
From: Jones Haydn [/O=EXCHANGE/OU=ADMINGROUP1/CN=RECIPIENTS/CN=JONESHAYDN]
Sent: Mon 25/11/2013 5:59:03 PM (UTC)
To: Carter Simon [GRO]; Patterson Paul [GRO]; Lamb Helen [GRO]
Cc: Tait Duncan [GRO]; Bounds Gavin [GRO]; Roberts David (LON22) [GRO]; Jones David M [GRO]; Knight Miriam [GRO]; Blagden Simon [GRO]; Clayton Steve [GRO]; Bell Gavin [GRO]; Goddard Simon [GRO]; Goulden Graham [GRO]; Harvey Michael [GRO]
Subject: RE: FOR INFO: POST OFFICE: "Computer Weekly - 150 subpostmasters file claims over 'faulty' Horizon accounting system"

Thanks Simon.

I saw earlier – there's an update session between the lawyers on Friday to review progress.

Mike (cc'd) - could you circulate a note outlining status after the session? We can then take stock of matters.

From: Carter Simon
Sent: 25 November 2013 17:51
To: Jones Haydn; Patterson Paul; Lamb Helen
Cc: Tait Duncan; Bounds Gavin; Roberts David (LON22); Jones David M; Knight Miriam; Blagden Simon; Clayton Steve; Kevin Murray; Bell Gavin; Goddard Simon; Goulden Graham
Subject: FOR INFO: POST OFFICE: "Computer Weekly - 150 subpostmasters file claims over 'faulty' Horizon accounting system"

Haydn,

Not sure if you have seen the article on *Computer Weekly* this afternoon – nothing particularly new in the story & we have NOT been asked for a comment :

Computer Weekly - 150 subpostmasters file claims over 'faulty' Horizon accounting system

About 150 subpostmasters have filed claims to the investigation into the allegedly faulty Post Office accounting system used by thousands of subpostmaters.

The Post Office-funded investigation into the Horizon accounting system, which is being conducted by forensic expert Second Sight, had an initial deadline for claims last week (18 November).

Subpostmasters have suffered heavy fines and even jail terms as a result of alleged false accounting, but many have continuously blamed the Horizon system. The Post Office could face significant compensation claims.

Alan Bates of the Justice for Sub-postmasters Alliance (JFSA) pressure group said there have been about 150 claims that they have been wrongly blamed for accounting shortfalls. "We cannot put a final figure on it because we are still tying up loose ends."

In July 2013 the investigation reported concerns in relation to Horizon.

The concerns included:

- Unreliable hardware
- The absence of “proper” system training and support
- The complexity of linking with a large number of other systems
- A business model that puts responsibility for dealing with small system problems with sub-postmasters
- The way the Post Office has in the past investigated concerns about transactions

The Horizon accounting system, used by thousands of sub-postmasters, has been blamed by many for sub-postmasters being wrongly charged and even jailed for accounting shortfalls. Others have had to make up cash discrepancies following prosecutions. The Post Office defended the Horizon system unrelentingly until recently, following pressure from the JFSA, MPs and Press.

The next phase will see some of these claims get professional support to put together detailed case reviews. Bates said it is believed that most of the claims put forward will move to this phase. Second Sight will look closer once the case reviews are put together.

Last month, former Lord Justice of Appeal, Anthony Hooper, was appointed to oversee close scrutiny of selected cases.

One claimant told Computer Weekly she has received good support from the JFSA and Second Sight.

A former subpostmaster told Computer Weekly that if the investigation proves there were faults with the Horizon system they will “shout it from the rooftops.”

<http://www.computerweekly.com/news/2240209819/150-subpostmasters-make-claims-to-Horizon-accounting-system-investigation>

Simon

From: Carter Simon
Sent: 29 October 2013 17:08
To: Jones Haydn; Patterson Paul; Lamb Helen
Cc: Tait Duncan; Bounds Gavin; Roberts David (LON22); Jones David M; Knight Miriam; Blagden Simon; Clayton Steve; Kevin Murray; Bell Gavin; Goddard Simon; Goulden Graham
Subject: RE: FOR NOTING: Post Office & Fujitsu story in Computer Weekly

Haydn,

As I am sure you can expect, the *Post Office* PR Team were well aware of this blog/post.

In parallel (I don't believe the two things are directly linked), they have issued the attached Press Release earlier this afternoon. Clearly, they want to be seen as being committed to addressing the concerns of the sub-postmasters.

As is usual, their Press Office want to continue handling any media calls.

Simon

From: Jones Haydn
Sent: 29 October 2013 15:43

To: Carter Simon; Patterson Paul; Lamb Helen
Cc: Tait Duncan; Bounds Gavin; Roberts David (LON22); Jones David M; Knight Miriam; Blagden Simon; Clayton Steve; Kevin Murray; Bell Gavin; Goddard Simon
Subject: RE: FOR NOTING: Post Office & Fujitsu story in Computer Weekly

Thanks Simon.

We have a broader PoL stakeholder stock take on Thursday morning. In advance, could you put a call into the press office in PoL to 1) confirm they have seen this and 2) get a sense of how the story could develop over the next few months and their plans for managing based on possible scenarios?

From: Carter Simon
Sent: 29 October 2013 12:59
To: Jones Haydn; Patterson Paul; Lamb Helen
Cc: Tait Duncan; Bounds Gavin; Roberts David (LON22); Jones David M; Knight Miriam; Blagden Simon; Clayton Steve; Kevin Murray; Bell Gavin; Goddard Simon
Subject: FOR NOTING: Post Office & Fujitsu story in Computer Weekly

A story has appeared on *Computer Weekly*, written by Karl Flinders on *Post Office's Horizon* system – reporting that the cases brought by sub-postmasters with relation to errors in the *Horizon* accounting system could be completed in three months, as the move towards a 'mediation' stage. This article does not reference *Fujitsu*.

