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DRAFT -IN STRICTEST CONFIDENCE AND SUBJECT TO LEGAL PRIVILEGE

GLO COMMUNICATIONS - HORIZON ISSUES JUDGMENT

ONE STORY (POSTMASTERS)

POST OFFICE GROUP LITIGATION – SECOND JUDGMENT

The second Judgment in the Post Office Group Litigation [link?] has been handed down by the High Court today. This Judgment focuses on our Horizon system and it's part of the preliminary stages of the very complex, long-running legal case to resolve a number of individual claims by mainly former postmasters.

We understand the concerns that everyone working in our business might have about some of the issues [and criticisms] the Judgment raises. We are taking firm measures which address these and I hope that you have seen communications over the past [x] months on the many significant improvements that are being made.

But it's important to underline that we can have confidence in the overall robustness of Horizon and that it compares well with systems used by other retail and financial services companies each day. Both independent experts, for Post Office and the claimants in the case, on opposite sides of the litigation, confirmed this. . It's also important to make clear that the products and services that we provide every day to our millions of customers are not affected by the litigation

Horizon processes around 47 million transactions a week, more than £60 billion worth a year. These are reconciled every day, every, month, every year, with the systems of major organisations including high street banks, utility companies and Government departments, giving confidence in the many products and services we provide

Of course no system can ever be said to be perfect and we're working as hard as ever to make improvements. In the past [x], months, working with our supplier, Fujitsu, we have taken actions which include strengthening the ways the system is monitored and software bugs identified and fixed when they do arise. We're also implementing some design changes to further reduce the likelihood of human errors. Overall more than [100?] changes are being made in a comprehensive programme of improvements, closely involving postmasters.

What the Judgment underlines [most/ very strongly] is that we must continue to do better in the ways in which we support you to run branches. Actions we're taking on this will both help prevent problems in the first place and improve the support we provide if there are issues.

These include our new field team structure, the new Branch Support Centre (formerly NBSC) which works more closely with our IT helpline team, better training, and refinement of some of our processes. [insert links to relevant stories]

You can find our media statement on the Judgment here [link]. If you have any questions or want further information you can email us [xxxxxx] and we'll do our best to help.