



Horizon Integrity

- I am strongly of the opinion that in order to win the argument we have to focus it on what actually happened and not allow others to conduct the debate around speculation about what might have happened

Horizon Integrity

- History
 - First involved in this in 2004
 - Series of articles in the Subpostmaster magazine
 - And a case referred to as Cleveleys came to the fore
 - Cleveleys (Subpostmistress Mrs Wolstenholme) arises around Horizon introduction
 - Dismissal in 2001
 - Post Office pursued debt through the courts

Horizon Integrity

Dave Smith

Horizon Integrity

- Purpose of this document to set out my thoughts on this subject matter as
 - I'm on leave for two meetings called to discuss this matter and how we handle the Press
 - I'm shortly to leave the employ of the Post Office



Horizon Integrity

- Cleveleys
 - Discrepancy contested
 - Solicitor appoints “expert”
 - Expert was not challenged or managed
 - Expert assumes status of “joint” expert
 - Produced a report which in my view exposed the expert as a “sham”
 - Nonetheless expert concluded that Horizon could have caused the discrepancy
 - Did not have access to audit trail so couldn’t refute
 - That is prove that what the expert said could happen didn’t happen
 - Settled out of court £187.5k (cost included)

Horizon Integrity

- Shortly after a case called Castleton emerged
 - Subpostmaster contested our claim saying Horizon was at fault
 - We submitted audit trail as evidence
 - Believe Castleton’s solicitor examined audit trail and concluded there was no substance to Castleton’s claim and advised him to settle
 - Castleton sacks solicitor and proceeds
 - Court rules in our favour with costs Castleton looking at £300k liability and declares himself bankrupt
 - Judge decided that there was *“no flaw”* in the Horizon system, and that *“the logic of the system is correct”*: he said *“the conclusion is inescapable that the Horizon system was working properly in all material aspects”*.

Horizon Integrity

- Castleton “killed” the noise until Computer Weekly ran an article in 2009
 - Even though the journalist conceded that there was little hard evidence
- Closely followed by an S4C programme
- Interest in the press
- And a glut of flag cases
- And interest from a growing number of MPs
- A small group of golden oldies
- But signs that a larger group rallying to the cause

Horizon Integrity

- Solicitor engaged on no foal no fee basis
- Expert appointed who has made FOI enquiry

Horizon Integrity

- What is Horizon integrity
 - Claim that the system either in failure mode or through other means can create a difference between the machine calculated cash balance and physical cash

Horizon Integrity

- Horizon is designed so that accounting integrity is maintained when it fails
- We are not defending the fact that it doesn't fail
- Attached pdf document explains how
- The audit file will show what happened
 - If a transaction were “lost” this would be exposed through break in sequence numbers



Horizon Integrity

- What explanations are there?
 - Subpostmaster has had hands in the till
 - Assistants have had hands in the till
 - Accounting error
 - Many of these can be picked up by back office checks
 - Cash entered as cheques or vice versa
 - Evidence that an NS&I cash withdrawal entered as deposit might not be picked up by NS&I

Horizon Integrity

- Of the cases I am aware of
 - Bates had discrepancies but was dismissed because he became unmanageable. Clearly struggled with the accounting and despite copious support did not follow instructions
 - Ward has been dismissed twice for failing to follow accounting instructions
 - Subpostmaster who pleaded guilty in court
 - Castleton who put the argument that it was Horizon at fault before the court and lost
- Details of the cases do bear looking at