nearly three years, there is no evidence that the Horizon system is flawed*" (UKGI00015625 Meeting agenda dated 30 July 2015 about Meeting with representatives of the Communications Workers Union).
- (3) On 4 September 2015 I was told by Laura Thompson that "*three years' worth of scrutiny has unearthed no evidence so far (dispute the best efforts of investigators who are demonstrably hostile to POL)*". I understand Ms Thompson's reference to be to Second Sight (UKGI00000042 Meeting agenda dated 4 September 2015 about Post Office Horizon: next steps).
- (4) On 11 September 2015, Laura Thompson told me "*it is important to keep in mind the fact that to date, through extensive investigation, still no evidence has emerged that there are faults in the system*" (UKGI00000058 Meeting agenda dated 11 September 2015 about meeting with James Arbuthnot on Post Office Horizon).

286. Addressing the Inquiry's specific questions:

- (a) I do not believe I would have been assisted by *more* technical information about Horizon. As a minister, I cannot possibly get involved in the granular detail of technical issues of this sort – I have neither the time nor the expertise. What I would have been helped with was *accurate* information in relation to Horizon – sadly, this was in short supply. I believe I was misled, and this is an unacceptable situation, especially where the Government is (to use the Prime Minister's words) trying to "*get to the bottom of the matter*". Government cannot function if ministers lose faith in the civil servants whose job it is to advise them.

- (b) As explained, the fact of the matter is that POL exists as an Arm's Length Body, and there are good reasons why it remains operationally independent of central government. However, the Government is still able to wield influence and put pressure on POL. I would not describe my actions towards the concerns about Horizon as being "arm's length" – but of course there is a spectrum. As explained above, I requested and obtained assurances from POL's senior leadership and in ShEx, spoke to MPs and other stakeholders in relation to Horizon (which is an operational matter for POL, not Government), and put direct pressure on Tim Parker to institute an independent review. This was not the Government standing back. If the question is whether I consider now, based on the information available to me at the time, that the Government should have stepped in and conducted a review of Horizon for itself, I do not. My view is that a serious independent review led by a top QC and reporting to the new chair at the top of POL was the right step at that time.
- (c) I did press for an independent review at the time; this was the Swift Review. The problem was that Tim Parker, who started so well, allowed the report to be shelved.
- (d) I was not responsible for oversight of POL's handling of complaints about Horizon, because it was an Arm's Length Body operating independently of government. That responsibility lay with the POL board of directors at a corporate level and, within government, ShEx had responsibility for oversight of POL generally, in relation to Horizon and all other matters. ShEx's job was to scrutinise POL and to report any concerns to BIS, in its twin capacity as the responsible policy department and shareholder in POL. I was not responsible for overseeing ShEx, which was headed by a chief executive and overseen by its own board of directors. My involvement was essentially political: postal affairs was part of my portfolio, I was aware of the complaints and dug into them, the Government wanted to "*get to the bottom of the matter*" and our "*our overwhelming objective [was] to do the right and fair thing*". I did not see my role as being one of "oversight" of POL – rather it was to probe and test and push ShEx and POL, and this led to the Swift Review. On the other hand, I

have to conclude that ShEx did not in retrospect effectively fulfil their scrutiny and oversight responsibilities.

287. I am asked if there is anything further relevant to the Inquiry's terms of reference which I would like to draw to the attention of the Chair of the Inquiry.

288. There are two additional issues which I would like to highlight.

289. First, it is critically important that proper records of Government business are retained. My experience as a private secretary, a civil servant and as a minister elsewhere is that all ministerial meetings, especially with outside interests, should be properly minuted by officials (generally the private secretary). In preparing this statement I have been handicapped by the non-availability of minutes relating to crucial meetings, and of other important documents. Whilst I have done my best to recall the detail of events and my reasoning at the time, the relevant issues go back nearly a decade. The Inquiry is entitled to the best possible evidence on which to base its conclusions and make recommendations, so that necessary improvements can be made; it is therefore regrettable that official record keeping and retention has been sub-par.

290. Secondly, I believe that the arrangement allowing the Post Office to pursue their own prosecutions should have been ended at privatisation when they ceased to be part of government. The problem, I think, was that prosecution decisions should be made independently and impartially, whereas here there were financial incentives for prosecuting. The position is not dissimilar to the former system where the police conducted its own prosecutions. I do not believe the CPS would have persisted in the way the Post Office did. I think the CPS would have noticed the number of awkward cases quicker than the Post Office and slowed prosecutions.

CONCLUSION

291. I welcome the opportunity to assist the Inquiry and look forward to giving oral evidence.

Statement of truth

I believe the content of this statement to be true.

