



Branch Secretaries' Circular

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NFSP statement on the 'Horizon Issues' trial judgment

Dear colleague

As I am sure you will be aware, the Group Litigation Order (GLO) Bates v Post Office was concluded on 11 December 2019 when the parties agreed a resolution after a swift mediation process. While no further trials will take place as part of the GLO, the judgment on the second 'Horizon Issues' trial remained outstanding and this was delivered on Monday 16 December.

The NFSP has taken the time since Monday to read and reflect on the judgment, how it relates to the first 'Common Issues' trial judgment (delivered in March 2019), and what the implications are for the network and Post Office Ltd (PO).

PO prides itself as being the most trusted brand on the High Street. The verdicts issued by Justice Fraser challenge that perception.

NFSP members and regional officials own and operate post offices. Many of us have used Horizon since its inception. The NFSP is therefore extremely disappointed by PO's behaviour in light of the verdict that the Horizon system was not fit for purpose until very recently.

By implication of this verdict, PO has misled the NFSP for years about the reliability of the Horizon system.

As outlined by Justice Fraser, the NFSP raised concerns to PO about problems our members have experienced with the system; repeatedly we were told that the system was robust, and that user error is the primary cause of problems.

The fact that Justice Fraser considers the current version of Horizon to be robust is welcome news – this will be a relief to serving subpostmasters. However, government must also ensure that, going forwards, the status of Horizon is monitored and reported on transparently. It is vital that every subpostmaster should feel confident that the investment they have made in their post office business is not reliant on a flawed system. This will engender trust in the system and PO.

Above all, PO must change the way it deals with the subpostmaster network. The NFSP has long argued that subpostmasters must not be treated as 'guilty until proven innocent' in the case of a loss or shortfall. Unfortunately, there was an authoritarian culture within PO for many years – something which was, ultimately, the root cause of the GLO and the reason so many subpostmasters' lives have been disrupted and adversely affected.

However, we are pleased that PO's new CEO Nick Read has considered the case since joining the business in September and has moved swiftly to ensure that those impacted are treated with the respect they deserve. His desire to reset the relationship with subpostmasters is welcomed, as is his understanding that we, and our customers, are central to the success of the overall business.

To that end, PO must work more collaboratively with subpostmasters to help ensure that instances of loss or shortfall are minimised. This should be done through effective training, engagement, relationship-building and a clear and easy processes for flagging and escalating problems. And if losses are identified, the focus should be on resolution, not prosecution.

Clearly, a significant amount of work will be required to get the relationship between PO and the network back on an even keel – and the NFSP will play a central role in this. You have my word that we will do everything possible to ensure a situation like this never happens again.

Lastly, any current or former subpostmasters who believe they have been held responsible for losses within their post office business that were no fault of their own should contact NBSC on 03333 455567 or at ComplexCaseTeam@postoffice.co.uk to raise the issue.

This statement can be viewed electronically on the NFSP website here:
<https://nfsp.org.uk/news/view?name=nfsp-statement-on-the-horizon-issues-trial-judgment>

Yours faithfully

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CALUM GREENHOW
Chief Executive Officer