



Ad Hoc A&CI Board Report

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Case Load/resource allocation (as at 01.08.24)



- Fact-find/Accountability investigations (managed by 3.5 FTE)
 - 23 investigations
- Criminal support (managed by 3 FTE)
 - 6 significant investigations requiring A&CI commitment including transaction analysis
 - 22 police cases requiring support
 - 19 statement and some analysis requests from police
- Phoenix (managed by 8 FTE)
 - 47 cases
- Assurance – (managed by 1.5 FTE)

Project Phoenix 1 of 2



•Background:

Originally 30 Human Impact witness complaints and two cases reviewed by P&P where concerns were raised as to the conduct of POL investigators in the relevant period for the Inquiry. A&CI asked to review these cases and provide insight and recommendations as to the specific complaint, the effectiveness of the investigation, and the conduct of POL staff connected to them. Four experienced criminal case reviewers and senior investigators recruited on HMU budget to conduct the reviews. They provide reports into a specially formed panel which decides on next steps.

Governance:

A Panel consisting of the Group Chief Retail Officer, Director of ER, and Chaired by the Chief Transformation Officer meets as required to consider the Reviews and the recommendations within. The Panel agreed the ToR and directed/agreed to the addition of cases to be reviewed ie from the original 32 to the now 47.

Project Phoenix 2 of 2



Current situation:

- The Phoenix team is now seven FTC staff who are experienced former criminal investigators, paid for from Inquiry Team funds, overseen by one of the two permanent A&CI Senior Investigators.
- There are now 47 cases to review, with an almost even split between those involving former POL employees and former investigators who are now employed elsewhere in the business.
- 17 former PMs have been interviewed with 13 more being arranged. 21 are represented by Hudgells who has not engaged with the team and so are not available for interview.
- In excess of 100,000 documents reviewed so far.
- 17 reviews involve one former investigator who is now a Security Manger. There is a live ER investigation relating to that staff member resulting from Phoenix recommendations.
- Cases involving current staff have been prioritised over those that do not.
- Three intel reports have been provided to the Met police following the reviews conducted so far. It is likely that if the Panel agrees next week, that two formal referrals of suspicion of perverting the course of justice will be passed to the Met. A good dialogue has been established between the Phoenix team and the Met.
- A Thematic report has been started, expected to be finished by mid-August, which will highlight reoccurring themes from the reviews.
- All reviews relating to current staff are expected to be concluded the end of September as we are losing one of the key reviewers from the team, with the remainder to conclude by the end of December.

Project Willow2 1 of 2



Background:

- Multiple sources of information indicated that there were potentially two heads of alleged concerns relating to the NBIT teams:
 - That information provided to GE and the CEO was presented in a skewed manner to prompt certain outcomes and so past decision making was flawed; and
 - That infosec elements of design and testing were “turned off” due to pressure from contractors on those responsible for infosec in order to improve the speed of progression irrespective of the long-term impact on the reliability of the system
- Pinsents and Grant Thornton were engaged to independently investigate.

Governance:

- The Chief Transformation Officer (CB) has acted as SEG oversight of this investigation until last week. Due to new information received in July, CB is now a material witness and so was conflicted. JB spoke with CB last week, explained the situation and JB asked CB to step aside. A new oversight is required.

Project Willow2 2 of 2



Current situation:

Interviews have been conducted with POL staff/contractors and several waves of document reviews carried out. Further interviews and access to specific POL NBIT project management systems are required and being arranged.

The information flow workstream identified that this was likely proven but related to the actions taken by NBIT senior staff no longer in the business. Given the historic nature of the information flow workstream, this was deprioritised in favour of the infosec “turn off”. Specific elements of the project plan relating to infosec are being assessed and it is anticipated that witnesses will be able to identify which elements were impacted and who directed them to be “turned off”.

Around six weeks were lost on this case due to contractual issues with GT. This was driven, in JB’s view, by the Risk team at GT becoming increasingly nervous in working on matters relating to POL and POL’s technology. By seeking to change priorities and due to additional information becoming available, it seems that GT were looking to put down the investigation permanently. However, GT are now back and investigating for the past three weeks after a revised engagement letter was agreed and they have not sought to pause/halt again despite the new requirement to interview CB.

This case is expected to conclude by the end of September. Interviews are being arranged, including with CB.

Project Willow3 1 of 2



Background

A&CI were asked to investigate an allegation that:

- During a briefing to the Board on alternatives to the in-house built NBIT, that Chris Brocklesby allegedly misrepresented a possible alternative offered by a company called Escher; and
- The true extent and completeness of the bid/offer by Escher to POL was incorrectly discounted and suppressed as a viable alternative without broader consideration

Governance

An Investigation Oversight Group is to be formed consisting of Andrew Darfoor, Amanda Burton, and Sarah Gray

Project Willow3 2 of 2



Current situation

- Due to the significance of the allegations and the likely external scrutiny of any findings, for independence and the optics of independence, an external investigator will be engaged.
- Whilst the external is sourced, A&CI has been developing information on the allegations

Project Acer 1 of 2



Background

There were two allegations:

- that the **GRO** had instructed her team to destroy or conceal material of possible interest to the Inquiry with an alleged motive of **GRO** and
- that the same person was racially discriminatory towards South Asian PMs and POL staff

Due to the significance of the allegations, POL informed the Inquiry of the concerns. The Inquiry then informed the Met Police that there may have been an Inquiries Act offence or an offence of attempting to pervert the course of justice. A&CI engaged with the Met via **GRO**

Governance

This is one of two cases trialing the Investigation Oversight Group approach to high-profile internal investigations. SEG was asked to appoint a SEG or SEG-1 member to Chair the OIG. SEG appointed Ed Dutton. He is supported by Sarah Gray as GC and by a Director-level member who brings an insight into the business area, in this case Mel Park. Ed is responsible for any strategic issues identified during the investigation and for reporting to SEG. The OIG originally met weekly but has now moved to ad hoc.

