
From: Ruth X Barker[/O=MMS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=RUTH X BARKERBFDC034D-01E9-418D-9091-84B23DC1A4EF28F]
Sent: Tue 02/07/2013 2:56:49 PM (UTC)
To: Nina Arnot [GRO]; Lesley J Sewell [GRO]
Mark R Davies [GRO]
Cc: Hugh Flemington [GRO]; Rodric Williams [GRO]; Susan Crichton [GRO]
Simon Baker [GRO]; Martin Edwards [GRO]; Alwen Lyons [GRO]
Subject: RE: Draft statement

Here's the amended statement which I think incorporates all comments and amends received so far.

Ruth

Confidential

DRAFT Post Office statement on Horizon system – NA comments

An interim review into concerns around the accuracy of the accounting programme used in Post Office branches has concluded there are no systemic issues inherent within the computer system.

The 12 month review, undertaken independently by Second Sight Support Services Ltd in consultation with the Post Office, James Arbuthnot MP and the Justice for Subpostmasters Alliance has produced an interim report based on four cases which the review had highlighted as representing the most pressing concerns raised by Subpostmasters.

The Post Office now plans to invite the JFSA to work alongside them in conjunction with Second Sight to complete the review of a handful of other cases which have been raised by MPs and subpostmasters.

Second Sight has called on the organisation to improve the training and support infrastructure for subpostmasters. As with any business, the Post Office continually improves and develops its training and development processes and fully supports this recommendation. The Post Office intends to use its User Forum which consists of representatives from xxxx (Simon – can we add something on which organisations are represented on this) to further explore areas where any improvements can be made in the support it provides to subpostmasters and their teams. Also, as part of its ongoing engagement with Fujitsu and the NFSP the Post Office has committed to further improvements are being made to the system.

The Horizon system is used by more than 60,000 people across 30,000 terminals in the Post Office network, recording six million transactions every day. With a system of this scale, the Post Office has processes in place to identify and reconcile any anomalies which may occur. This includes notifying subpostmasters to ensure they are aware of any reconciliations being made. During the course of the review, the Post Office has worked with its supplier Fujitsu to provide Second Sight with evidence around how the Horizon system has been used by Subpostmasters and staff. This evidence included details two sets of transaction anomalies – one impacting 62 of the Post Office's 11,800 branches between March and October 2010 and the other affecting 14 branches with respect to accounting entries in 2010/11.

In the first of these cases, 17 subpostmasters were adversely affected – and later reimbursed – to a total cost of £xxx (with the highest payment being £115). In the second set of cases, the total impact was xxx. When the accounting anomalies in these cases were picked up by the Horizon system, the Post Office proactively informed subpostmasters and any losses, however minor were reversed.

None of these cases had any impact on the four which were reviewed by Second Sight.

Lesley Sewell, Chief Information Officer said: "We are very grateful to James Arbuthnot MP for his support throughout the review, and to Second Sight for their hard work.

"The Post Office takes its responsibilities, whether to customers, subpostmasters, staff or taxpayers. very seriously and it is right that we took steps to ensure claims about the Horizon system were thoroughly reviewed.

"Second Sight has confirmed there are no systemic issues in the computer system based on their initial review, but we will continue to work with them, and the JFSA, to examine other cases put to us.

"The Horizon system deals with more than 40 million transactions every week, totalling over 2.6 billion a year with a value of over £100 billion. Given the size and scale of a computer system which has over 60k users, there may of course, be instances where reconciliations are required. Our experience and that of the tens of thousands of people who use the system each days shows we can have confidence in Horizon and this review supports that confidence.

"If issues do emerge we will of course address them, just as we are determined to address the training and support needs which Second Sight has identified as part of our commitment to continual improvement."

From: Nina Arnott
Sent: 02 July 2013 15:32
To: Lesley J Sewell
Cc: Ruth X Barker; Hugh Flemington; Rodric Williams; Susan Crichton; Simon Baker; Martin Edwards; Alwen Lyons
Subject: RE: Draft statement

Yes, thanks Lesley, Ruth is incorporating now.

