



Post Office hires firm to investigate Horizon IT systems

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The Horizon point of sale system has been the source of much controversy over allegedly problematic accounting – resulting in an angry legal battle with sub-postmasters who say they have been wrongly accused of fraud – and in criticism by parliamentary committees that have questioned its cost.

2nd Sight Ltd, which comprises a small team including the former global head of investigations for Citibank, is the firm that has been hired by the Post Office to review 10 existing cases raised by MPs and law firm Shoosmiths. They have so far done some preliminary work on the Horizon investigation.

"We've done some preparatory work, but we are still to be appointed by James Arbuthnot MP as the Post Office would first like to allay the fears of some MPs that we might just be there to carry out a whitewash," said Ron Warmington, fraud management operations director at 2nd Sight.

The firm will be meeting with MPs next week to reassure them of their independence, Warmington added.

As the global head of investigations for Citibank, chartered accountant Warmington was responsible for many large fraud cases, covering hundreds of millions of pounds in asset recovery.

His 2nd Sight colleague Ian Henderson, meanwhile, is a forensic computing expert witness and IT security consultant with a background that includes managing the investigations department at insurance services provider Lloyd's of London.

"We are pretty well qualified," said Warmington.

Horizon 'not at fault'

Despite numerous complaints from sub-postmasters about the Horizon system, the Post office is adamant that IT system was not at fault.

For example, one reader told ComputerworldUK: "Along with my wife, we had a sub post office from 2000 to 2005 when PO Ltd (Post Office) closed us under network reinvention.

"After Horizon was installed, there were a number of glitches, and on one occasion we lost £1,000 on the day we accepted our remits [sic] delivery, and could find no other reason other than a fault on Horizon, which PO said there was no possibility of, and I had to put the money in out of my own pocket!"

The Post Office, however, said that it continues to have "absolute confidence" in the robustness and integrity of its branch accounting processes.

"Over the past 10 years, many millions of branch reconciliations have been carried out with transactions and balances accurately recorded by more than 25,000 different sub-postmasters.

"The Post Office has no hesitation in agreeing to an external review of these few individual cases that have been raised with us by a number of MPs."

Meanwhile, George Thomson, general secretary of the National Federation of SubPostmasters (NSFP), backed the Post Office: "We continue to have complete confidence in the Horizon system, which carries out hundreds of millions of transactions every week at 11,500 Post Office outlets across the country.

"The NFSP has seen no evidence to suggest that Horizon has been at fault and we believe it to be robust."

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