
From: Javid MPST [/O=BIS PRODUCTION/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=358BDF92E3B6441BA05DB1F19CAD786F-JAVIDMPST]
Sent: Thur 14/04/2016 5:08:33 PM (UTC)
To: Will Macfarlane [GRO]
Cc: SpAd Javid MPST [GRO] Neville-Rolfe MPS [GRO]
[GRO]
Subject: Legal action against Post Office on Horizon IT issue

Dear Will,

I am writing to update you on a group legal action which is being lodged against the Post Office.

We have previously kept you informed about allegations that the Horizon IT system, used in Post Office branches, had systemic errors which were causing accounting discrepancies and causing postmasters to be wrongly accused of false accounting or theft. Post Office have taken the matter seriously, bringing in independent forensic accountants to look at the issue, and setting up a mediation scheme to allow postmasters to raise claims. However, despite no evidence of flaws or wrongful convictions being found, the campaign continues. To put this in context, around 150 claims have been raised, from a population of 11,500 post office branches and nearly half a million users of the Horizon system since it was rolled out in 2000.

Civil action against Post Office has been mooted in the past but never pursued. The campaign group, Justice for Subpostmasters Alliance, announced on Monday that they have launched High Court proceedings against Post Office. Post Office are yet to receive a formal letter of claim, which would set out the basis for the legal action, but have received a letter from JFSA's solicitors stating that proceedings have been issued on behalf of 91 claimants.

Post Office are unaware of any new developments in the underlying disputes which might make the chance of a successful claim any more likely. This claim may therefore come to nothing, as others have in the past. The new Chair of Post Office Limited, Tim Parker, has undertaken a review of this matter with support from a QC. He is meeting with Baroness Neville-Rolfe later this month to discuss his review findings further, but the headline is that there remains no evidence that the IT system is flawed or that any convictions are unsafe.

Officials here advise we maintain the position that this is a matter for the Post Office – particularly given there could be legal proceedings underway. I am updating you on this as this matter has been raised at PMQs in the past, most recently on 1 July 2015 by Andrew Bridgen MP, where the Prime Minister responded that "I would hope that it would not be necessary to have a full independent judicial inquiry to get to the bottom of this issue, but get to the bottom of it we must."

Do get in touch if you need any additional information.

Regards,

George



Department
for Business
Innovation & Skills

George Thomson

Private Secretary to the Secretary of State for Business, Innovation and Skills. MPST

[GRO]

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