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BY EMAIL ONLY

Cerian Hughes
Investigator
Fraud Operations
Economic Crime Directorate
City of London Police

Date: 23 August 2024

Dear Cerian

Request for assistance from Fujitsu Services Limited ("FSL")

I refer to our various discussions regarding the City of London Police's request for assistance from FSL in connection with an ongoing investigation into conduct at a post office branch by the Post Office.

As I understand it, the investigation is using data from the Horizon system. During our discussions, the City of London Police asked whether FSL could provide a statement regarding the reliability of the current version of Horizon. As I hope was made clear in our discussions, a witness statement from FSL attesting to the reliability or robustness of the Horizon system and of data from it would amount to expert opinion evidence. FSL is unable to provide expert opinion evidence in any legal proceedings in relation to the Horizon system and the reliability of its operation as it is neither independent nor does it have sufficient information to provide such an opinion at this time. Such a request has to be considered in the light of the Post Office Horizon IT Inquiry (the "Inquiry"). The Inquiry has received considerable evidence about the failures of investigators and prosecutors to understand the obligations on expert witnesses, including the need for independence, and their disclosure responsibilities. I have in mind the three volumes of expert report and oral evidence provided by Duncan Atkinson KC. Volumes 1, 1A and 2 of Mr Atkinson's report and were dealt with by the Inquiry on 5 October 2023 and 18 December 2023. Mr Atkinson addressed specifically the duties of an investigator and prosecutor to provide information to an expert instructed by the prosecution about their duty to the court¹, expert opinion evidence², the duty of an expert³, disclosure in relation to expert evidence⁴ and the Criminal Procedure Rules (now Part 19)⁵.

a) Existence of BEDs and Remote Access powers

As discussed, the Horizon system has had and continues to have bugs, errors and defects ("BEDs"), some of which may not have been detected at this time. Accordingly, careful investigation is required to ascertain whether BEDs could have operated to cause the accounting discrepancies or transactions under investigation. Further, FSL notes that evidence in the Inquiry has identified a number of additional Post Office and third party systems and business processes (beyond the FSL Horizon software) which also could or did introduce shortfalls in branch accounts.

¹ <https://www.postofficehorizoninquiry.org.uk/evidence/expg0000003-duncan-atkinson-kc-expert-report-volume-1a> (para. 2).

² <https://www.postofficehorizoninquiry.org.uk/evidence/expg0000003-duncan-atkinson-kc-expert-report-volume-1a> (paras. 5-11).

³ <https://www.postofficehorizoninquiry.org.uk/evidence/expg0000003-duncan-atkinson-kc-expert-report-volume-1a> (paras. 12-15).

⁴ <https://www.postofficehorizoninquiry.org.uk/evidence/expg0000003-duncan-atkinson-kc-expert-report-volume-1a> (paras 16-25).

⁵ <https://www.postofficehorizoninquiry.org.uk/evidence/expg0000003-duncan-atkinson-kc-expert-report-volume-1a> (paras 26-34).

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In general terms, remote access is the ability to access the Horizon system from a location other than a counter at the branch. Remote access includes all mechanisms by which the Horizon system can be accessed remotely and all mechanisms by which branch information can be changed by a method other than branch staff entering data into Horizon using the counter application provided at the branch. Remote access powers enabling FSL to access and to amend data affecting branch accounts have existed and continue to exist within the Horizon system. The use of such powers would need to be examined to ascertain if they could potentially have caused or affected the accounting discrepancies or transactions under investigation.

b) Systems and processes to be investigated (including Post Office and third-party suppliers)

It should be noted that the delivery of the current Horizon system is reliant on the provision of services by Post Office as well as third parties retained by Post Office. For example, Post Office has appointed various third-party suppliers to manage aspects of the system such as the network services and the provision and maintenance of the counters containing the Horizon application. Post Office has also insourced various services previously provided by FSL and other suppliers engaged by Post Office, such as service integration services and first line helpdesk services, which for the latter FSL ceased to provide in 2014.