Nina

From: Lesley J Sewell
Sent: 02 July 2013 15:22
To: Nina Arnott
Cc: Ruth X Barker; Nina Arnott; Hugh Flemington; Rodric Williams; Susan Crichton; Simon Baker; Martin Edwards; Alwen Lyons
Subject: Re: Draft statement

Nina

Simon and I have just gone through the detail with Ruth - she has our comments.

L

Sent from my iPad

On 2 Jul 2013, at 15:13, "Nina Arnott" <[redacted]> wrote:

Hi Mark

How about the attached and below? Suspect we are providing a little too much detail at some points, which we might want to put at the end of the release as a Q&A in Notes to Editors.

Hope this helps

Nina

Confidential

DRAFT Post Office statement on Horizon system – NA comments

An interim review into concerns around the accuracy of the accounting programme used in Post Office branches has concluded there are no systemic issues inherent within the system. (The PO has announced sounds less independent)

The review, undertaken independently by Second Sight Support Services Ltd in consultation with the Post Office, James Arbuthnot MP and the Justice for Subpostmasters Alliance – addressed four cases raised by MPs.

The Post Office now plans to invite the JFSA to work alongside them in conjunction with Second Sight to complete the review of a handful of other cases..

The Horizon system is used by 60,000 people across 30,000 terminals in the Post Office network, recording six million transactions every day. The issues with Horizon have occurred in less than [insert figure if possible to demonstrate ratio]

Second Sight has called on the organisation to improve the IT training support for subpostmasters in order to minimise the chance of future accounting errors. The Post Office is committed to continual training and development and fully supports this recommendation.

[Lesley – perhaps insert details of the Fujitsu 100k here?]

During the course of the review, the Post Office has worked with its supplier Fujitsu to provide Second Sight with evidence around how the Horizon system has been used by Subpostmasters and staff.

The evidence included details of situations where accounting shortages or overpayments have occurred as a result of minor issues in the system. This amounted to two sets of transactions – one impacting 62 of the Post Office's 11,800 branches between March and October 2010 and the other affecting 14 branches due to accounting entries for 2010/11 being incorrectly reproduced in 2011/12 and 2012/13.

In the first of these cases, 17 subpostmasters were adversely affected – and later reimbursed – to a total cost of £xxx (with the highest payment being £115). In the second set of cases, the total impact was xxx.

When the accounting anomalies in these cases were picked up by the Horizon system, the Post Office proactively informed subpostmasters and any losses, however minor were reversed.

None of these cases had any impact on the four cases which were reviewed by Second Sight.

Lesley Sewell said: "We are very grateful to James Arbuthnot MP for his support throughout the review, and to Second Sight for their hard work.

"The Post Office takes its responsibilities, whether to customers, subpostmasters, staff or taxpayers. very seriously and it is right that we took steps to ensure claims about the Horizon system were thoroughly reviewed.

"Having concluded the review, Second Sight has confirmed there are no systemic issues in the

computer system, but we will continue to work with them, and the JFSA, to examine other cases put to us.

“The Horizon system deals with more than 40 million transactions every week – more than 2 billion a year. While every major computer system can be subject to errors, we have confidence in Horizon, and this review supports that confidence.

“If issues do emerge we will of course address them, just as we are determined to address the training needs which Second Sight has identified as part of our continual improvement as a business.”

From: Mark R Davies

Sent: 02 July 2013 14:12

To: Ruth X Barker; Nina Arnott; Hugh Flemington; Rodric Williams; Susan Crichton; Alwen Lyons; Lesley J Sewell; Simon Baker; Martin Edwards

Subject: Draft statement

All

A draft statement – please can I have comments and amendments within the next hour.

Sorry for short timescale.

Mark

Mark Davies | Communications Director

<image001.png>

1st Floor, Banner Wing, 148 Old Street, London, EC1V 9HQ



<image002.jpg>