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Horizon Integrity

14/08/2014

James Davidson

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Exec Summary

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- There have been a series of allegations by sub-postmasters regarding Horizon data integrity on both the old Horizon system and post HNGX roll out in 2010
- A lobby group called the Justice for Sub-Postmasters alliance was formed in 2009 (http://www.jfsa.org.uk/Origin.aspx) to lobby the Post Office and MP's for a formal investigation into Horizon
- Over the period Post Office have successfully prosecuted a number of sub-postmasters following their own detailed investigations and, in some cases, with support from Fujitsu expert witnesses
- In 2012 the lobbying by the JFSA resulted in local MP's, lead by James Arbuthnot, approaching the Post Office board to demand an investigation
- In early 2013 Post Office agreed to appoint Second-Sight forensic auditors to undertake an independent review of cases where the JFSA alleged that Horizon was at fault
- The report was published in July 2013 and stated that the system performed 'as designed', Joe Swinson stated in parliament that Horizon was 'as good as it gets'
- The external reporting, however, focussed on 2 bugs that were identified in normal operations as evidence that the system was faulty (http://www.computerworlduk.com/news/it-business/3456672/investigation-reveals-software-defects-in-post-office-horizon-system/)
- POI subsequently agreed to set up a 'mediation' process chaired by Sir Anthony Hooper to continue case investigations which are still ongoing

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Exec Summary

- In late 2013, Cartwright King, POL external counsel, advised POL that they could no longer prosecute Sub-postmasters until a further independent review of Horizon was undertaken. Imperial College London have been appointed to undertake this review
- This review is to designed to provide the assurance needed to underpin future prosecutions
- In parallel and in early 2014, Fujitsu were approached by POL to work with Deloitte's to support an audit of the key design features of Horizon
- This was requested by the POL board who came under further legal and political pressure to ensure that they had their 'house in order'
- This took place in a background where periodic audits took place covering IAS 3402, ISO 27001 controls
- No issues were raised with Fujitsu as a result of this review and POL stated they were delighted with the support given and no further action was required
- The challenge for the next period is to agree a terms of reference for Imperial College London, suitable governance and commercial cover and to closely manage the engagement

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Horizon Integrity – POL Engagement

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Deloitte Integrity Review

- Focussed support given to Deloitte auditors during April / May 2014 following a request from Lesley Sewell and Chris Ojeud
- Report went to POL board week commencing 26/05, update from POL legal team stated no issues of concern had been raised
- A further detailed / evidence gathering audit may take place in the future but no decision from POL to date
- A CR will be raised if this goes ahead

Mediation Process

- Excellent progress on data retrieval requests to support Post Office in providing case responses to Second Sight
- 30 cases current have had no audit retrieval requests raised by POL so project timeline is unclear at present
- Teams collaborating well, positive feedback from Post Office sponsor, Andy Holt

Imperial College London – Independent External Investigation

- Andy Holt confirmed 22/05 that POL have engaged experts from Imperial College London to undertake a review of Horizon Integrity in support of future litigation
- Current view from POL's external counsel (Cartwright King) is that confirmation of integrity from an external expert is necessary to underpin future prosecutions
- Scoping phase prolonged due to POL internal discussions, draft TOR shared by POL problematic and needs significant work
- Commercial cover of £50k provided by POL

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Horizon On Line Fujitsu proposed Scope For External Expert

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Exec Summary

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- The Horizon Application has been designed to ensure that accurate and auditable records are kept of all sub-postmaster transactions
- When a transaction is conducted at a counter, an auditable mechanism has been built in to ensure these transactions are taken from the counter, stored in the Horizon main branch database and then copied to an audit database
- This mechanism can be considered a ‘closed loop’ where information is securely exchanged from the counter to the Horizon branch database and then on to the audit database
- Whilst copies of transaction data are provided to numerous external systems from the main Horizon database, once an audit record is created, it becomes security sealed and time stamped. Audit records cannot then be accessed or altered without detection and the creation of further auditable events
- The Core Audit Process is designed to provide a definitive log of all transactions. As such it is the “base” upon which any assessment as to “what was entered at the counter” should be derived from to the exclusion of all other systems that may take a feed of data from the Branch Database
- A number of ‘assertions’ can be independently examined to test the robustness of the Core Audit Process

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Horizon Online Core Audit Process