Further, Horizon is one part of Post Office's wider end-to-end accounting processes and systems. For example, FSL understands that Post Office operates a Financial Service Centre (formerly known as Product & Branch Accounting) responsible for, amongst other things, investigating accounting issues and generating transaction corrections. Accordingly, records generated in relation to both the operation of the Horizon system and Post Office's end-to-end accounting processes are not exclusively retained by FSL.

c) FSL's provision of records for Police investigations

Based on the evidence which has been seen and heard in the Inquiry to date, FSL considers that all of the matters mentioned above would need to be carefully investigated on a case-by-case basis with the assistance of an independent IT expert, and possibly also a forensic accounting expert, to determine as best they can the cause of branch account discrepancies or transactions under investigation. FSL considers that only after such an investigation has been undertaken could a meaningful statement be made by an appropriate independent IT expert regarding the reliability of the Horizon system and the data it has produced at the relevant branch in the relevant time frame.

FSL is of course prepared to co-operate with the Police and the criminal courts in the ways that it can. We have discussed that FSL retains various Horizon system records which may facilitate your ongoing investigations. I said that I would work with the team within FSL currently supporting the Horizon system (the "**Post Office Account Team**") in order to produce a list of those records. This exercise has proven more complex than I had anticipated as there are various systems, processes, governance forums and associated records which could be relevant to an investigation into what has occurred at a particular branch in certain timeframes. Understanding how these fit together requires some understanding of the Horizon system's architecture, the way it operates, and how it is supported by FSL.

Enclosed as **Appendix 1** to this letter is a table setting out details of potentially relevant records generated currently and in recent years by the Horizon system and its supporting services. For each of the items in Appendix 1, FSL has also included a summary explanation as to what the records are understood to contain and, where currently known to the FSL legal team, the time periods which the records are understood to relate to or be available for. Appendix 1 includes records relating to, (i) the governance of the Horizon system and associated services, (ii) process and procedure documents, and (iii) operational records.

In addition to the records described in Appendix 1, there will likely be a large number of emails and other documents generated in the day-to-day operation and management of the Horizon system that may be relevant to the City of London Police's investigations that have not been referred to in Appendix 1.



An important component of the Horizon system is the branch database (known as the “BRDB”) described at row 12 of Appendix 1. I understand the BRDB contains over 2,000 tables. **Appendix 2** provides details in relation to a small number of these tables which the legal team understands from the FSL Software Support Centre (“SSC”) team have been used or might be used by that team to investigate live issues. This is by no means intended to be an exhaustive list of relevant tables in the BRDB.

d) Approach to identifying records

The records described in Appendices 1 and 2 have been identified by the Post Office Account Team in our enquiries to date as being the sorts of records which they might examine operationally in order to investigate, identify and resolve issues in Horizon, including issues which might financially impact a branch. Some of the records identified by these teams may not be used by them operationally but they have suggested they may of interest to the City of London Police or a suitably instructed expert in any event. Horizon is a large and complex system hosting substantial volumes of data and generating substantial documentation on a daily basis. Accordingly, Appendix 1 is not intended to be an exhaustive list of Horizon records which should be examined or disclosed in legal proceedings in which the operation of Horizon is scrutinised.

Further, our discussions with members of the Post Office Account Team have not been exhaustive. Records described in Appendix 1 have been identified predominantly after discussion with members of the SSC team, the Service Management team and some members of the Fourth Line support (or Development) team. However, the Post Office Account also comprises a number of other teams which we in the FSL legal team have not yet made enquiries of. Discussions with these teams will likely identify further records of potential interest to the City of London Police’s investigation.

In preparing Appendix 1, to assist the City of London Police’s understanding of the operation of Horizon, we have sought to summarise certain services, processes and technical details. Whilst we have tried to avoid inaccuracies when producing these summaries, please note that the technical documents referenced in the summaries contain much greater detail and should be preferred if there is any inconsistency with the summaries appearing in Appendix 1.

e) FSL’s Audit Archive and its limitations

Some of the records described in Appendices 1 and 2 are harvested into and stored by the Audit Archive facility within Horizon. The Audit Archive stores an audit trail of transactions and events in accordance with a contractual functional specification document agreed between FSL and Post Office entitled Audit Trail Functional Specification⁶. Records retrieved from the Audit Archive are understood to be used by the Post Office to investigate matters occurring in Post Office branches, including suspected criminal activity. The Audit Archive comprises hundreds of audit points and subpoints which are harvested from the operational systems. I understand each of these is in a system specific format, and these formats may have changed over time as the operational system was changed or upgraded. The FSL Archive Server Configuration document⁷ describes how this works.

