

Confidential

DRAFT Post Office statement on Horizon system

An interim review into concerns around the computer system used in Post Office branches has concluded that there are no systemic issues in relation to the system, the Post Office has announced.

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.

It found no evidence of any systemic failures in the system. The Post Office now plans to invite the JFSA to work with it and Second Sight to complete its review of xx cases put forward by the JFSA and MPs.

The Horizon system is used by 60,000 people across the Post Office network, recording six million transactions every day.

Second Sight has called on the Post Office to examine its information technology training support for subpostmasters. The Post Office is committed to continual improvement in terms of training and supports this recommendation from the independent reviewers.

As a result, Post Office Ltd plans to create a User Forum to explore these issues with the JFSA and other interested parties. The User Forum will be chaired by Post Office chief information officer Lesley Sewell.

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

During the course of the Second Sight review, the Post Office – assisted by its supplier Fujitsu – has engaged with Second Sight to provide evidence around the use of the Horizon system.

This included details of 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 an anomaly with 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.

The accounting anomalies in these cases were picked up by the Horizon system, 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 for the Second Sight review, and to Second Sight themselves for their 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 that claims about the Horizon system were reviewed.

“Having done so, Second Sight has confirmed that there are no systemic issues in the computer system. We will of course continue to work with them, and with 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. It has 60,000 users. While every 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.”