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Post Office IT provider Fujitsu won £1.4mn public sector contracts since promise to stop bidding

Post Office scandal

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Two deals were awarded as recently as September despite outcry over Horizon scandal



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Oliver Telling in London NOVEMBER 3 2024

The technology company at the centre of the scandal over the wrongful conviction of hundreds of Post Office staff has been awarded £1.4mn in UK public sector contracts since it said it would suspend its bidding for them.

Between 1999 and 2015, more than 900 [Post Office](#) branch managers were convicted of charges including theft, fraud and false accounting in cases involving faulty data from Fujitsu's Horizon software. It has been described as the UK's biggest miscarriage of justice.

After a public outcry, Fujitsu said in January that it would "[voluntarily pause bidding](#) for future public sector contracts" while a public inquiry into the scandal was ongoing.

However, it did not rule out continuing to bid for work with existing public sector customers, or when the government needed its "skills and capability".

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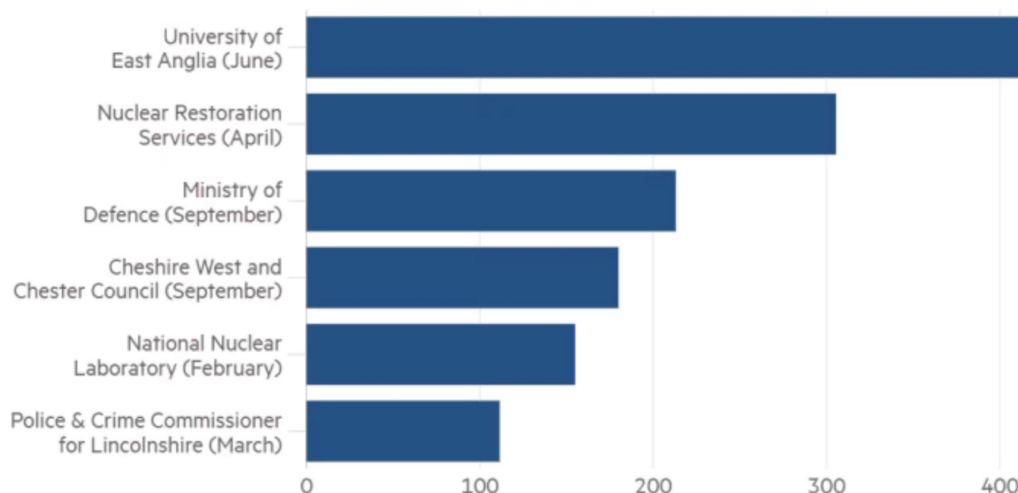
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According to government procurement data provider Tussell, the Japanese group has won six public sector contracts worth an estimated total of £1.4mn since making this commitment. Two of these contracts were awarded as recently as September.

The contracts include a £213,038 deal to provide IT hardware to the Ministry of Defence, a £111,472 contract for data-processing technology for Lincolnshire's police and crime commissioner, and a £155,000 software deal with the state-owned National Nuclear Laboratory.

Fujitsu has won 6 contracts since it said it would suspend bidding

Value of public sector contracts awarded since Jan 18, by month and contracting body (£000)



Source: Tussell

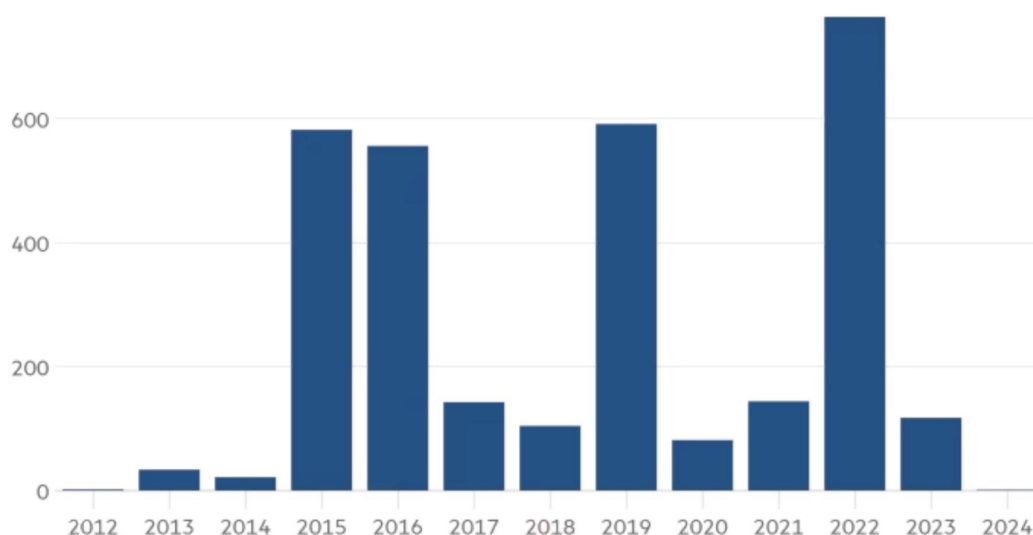
The company has also received £243.3mn from pre-existing public sector contracts since January, the Tussell analysis found.

Fujitsu currently has 33 public sector contracts, which are expected to pay £4.5bn over their lifetime. This includes a £2.4bn contract with the Post Office, although this has been running for more than 20 years and has largely been paid.

However, the total value of contracts awarded to Fujitsu has fallen sharply from £117.7mn between January and October last year. It is also the lowest figure since Tussell began collecting data in 2012.

Fujitsu's contract wins have fallen to a new low

Total value of public sector contracts awarded to Fujitsu in January to October (£mn)



Source: Tussell

Richard Trinder, chair of the campaign group Voice of the Postmaster, said: “It is criminal that Fujitsu are being considered for any government contract in this country.”

He added that the company should contribute as much as half of the £1.8bn in compensation the UK government has promised victims

Fujitsu did not comment on why it was continuing to win contracts, but said it was “working with the UK government to ensure we adhere to the voluntary restrictions we put in place”.

It added: “Based on the findings of the [public] inquiry, we will work with government on the appropriate actions, including contribution to compensation. We continue to offer our deepest apologies to the sub-postmasters and their families.”

The Post Office scandal, which has seen Fujitsu employees interviewed by the police and [brought before a public inquiry](#), was exposed several years ago but came to widespread attention following a TV dramatisation in January.

Fujitsu is one of 39 companies identified by the Cabinet Office as a “strategic supplier” on public sector contracts.

Nick Davies, public services and outsourcing researcher at the Institute for Government think-tank, said the government could in some cases find it “very hard” to replace Fujitsu.

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Some organisations, such as the Post Office, had become “locked into” Fujitsu’s technology and at a time when public finances are tight, there would be a “higher upfront cost of replacing it with a more modern system”.

Davies added that a few contracts won by the company this year may have begun before the January date when it made its commitment.

The Cabinet Office said: “We have been clear that those responsible for the Horizon scandal must be held accountable.”

It added: “Before any further action can be taken, we must wait for the Horizon inquiry to conclude . . . As with all companies, we are keeping Fujitsu’s conduct and commercial performance under review.”

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