

Draft Statement for Panorama

The Post Office wholly rejects the extremely serious but unsubstantiated allegations that continue to be made.

Our statements on some of the specific allegations are set out below. Post Office also makes the following general statement:

The Horizon system is both effective and robust. It is independently audited, meets or exceeds industry accreditations and has been used by nearly 500,000 people since it was brought into service. It is currently used by over 78,000 people to perform some six million transactions each day for Post Office customers across the country. The complaints about Horizon have been brought by less than 0.03% of all those who have used the system.

The overwhelming majority of postmasters have not made any complaint, successfully running their businesses and serving communities throughout the country.

Over the past three years, through exhaustive investigations and independent reviews, we have been determined to find out if there were, as initially alleged, faults with our computer system that caused cash to go missing from a small number of Post Office branches.

We set up an independent enquiry and, when that failed to find anything wrong with the system, established a scheme to enable people to put forward individual complaints, providing financial support so that they could obtain independent professional advice to do so.

This work has provided overwhelming evidence that demonstrates it was not the computer system or any illicit external 'tampering' with it that was responsible for missing money in any of the branches investigated.

Specific Allegations

- Miscarriages of Justice

Post Office takes extremely seriously any allegation that there may have been a miscarriage of justice. Post Office has seen no evidence to support this allegation. A number of former postmasters have asked the Criminal Cases Review Commission to review their cases, as is the right of anyone convicted of an offence in England, Wales or Northern Ireland. Post Office is providing the CCRC with any assistance it requires in its reviews, but it is inappropriate to make any comment while those reviews are continuing.

Post Office has a continuing duty after a prosecution has concluded to disclose any information that subsequently comes to light which might undermine its prosecution case or support the case of the defendant, and continues to act in compliance with that duty.

- Account discrepancies could be caused by faults in the Horizon system

We have never said that Horizon is perfect, but it does have robust processes in place to address issues when they arise. Over the course of our investigations, we have demonstrated that Horizon works as it should and is robust and effective in dealing with the six million transactions put through the system every day for people up and down the country at 11,500 Post Office branches.

Second Sight has not identified any transaction caused by a technical fault in Horizon which resulted in a postmaster wrongly being held responsible for a loss. Without this, there is no evidence to support any of the broad allegations about Horizon, but there is overwhelming evidence that the losses complained of were caused by user actions, including deliberate dishonest conduct.

Postmasters can always seek help from the Post Office with any difficulties they have. As well as the Post Office's helplines, support is provided by visits to branches if necessary. The Post Office cannot know about branch problems unless these are raised with us.

- POL's investigation into branch losses

When Post Office investigates a cash shortfall in a branch, the investigators' first task is to establish what has happened in that branch. However, this task will be frustrated if the branch accounts have been deliberately falsified.

Falsifying accounts can also contribute to branch losses. Where accounts have been falsified it is not possible to identify the transactions that may have caused discrepancies and losses, and this can prevent the correction of the practices and procedures that generated those losses.

- POL's investigation into Horizon

Over the past three years, through exhaustive investigations and independent review, we have been determined to find out if there were, as alleged, faults with our computer system that caused cash to go missing from a small number of Post Office branches. Post Office is confident that Horizon operates as it should and we have not seen anything to suggest that any branch has been held responsible for a loss that was caused by a fault in the Horizon system.

This review was not and has never been a criminal case review, but rather an investigation into whether Horizon operated as it should in a small number of isolated cases, a minority of which involved a prosecution. Second Sight are accountants, not experts in criminal law or procedure, and were provided with all the relevant documentation to perform their role.

- Remote Access.

Neither Post Office nor Fujitsu can edit the transactions as recorded by branches. Post Office can correct errors in and/or update a branch's accounts by inputting a new transaction (not editing or removing any previous transactions). However, this is shown transparently in the branch transaction records. There is no evidence that any branch transaction data was inappropriately accessed from a remote access point.

- To the extent allegations are made that transactions can be edited in a test facility in Bracknell

The basement at Bracknell was a secure test environment. There was no connection to any live transaction data. Live transaction data could not be accessed from the basement and the basement was never used to access, change or edit live transaction data in branches.

- No comment on individual cases.

It is inappropriate to make any comment while the CCRC reviews are continuing.

Furthermore, the Post Office assured those with complaints that we would treat them with confidence. It would not be appropriate to do other than maintain that confidentiality.

- Prosecutions

The Post Office and the people working in 11,500 branches throughout the UK are entrusted with public money and have a duty to protect it. The Post Office does not prosecute people for making innocent mistakes and never has.

All cases of potentially criminal conduct are investigated thoroughly and decisions to prosecute are based on the specific facts of each individual case. This will influence the number of prosecutions brought at any point in time. The decision to prosecute, in the small number of instances where this occurs, is always taken following numerous checks and balances. The Post Office is confident that its approach complies with all legal requirements and follows the Code for Crown Prosecutors issued by the Director of Public Prosecutions. The Code requires prosecutors to be satisfied that there is sufficient evidence for a realistic prospect of conviction on each charge, and that the prosecution is in the public interest. A prosecution is brought to determine whether there was criminal conduct in a branch, not for Post Office's own financial considerations.

Every person charged with a criminal offence is entitled to their own independent legal advice and representation, and reaches their own decision on how to plead based on that advice.

Post Office's prosecutions are scrutinised by defence lawyers before they advise their clients. If a defendant denies an allegation, the court must be sure of his or her guilt before it can convict.

- A response to any allegation that Paula Vennells is personally implicated in any alleged miscarriage of justice.

Panorama has not produced any evidence that supports the allegation that Paula Vennells is implicated in any alleged miscarriage of justice. This allegation is categorically denied.

This is a baseless attack on the Post Office Chief Executive who, in fact, initiated the independent inquiry and committed to a series of actions, including providing funding to help people obtain professional advice to bring forward complaints against the company. It is hard to imagine any other company going to such lengths to get to the bottom of allegations being made by such a small minority of system users.

The Post Office remains willing to discuss these matters with Members of Parliament and has done so with a number.

- The allegation that the Post Office is a 'bullying organisation'

Panorama has not produced any evidence that supports the allegation that the Post Office is a bullying organisation. This allegation is simply not true. It is not borne out at all by any of the results

that we have when we regularly ask people about their experiences working with us or by any other evidence.