Signed: GRO

Dated: 26 June 2024

ANNEX A

Date	Statement
2 June 2015	Industry: international investment – question
4 June 2015	BBC Royal Charter – question
4 June 2015	Queen's speech – debate
8 June 2015	WMS Education, youth, culture and sport council
10 June 2015	Apprentices – question
11 June 2015	WMS – Telecommunications council
11 June 2015	Zero-hours contracts – question
11 June 2015	Small businesses: late payment – question
15 June 2015	Public Service Broadcasting – question
18 June 2015	Employment: Elite Professions – question
22 June 2015	EU Membership: Science & Technology
29 June 2015	Advertising Standards Authority – question
9 July 2015	Consumer Protection: Secondary ticketing – question
14 July 2015	Authors: Rights and income – question
14 July 2015	Future of the BBC – Question for short debate
16 July 2015	BBC Charter review statement
17 July 2015	Accessible Sports Grounds Bill – Second reading
20 July 2015	WMS Audit and auditor regulation
22 July 2015	WMS – Response to consultation on alternative providers of higher education
10 September 2015	Iraq and Syria: Religious and Cultural Heritage – question
10 September 2015	Rugby World Cup 2015 – question
10 September 2015	BBC: Finance and Independence – motion to take note
15 September 2015	Football: disabled spectators – question
17 September 2015	BBC Charter 2017 – question
12 October 2015	Enterprise Bill: second reading
15 October 2015	Redcar Steel – statement
15 October 2015	Sport- motion to take note
20 October 2015	EU: Digital Single Market – question
20 October 2015	Steel Industry – statement
27 October 2015	WMS Enterprise Bill: extension of the business impact target
28 October 2015	Small businesses: late payments – question
29 October 2015	Cold calls – question
2 November 2015	Copyright Hub – question
5 November 2015	Olympics 2012: Regeneration Legacy
11 November 2015	Rugby World Cup 2015 – question
19 November 2015	Trade Unions
26 November 2015	Superfast Broadband – question
25 - 30 November 2015	Enterprise Bill – Report 2 days
8 December 2015	Business: advice services
10 December 2015	Channel 4 – question
14 December 2015	Sunday Trading – question
15 December 2015	Enterprise Bill – 3 rd reading

17 December 2015	National Lottery
11 January 2016	Trade Union Bill – second reading
14 January 2016	Cultural Property: Hague Convention – question for short debate
18 January 2016	National Minimum Wage (Amendment) Regulations 2016 – motion to approve
18 January 2016	Steel sector – statement
20 January 2016	Trade Union Bill – motion
21 January 2016	Women: Businesses
6 January 2016	WMS – Transparency about who controls UK companies
26 January 2016	WMS – Small Companies Audit Exemption Thresholds
26 January 2016	Press regulation – question
3 February 2016	Channel 4: Privatisation – question
11 February 2016	Libraries: Local Government Finance Settlement – Question
25 February 2016	WMS – Pre Competitiveness Council
8 - 25 February 2016	Trade Union Bill - Committee (4 days)
8 March 2016	Written Ministerial statements – Competitiveness Council
8 March 2016	Aircraft: laser pointers – question
9 March 2016	Trade Union Political Funds & Political Party Funding
10 March 2016	BBC Charter – question for short debate
16 March 2016	Trade Union Bill – report
17 March 2016	Apprenticeships – question
23 March 2016	Written Ministerial statements – Performance targets for the Intellectual Property Office
23 March 2016	Conduct of Employment Agencies & Employment Businesses (Amendment) Regulations 2016
11 April 2016	Written Ministerial Statements – Companies House public targets
11 April 2016	Update on the UK Steep Industry - statement
14 April 2016	Apprenticeships: Women – question
19 April 2016	BBC Royal Charter -Question
19 April 2016	Enterprise Bill – Commons Amendments
19 April 2016	Trade Union Bill – Report (2 nd day)
21 April 2016	BBC Charter Review (Communications Committee Report)
25 April 2016	Written Ministerial Statement – Nuisance calls
25 April 2016	Trade Union Bill – third reading
26 April 2016	Intellectual property – question
3 May 2016	Trade Union Bill – Commons amendments
3 May 2016	Black and Minority Ethnic People: Workplace Issues
4 May 2016	Apprenticeships – question
10 May 2016	Sport: Integrity – question
11 May 2016	Nuisance Callers – Question
11 May 2016	BBC Charter White Paper – statement
12 May 2016	BBC statement
19 May 2016	Queen's speech – Debate (2 nd Day)
6 June 2016	Cultural Property (Armed Conflicts) Bill – Second reading
6 June 2016	BHS – Statement

10 June 2016	Register of Arms Brokers Bill – Second Reading
13 June 2019	Digital Skills (Select Committee Report)
28 June 2016	Cultural Property (Armed Conflicts) Bill – Committee
30 June 2016	Consumer Protection: Online Ticketing
7 July 2016	International Trade Opportunities