Project Acer 2 of 2



Current situation

GRO /A&CI meet as required to discuss this matter which is now directed by Met with A&CI/**GRO** assisting them with answering information requests. The staff member was suspended as a precautionary measure for her and for POL.

ER investigated the allegation of discriminatory behaviour and concluded there was insufficient evidence to support this. This was discussed with the Met and they agreed that POL's employment position was that the staff member should be able to return to work as there was no reasonably known end date likely for the potential criminal issue carried by the Met. On this basis, discussions are underway as to where in the organisation the staff member will return to work and what controls are needed whilst the Met consider their view of evidence.

The Met accept that they have the reporting obligations to the Inquiry, not POL. No reasonable assessment of end date is possible as the Met control this.

A&CI/**GRO** are collating, analysing and passing material to the Met who are looking to understand the 2000 hardcopy files which relate to this allegation and to understand and identify any possible interference with them or a motive to do so.

Project Alder 1 of 2



Background:

The principal allegation is that the senior contractors in the RU caused the handling of compensation claims to go-slow in order to extend their well-paid tenure at POL (described as “the gravy train”).

DLA Piper was engaged to conduct an independent investigation.

Governance

This is the other case where the Investigation Oversight Group approach is being trialed. Chris Brockelsby is the Chair appointed by SEG, with Sarah Gray and Dan O’Mahoney supporting. The OIG originally met fortnightly but now meets ad hoc as the investigation evolves.

Project Alder 2 of 2



Current situation:

A large number of interviews have been conducted and a document review concluded. Senior RU staff were interviewed last week and this week (including four sessions with SR) and will continue next week. W/c 5th August July now the likely realistic end date for the production of a draft report.

No evidence to date indicates the existence of a “gravy train” approach.

There is considerable evidence gathered so far which shows that some delays could have been avoided and that a contributing factor was the dysfunctional relationship within RU between POL staff and contractors. There are two or three key interviews remaining but this looks like an established position.

There is also evidence of failure of leadership at several levels in the RU and that decisions made within the RU were very focused on value for money rather than best outcome for PMs, to the detriment of some PMs.

A draft report is expected w/c 29th July, interviewee's diaries permitting.

Project Tiger 1 of 3



Background

A&CI were asked to look into a complaint made by a FOIA requestor that:

- two FOIA requests were not processed sufficiently quickly,
- that he wants to see a briefing note he believed should have been shared with the GLO in 2019 relating to the management of an identified bug, error or defect
- that he has seen emails from a member of the POL Inquiry Coms Team which are inappropriate in respect of himself and Lord Arbuthnot

Governance

This case is overseen by Neil Brocklehurst

Project Tiger 2 of 3



December 2023 FOIA Request

Received by POL FOIA Team 17th Dec 2023 - a question relating to NBIT and its capability, specifically about the ability of POL to edit, insert or delete transaction data. The requestor asked for a yes or no answer but this sort of request falls outside of the FOIA regime . A response was created and sent to the FOIA SteerCo on 18th Jan 2024 which decided it was a matter for the Coms team. On 5th March 2024, an email from the FOIA team shows that the former Chief of Staff for NBIT was told that a person in POL's Coms team would be the best person to speak to regarding this matter.

April 2024 FOIA Request and Briefing document

Request was received on 13th April 2024 by the POL FOIA team. The request laid out that in June 2019, POL had identified an error in Horizon that resulted in remittances not being scanned in properly to some branches, leading to substantial gains to the branch accounts. The complainant believed that this error was fixed by Fujitsu in July 2019. He goes on to state that he understood that POL provided the GLO claimants' legal team with a briefing note on the error which had not been previously disclosed. He requested a copy of a briefing note or correspondence from POL to the Court or to GLO claimants. He also asked for the number of branches this error effected and the total cash amount POL recovered from the impacted branches by way of transaction corrections.

Project Tiger 3 of 3



This issue has bounced around a number of POL teams, particularly relating to the briefing note. The FOIA team was told that people from the Legal team who would have been involved were no longer in the business. BSFF were then approached to search Relativity to look for the document but were told by BSFF that they were instructed by POL not to assist with FOIA requests due to capacity issues at BSFF. The FOIA team then applied the internal email recovery process on 24th June 2024 to seek to identify or recover the briefing note from the email server, if it was there. Nothing that was recovered could be the briefing note. Separately, an email from 27th June 2019 was discovered (the addressees included a large number of senior POL staff including Ben Foat and Owen) that discussed the error the complainant had mentioned and then another email on 28th June 2019 which spoke of an internal briefing note having been prepared to include advice for area managers, the help desk, and for branches relating to the error.

The ICO has been approached to ensure deconfliction between investigations as the Complainant stated that he had also complained to the regulator. A&CI are also in dialogue with the complainant to ensure clarity and maximise information collection.

At this stage, there is no indication that a June 2019 bug issue was reported to the GLO or participants.