The Audit Archive is a substantial database of data which cannot be readily accessed or have data extracted from it. A contractual process, known as the Audit Record Query (or ARQ) process, is used by the Post Office to request retrievals from the Audit Archive. It is important for the City of London Police to note that there have been and continue to be issues regarding the data contained in the Audit Archive or the data extracted from it for a variety of reasons. I refer you to the following witness statements published in the Inquiry: (i) the Third Corporate Statement of FSL dated 14 September 2023⁸, (ii) the Third Witness Statement of John Simpkins dated 19 December 2023⁹, (iii) the First Witness Statement of

⁶ CR/FSP/006, version 12.0, 8 October 2010

⁷ DEV/INF/ION/0001, version 21, 21 September 2023

⁸ <https://www.postofficehorizoninquiry.org.uk/evidence/witn06650300-william-paul-patterson-third-witness-statement>

⁹ <https://www.postofficehorizoninquiry.org.uk/evidence/witn04110300-john-simpkins-third-witness-statement>



Gerald Barnes dated 30 August 2023¹⁰ and (iv) the Second Witness Statement of Gerald Barnes dated 19 December 2023.¹¹

The requirement for FSL to maintain the Audit Archive and to retain the records it contains, most notably a record of transactions, is governed by the contract between FSL and Post Office to support the operation of the Horizon system. It contains data from approximately late 2007 to the present day. It follows that, if records identified in Appendices 1 and 2 have not been retained operationally for the relevant period of your investigation, it may be that such records have been retained in the Audit Archive. Where possible, based on our work undertaken to date, we have sought to indicate which of the records described in Appendix 1 and 2 are understood to be collected into the Audit Archive.

f) Production Order

To the extent that the records described in this letter and its appendices may assist the City of London Police's investigations, FSL respectfully suggests that the City of London Police provides FSL with a production order pursuant to the Police and Criminal Evidence Act 1984. To ensure that the City of London Police receives the data required within an achievable time frame, FSL would greatly appreciate the opportunity to review and comment upon the content of such a production order in draft form before it is submitted to the courts. We envisage this may include discussions about anticipated volumes of data to be produced and also challenges in retrieving and producing requested records, such as the records requiring extraction from the Audit Archive.

In the meantime, in the interests of transparency and to assist the City of London Police's understanding of the content of this letter and its Appendices, FSL is prepared to provide the documents footnoted in this letter and in Appendix 1 to the City of London Police on a voluntary basis and in unredacted form. I note, however, that many of the documents referenced in this letter contain technical information relating to the live Horizon system, which is still in use across the Post Office network, the public disclosure of which could compromise the cyber-security of the current Horizon system. Further, many of the documents are confidential and proprietary to FSL. Any voluntary disclosure of these documents to the City of London Police would be on the basis that: (i) the documents remain confidential as between FSL and the City of London Police and are not disclosed to any third-party without FSL's written consent; and (ii) such disclosure does not constitute any waiver of rights by FSL under the Freedom of Information Act 2000. We will await your confirmation before providing you with such documents on a voluntary and unredacted basis.

Should you require any further information or explanation in relation to the content of this letter or accompanying Appendices, please do not hesitate to contact me.

Yours sincerely

Chris Breen
Legal Manager – Litigation for Europe

LETTER NOT SIGNED AS SENT BY EMAIL

¹⁰ <https://www.postofficehorizoninquiry.org.uk/evidence/witn09870100-gerald-barnes-first-witness-statement>

¹¹ <https://www.postofficehorizoninquiry.org.uk/evidence/witn09870200-gerald-barnes-second-witness-statement>
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