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Column Number.	URN	Document Description	<u>Control Number</u>
1	WITN10200101	Email dated 18 May 2015 deciding that postal affairs would be added to BNR's existing ministerial portfolio	WITN10200101
2	UKGI00004415	Email dated 29 May 2015 with Day 2 briefing overview pack attached	UKGI015229-001
3	UKGI00004416	Day 2 briefing overview pack dated May 2015	UKGI015230-001
4	UKGI00004453	Meeting agenda for Post Office Horizon mediation scheme meeting dated 2 June 2015	UKGI015267-001
5	UKGI00004438	Letter from Alan Bates addressed to Anna Soubry, Minister of State for Business and Enterprise at BIS dated 19 May 2015	UKGI015252-001
6	UKGI00001074	Meeting agenda for meeting with Paula Vennells, Post Office Limited CEO meeting dated 9 June 2015	VIS00009212
7	POL00117718	Letter from Paula Vennells dated 15 June summarising the contents of the meeting	POL-0118350
8	UKGI00004710	Letter from Mr Wilson dated 22 June 2015	UKGI015524-001
9	UKGI00004978	Email chain involving Julian Wilson dated 9 June 2015	UKGI015792-001
10	UKGI00000040	Submission dated 24 June 2015 about BBC Panorama programme	VIS00001001

		on Post Office Horizon IT system	
11	POL00110078	Letter to George Freeman dated 26 June 2015	POL-0111172
12	WITN10200103	Meeting agenda dated 1 July 2015 for meeting about Post Office Horizon: meeting with MPs and stakeholders	WITN10200103
13	UKGI00004820	Letter to Andrew Bridgen dated 2 July 2015	UKGI015634-001
14	POL00027164	Letter to Paula Vennells dated 2 July 2015	POL-0023805
15	UKGI00000026	Letter to Baroness Neville-Rolfe from Paula Venells dated 10 July 2015	VIS00000987
16	BEIS0000012	Meeting agenda dated 13 July 2015 for meeting with MPs and Post Office on Horizon system	VIS00000906
17	UKGI00013954	Note of meeting following Adjournment debate on Post Office Horizon IT System	UKGI024747-001
18	UKGI00005125	Note of meeting following Adjournment debate on Post Office Horizon IT System	UKGI015939-001
19	UKGI00015226	Meeting agenda dated 17 July 2015 about Post Office Horizon: Next Steps	UKGI026019-001
20	WITN10200105	Email chain dated 16 July 2015 from Andrew Bridgen	WITN10200105
21	UKGI00005053	Email chain dated 16 July 2015	UKGI015867-001
22	UKGI00005060	Email chain dated 16 July 2015	UKGI015874-001
23	UKGI00005151	Letter to Baroness Neville-Rolfe dated 29 July 2015 about retention of documents	UKGI015965-001
24	WITN10200107	Email chain dated 16 July 2015	WITN10200107

25	UKGI00005002	Email chain dated 13 July 2015	UKGI015816-001
26	UKGI00005102	Email chain dated 17 July 2015	UKGI015916-001
27	UKGI00005133	Email chain dated 24 July 2015	UKGI015947-001
28	POL00029849	Initial Complaint Review and Mediation Scheme Briefing Report Part two	POL-0026331
29	UKGI00001067	Meeting agenda dated 31 July 2015 about Post Office Horizon: next steps	VIS00009205
30	UKGI00005297	Post Office meeting notes dated 4 August 2015	UKGI016111-001
31	UKGI00005300	Email dated 5 August 2015	UKGI016114-001
32	UKGI00005279	Email dated 4 August 2015	UKGI016093-001
33	UKGI00015625	Meeting agenda dated 30 July 2015 about Meeting with representatives of Communications Workers Union	UKGI026418-001
34	UKGI00005195	Email dated 3 August 2015	UKGI016009-001
35	UKGI00000035	Notes from Baroness Neville-Rolfe meeting with Post Office dated Thursday 6 August	VIS00000996
36	POL00254149	Draft letter from Paula Vennelles dated 11 August 2015	POL-BSFF-0092212
37	UKGI00005261	Email dated 4 August 2015	UKGI016075-001
38	WITN10200111	Emailed dated 7 August 2015	WITN10200111
39	WITN10200112	Email dated 12 August 2015	WITN10200112
40	UKGI00005504	Email dated 19 August 2015	UKGI016318-001
41	POL00002415	Initial Complaint Review and Mediation Scheme reply of Post Office Limited to Second Sight's Briefing Report-	VIS00003429

