

Public Prosecution Service
Belfast and Eastern Region

GRO

22 October 2019

Our Ref: POLTD/1819/0031
Your Ref: 988883

Dear Sirs

Re: Andrea Gourley
Case Ref: 988883

We refer to the letter dated 19 September 2019 from Bernard Campbell & Co, Ms Gourley's solicitors, in which a number of questions were raised. We have set these out and answered them below, but have also used this letter as an opportunity to update you in relation to Horizon generally.

Post Office Group Litigation - Horizon

We therefore firstly provide you with an update in relation to the Post Office Group Litigation, a civil case proceeding in the High Court of Justice (Queen's Bench Division) in London. This is litigation brought by 555 current and former postmasters, and a small number of others, under a Group Litigation Order. The Managing Judge, the Honourable Mr Justice Fraser, is making findings on a number of issues in a series of trials.

The litigation originated with concerns raised by Claimants around Horizon and whether it was, or is, fit for purpose. Horizon is an IT system comprising an electronic point of sale and accounting system for all of Post Office's branches. Horizon was introduced in 1999/2000. In around 2010 the original system (known as "Legacy Horizon") was replaced by "Horizon Online" which continues to be used today. The Claimants contend that they have suffered from unexplained losses and, in some cases, been prosecuted and imprisoned, because of what they assert to be causes attributable to Horizon, which they allege is a flawed hardware / software system.

The first trial in the Group Litigation, referred to as the Common Issues Trial, took place in November-December 2018 and examined contractual issues including implication of terms, using the cases of 6 Lead Claimants. Judgment was handed down following this trial on 15 March 2019 ([2019] EWHC 606 (QB)).

The second trial was the Horizon Issues Trial, (March-July 2019), which examined a number of issues relating to Horizon. The issues considered at the Horizon Issues Trial can be summarised as being in relation to: bugs, errors and defects in Horizon; controls and measures for preventing/fixing bugs and developing the system; remote access; availability of information and report writing; access to and/or editing of transactions and branch accounts. Judgment is currently awaited following this second trial.

A third trial, referred to as the Further Issues Trial, will deal with the appropriate measure of loss in the cases of 4 Lead Claimants (being 4 of the same 6 Lead Claimants identified for the Common Issues Trial), The Further Issues Trial is listed for March 2020.

There may be further trials in the future although no such trials have yet been listed.

We are currently awaiting Judgment following the Horizon Issues Trial and will update you once Judgment is received. However, as mentioned in our previous letter we would ask that any Post Office

related cases continue to be referred to Mark Raymond in order that he may review them and determine whether Post Office may have any relevant information which may assist the CPS/PPS.

Questions from Ms Gourley's solicitors

The responses to the questions raised by Ms Gourley's solicitors specifically are as follows:

1. *What IT system was used by the Post Office at the time of the alleged criminal acts between 1 April 2018 and 31 July 2018?*

There are a number of IT systems that are used by Post Office Limited including, for example, Microsoft Office and CFS (Central Finance System). There is also a distinction between systems used by (i) Post Office Limited within its head and other offices, and (ii) systems used by Postmasters within Post Office branches. When you refer to "IT system" in this question, taken together with your other questions, we presume you are asking about the electronic point of sale system that is used in Post Office branches, which we confirm is known as Horizon.

Horizon was introduced in 1999/2000. In around 2010 the original system (known as "Legacy Horizon") was replaced by "Horizon Online" which continues to be used today.

Therefore, in answer to which system was used between 1 April 2018 and 31 July 2018, we confirm that Horizon Online was being used by Post Office between 1 April 2018 and 31 July 2018 and Horizon Online was also used in the Pond Park branch between 1 April 2018 and 31 July 2018.

2. *Can you please confirm that this system is still in use by Post Office?*

We can confirm that Horizon Online is still in use by Post Office.

3. *Can you confirm if the system used by the Post Office is the same system called Horizon and if so which version is being used?*

Horizon Online has been used since 2010 and continues to be in use to this day. The system is regularly updated like all IT systems and so different versions are in use at different points in time. HNG-A is currently the hardware version in use with Horizon Online and the Pond Park branch updated from HNG-X hardware to HNG-A hardware on 22 August 2017.

Please let us know if you need further information.

Yours faithfully



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