Karl has also posted a follow up blog on the story, which does reference *Fujitsu* – as a developer of the system together with *ICL*.

Please see both pieces below.

End in sight for sub-postmaster claims against Post Office's Horizon accounting system

<http://www.computerweekly.com/news/2240207934/End-in-sight-for-sub-postmaster-claims-against-Post-Offices-Horizon-accounting-system>

Cases brought by sub-postmasters that claim they were wrongly charged with false accounting as a result of errors made by the Horizon accounting system could be completed in three months, as cases move towards a "Mediation" stage for detailed analysis.

After years of protest, heavy fines and even jail terms, some sub-postmasters could soon see their claims decided on. The Post Office could face significant compensation claims.

The investigation has about 70 cases at different stages and more are still coming in. The closing date for claims to be lodged is 18 November 2013.

When cases reach the "Mediation" stage, there is a "face-to-face discussion between two parties, chaired by a neutral and independent mediator," according to the Justice for Sub-postmasters Alliance (JFSA).

"The purpose of mediation is to give each side the opportunity to explain their position. The mediator will

then discuss matters with both parties, sometimes together in the same room, sometimes privately with each party,” said the JFSA.

Ever since the Post Office acknowledged for the first time that there might be an issue with its accounting system, Horizon – following pressure from groups such as the JFSA and from MPs – there has been an independent investigation funded by the Post Office. The investigation has been conducted by forensic expert analyst company Second Sight.

The Horizon accounting system is used by thousands of sub-postmasters. It has been blamed by many for sub-postmasters being wrongly charged and even jailed for accounting shortfalls. Others have had to make up cash discrepancies following prosecutions. The Post Office defended the Horizon system unrelentingly until recently.

Computer Weekly first revealed the claims of sub-postmasters regarding Horizon in 2009.

One sub-postmaster with an ongoing case, who had been accused of false accounting, said things appear to be progressing. “It looks like the Post Office is finally getting its act together,” she said.

One source said it looked as if the Post Office wanted to sort out the cases so it can follow Royal Mail into privatisation.

In July 2013 the investigation reported concerns in relation to Horizon. These were: unreliable hardware; the absence of “proper” system training and support; the complexity of linking with a large number of other systems; a business model that puts responsibility for dealing with small system problems with sub-postmasters; and the way the Post Office has in the past investigated concerns about transactions.

Read Computer Weekly case studies from 2009 of those that believe they have suffered as a result of problems related to Horizon.

What compensation do you pay a subpostmaster that has been in jail as a result of computer error?

<http://www.computerweekly.com/blogs/outsourcing/2013/10/what-kind-of-compensation-do-you-pay-a-sub-postmaster-mistakenly-imprisoned-by-dodgy-computer-system.html>

I have been following the story of sub-postmasters being charged with false accounting. I took over the story after a former Computer Weekly colleague originally picked the story up.

It involved sub-postmasters for the Post Office claiming they have been falsely accused of cooking the books. But many blame the Horizon Accounting system, which was developed by ICL/Fujitsu Services, for the problems. The latest article is [here](#), and it appears there is light at the end of the tunnel for getting on 100 subpostmasters.

Recently lots of other media organisations have picked up on the story. And I am not surprised as it is a shocking tale of an allegedly faulty IT system or perhaps the processes that surround it leading to sub-postmasters being imprisoned or having to make up accounting shortfalls. Lives have been ruined and homes lost but a group of individuals, supported by the press and later MPs finally have an end in sight.

Following years of campaigning and later pressure from MPs, the Post Office agreed to investigate claims that the system was at fault. The Post office had always maintained that the system could not be wrong. But after a closer look it changed its stance and acknowledged there could be problems related to the Horizon system used by thousands of sub-postmasters.

If it is proved that some of these individuals were at no fault for the accounting errors there could be large compensation pay-outs. I spoke to Conservative MP for North East Hampshire James Arbuthnot, who chairs a group of MPs trying to encourage the Post Office to get to the bottom of the case. He praised the Post Office for agreeing to get to the bottom of this despite the fact that for years it had taken the stance that the computer system was not at fault.

But interestingly many people I speak to believe the Post Office want to sort this out now to leave the door open to privatization. Royal Mail has just done it and the Post Office could be next.

The last thing the Post Office will want if it is privatized is the threat of large compensation pay-outs to subpostmasters wrongly imprisoned for false accounting as a result of a dodgy computer system.

2013 has seen the campaign win support and some major victories.

Read a timeline of articles on the subject from Computer Weekly:

May 2009 - [Bankruptcy, prosecution and disrupted livelihoods - Postmasters tell their story](#)

September 2009 - [Post-masters form action group after accounts shortfall](#)

November 2009 - [Post Office theft case deferred over IT questions](#)

February 2011 - [Post Office faces legal action over alleged accounting system failures](#)

October 2011 - [85 sub-postmasters seek legal support in claims against Post Office computer system](#)

June 2012 - [Post Office launches external review of system at centre of legal disputes](#) [Post Office launches external review of system at centre of legal disputes](#)

January 2013 - [Post Office admits that Horizon system needs more investigation](#)

January 2013 - [Post Office announces amnesty for Horizon evidence](#)

January 2013 - [Post Office wants to get to bottom of IT system allegations](#)

June 2013 - [Investigation into Post Office accounting system to drill down on strongest cases](#)

July 2013 - [Post Office Horizon system investigation reveals concerns](#)

October 2013 - [End in sight for sub-postmaster claims against Post Office's Horizon accounting system](#)

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