		Part two dated 22 September 2014	
42	WITN10200113	Letter to Kevan Jones dated 14 August 2015	WITN10200113
43	UKGI00005483	Letter to Andrew Bridgen dated 14 August 2015	UKGI016297-001
44	WITN10200115	Email dated 14 August 2015 attaching letter updating on Horizon1408151	WITN10200115
45	WITN10200116	Email dated 14 August 2015 attaching letter updating on Horizon	WITN10200116
46	WITN10200117	Email dated 14 August 2015	WITN10200117
47	UKGI00020015	Email dated 24 August 2015	UKGI028910-001
48	WITN10200119	Email dated 25 August 2015	WITN10200119
49	WITN10200120	Email dated 26 August 2015	WITN10200120
50	UKGI00005664	Email dated 26 August 2015	UKGI016478-001
51	UKGI00000042	Meeting agenda dated 4 September 2015 about Post Office Horizon: next steps	VIS00001003
52	UKGI00005676	Email chain dated 2 September 2015	UKGI016490-001
53	UKGI00000952	Email chain dated 9 July 2015	VIS00009090
54	POL00041135	Letter to Baroness Neville-Rolfe dated 7 September 2015	POL-0037617
55	POL00102551	Letter to Tim Parker dated 10 September 2015	POL-0102134
56	UKGI00005912	Email chain dated 14 September 2015	UKGI016726-001
57	UKGI00000058	Meeting agenda dated 11 September 2015 about Meeting with James Arbuthnot on post Office Horizon	VIS00001019
58	UKGI00006022	Summary note for Oliver Letwin of headline points of	UKGI016836-001

		meeting with Mr Arbuthnot	
59	UKGI00005978	Emails concerning the process of drafting note	UKGI016792-001
60	UKGI00006021	Emails concerning the process of drafting note	UKGI016835-001
61	BEIS0000013	Meeting agenda dated 1 October 2015 about Post Office Horizon: Update	VIS00000907
62	UKGI00006138	Letter to Baroness Neville-Rolfe from Tim Parker dated 1 October 2015	UKGI016952-001
63	UKGI00006092	Email dated 5 October 2015 attaching 151001 Post Office Horizon Update submission Revised	UKGI016906-001
64	UKGI00006142	Email chain dated 21 December 2015	UKGI016956-001
65	JARB0000121	Letter to James Arbuthnot dated 13 October 2015	JARB0000121
66	WITN10200125	Email dated 14 October 2015	WITN10200125
67	WITN10200126	Emailed dated 15 October 2015	WITN10200126
68	WITN10200127	Meeting agenda dated 15 October 2015 about Meeting with second sight on Post Office Horizon	WITN10200127
69	UKGI00006232	Letter to BNR dated 13 November 2015	UKGI017046-001
70	UKGI00010325	Letter to Oliver Letwin dated 29 November 2015	UKGI021133-001
71	UKGI00006279	Email dated 23 November 2015	UKGI017093-001
72	UKGI00001171	Email chain re: Submission to Ministers on Post Office Horizon - potential group civil action	VIS00009309
73	WITN10200129	Email dated 21 December 2015	WITN10200129
74	WITN10200130	Email chain dated 7 January 2016	WITN10200130

75	UKGI00006451	Email chain dated 6 January 2016	UKGI017265-001
76	UKGI00000020	Meeting agenda dated 22 January 2016 about Meeting with Tim Parker	VIS00000981
77	UKGI00006482	Note of meeting with Tim Parker on 26th January 2016	UKGI017296-001
78	UKGI00006528	Note of Post Office Meeting dated 9 February 2016	UKGI017342-001
79	POL00024913	Letter to Baroness Neville-Rolfe from Tim Parker dated 4 March 2016	POL-0021392
80	POL00167707	A review on behalf of the chairman of Post Office Limited concerning the steps taken in response to various complaints made by Sub-Postmasters dated 8 February 2016	POL-0163003
81	UKGI00006583	Email chain dated 11 March 2016	UKGI017397-001
82	WITN10200134	Email chain dated 14 April 2016	WITN10200134
83	WITN10200135	Meeting agenda dated 14 April 2015 about Post Office Horizon: update on group legal action	WITN10200135
84	UKGI00000048	Meeting agenda dated 26 April 2016 about Post Office Horizon: update on group legal action	VIS00001009
85	UKGI00006692	Meeting agenda dated 3 May 2016 about Post Office Horizon: update on group legal action	UKGI017506-001
86	POL00022776	Letter to Baroness Neville-Rolfe from Tim Parker dated 21 June 2016	POL-0019255
87	WITN10200137	Notes from Post Office catch up dated 7 July	

88	UKGI00001025	Meeting agenda dated 18 July 2016 about meeting with Tim Parker	VIS00009163
89	WITN10200138	Emailed dated 18 September 2015	WITN10200138