

Witness Name: Jeremy Ewart Cope

Statement No: WITN03410100

Dated: 30 July 2024

POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF Jeremy Ewart Cope (“Jerry Cope”)

I, Jeremy Ewart Cope (“Jerry Cope”), will say as follows

1. I understand that the purpose of this witness statement is to set out matters of fact of which I have personal knowledge.
2. This witness statement was drafted on my behalf and in my own words by my solicitor during a process including the preparation of successive drafts after communications between me and those advisers in writing, by telephone and by video conference.
3. The facts within this witness statement are either within my own knowledge, or derive from the records provided by the Post Office Horizon IT Inquiry. However, as it relates to events that occurred over twenty three years ago there are several areas that I do not recall. Where that is the case I have said so. This statement responds to the request for a written witness statement pursuant to Rule 9 of the Inquiry Rules 2006 reference JCR9-1/LS/20220526 dated 17 June 2022. My witness statement responds to the questions asked

regarding the development and roll out of the Post Office Horizon computer project during the period 1997 to 2001.

4. There is now produced and shown to me a paginated bundle of copy documents marked **JCR9-1**. All references to documents in this statement are to **Exhibit JCR9-1** unless otherwise stated.

Background

5. I have attached my CV containing my professional history at JCR9-1
6. I started working in the Post Office in 1973, my first role was in the management services unit of the Letters Business, followed by a spell in the Managing Director Letters' office.
7. My career then followed a variety of roles in the Letters/Royal Mail part of the Post Office, specialising in HR and Industrial Relations (Assistant Director and then Director Personnel), before broadening out into postal operational management (General Manager postal Delivery Services and General Manager London Letters Territory) and then Director Strategy Development. Apart from one brief period on secondment very early in my career, I have not worked within Post Office Counters, nor had any business-specific relationship with that part of the Group.
8. During the period 1997-2001, I was Group Managing Director, with a variety of titles (MD Personnel, Strategy and Business Development), and was responsible for, alongside the Board Member for Finance, almost any major issue that crossed the boundaries of Royal Mail, Parcelforce and Post Office Counters eg Senior Appointments, Pensions, Corporate Planning (alongside

the Finance Director), IT cross-business Networks, the Group's Catering Business (Quadrant), all where common to all Post Office businesses. I was also responsible for new business development and spent a good deal of my time on developing Royal Mail's International Business and strategy, and on hybrid mail opportunities. As far as I can recollect, I was not involved directly in the Horizon project, as this was solely a project for Post Office Counters Limited. Because this project was of little to no day-to-day visibility to me, outside Board and Counter Automation Steering Group (CASG) meetings, my memory of its development, some twenty plus years later is very limited.

9. Since 2003 I have had no involvement with Royal Mail/POL, except for through my role as Trustee of the Senior Manager Pension Scheme. I have been in this role for seven years. My role involves attending meetings once a quarter, although as we are now winding up the scheme it is more like once a month. Royal Mail attend the meetings in an observation capacity only. Post Office Ltd do not attend the meeting although they have a few ex-employees in the Scheme
10. I had no technical experience of IT projects at, or indeed after, 1999, other than as a customer of major postal automation projects, where the substance of the project was the engineering rather than the IT wrap-around.

Counter Automation Steering Group Meeting of 23 July 1997

11. I have no recollection of attending the Counter Automation Steering Group (CASG) meeting on 23 July 1997. From reviewing the minutes (JCR9 01/1 POL00031128 Counter Automation Steering Group 23 July 1997) provided to me by the inquiry, the meeting appears to have focused on the high level

timetable and lessons learned to date on the Horizon project including financial viability given the escalation in costs.

12. The minutes suggest that there were a number of issues, not untypical of a significant project, still to be ironed out. I have no reason to doubt the accuracy of the minutes and there is nothing I can add to what is contained in the minutes regarding my understanding of the causes of delay, robustness, technical issues and feedback.
13. None of the matters identified in the minutes fell within my area of responsibility.

Counter Automation Steering Group Meeting (CASG) of 26 January 1998

14. I have no memory of attending this meeting. I do not recall regularly attending CASG meetings, but having been provided with the minutes (JCR9-01/2 POL00031131 Counter Automation Steering Group 26 January 1998) the focus of the meeting was on the financial viability of the Horizon project given the escalation in costs. Given my cross-group focus I assume I was in attendance to keep an eye on the viability of the Network to provide services for Royal Mail.
15. My understanding from reading the minutes, is that the issues seem to continue to centre around the financial viability of the project for both the Post Office and DSS. It seemed as if strategically DSS envisaged a future paying benefits outside the post office network, mainly through bank transfer, but in the short term this had to be balanced by ensuring the post office Network, not least in rural areas, remained viable, given huge public support for maintaining

their local post offices. From the minutes, DSS were clearly concerned with the escalating costs.

16. I have no recollection of my understanding of the reasons for delay, robustness, technical issues or feedback from users in relation to Horizon from this time. These were not my area of expertise or focus and would have been issues for the project Director.
17. To the best of my knowledge and recollection I was not involved in any follow up from the meeting and did not take any actions as these were not in my area of responsibility; my point of interest would have been the viability of the network and ensuring there was a credible 'Plan B' not least to serve the Mails Businesses in the event that Counter Automation in some form was not financially sustainable, which in turn undermined the viability of the universal post office network.

Board Meetings of 12 May 1998, 10 November 1998, and 8 December 1998

18. I have additionally been asked to consider minutes of board meetings on dates 12 May 1998 (RMG00000027), 10 November 1998 (RMG00000015) and 8 December 1998 (RMG00000012) and to provide any further information that I recall regarding the discussion of Horizon at those meetings. In the case of each of these meetings, I am unable to recall the discussions and am entirely reliant on the minutes and their record of the matters discussed. I have not therefore addressed each of these documents individually.
19. I cannot remember what my understanding was at the time regarding the robustness of Horizon, technical issues, and end user feedback. My main

memory of Horizon was that it was severely delayed and over budget. I do not recall what the problems were, as the detail is not set out in the minutes. They would appear to have been software development issues discovered during testing, which were putting pressure both on the financial viability of the project and the timing of rollout

20. Given the length of time that has passed, I cannot remember what I understood of the issues at the time. If any concerns existed it would not have fallen to me to follow these up as they were not in my area of responsibility. I would have expected the Counters Business and its expert project team to progress them and report back openly to the Board.
21. I have no recollection of the issue of the 13 week notice of cure to ICL Pathway – the minutes of 12th May 1998 seem to be clear that the Post Office had firm legal advice from Slaughter and May that it was not in our interests to join DSS in any cure notice. I do not recall the substance of that advice.
22. I have no detailed recollection of the detailed positions of the various parties involved in the Horizon project, but everyone would have wanted to ensure the viability of the Post Office network, which needed modernising to make it competitive, whilst delivering an acceptable return on investment for all parties.

Cancellation of the Benefits Payment Card

23. As far as I can recall, I was not involved in meetings with Government on Horizon, and therefore my knowledge is limited to what I have read in the papers provided to me by the inquiry. Further I have no recollection of the

Prime Minister's involvement, other than an over-arching government objective to protect the viability of the network.

24. I have no recollection of the Treasury Review but from other experience I would expect the options to centre on financial effectiveness for UK plc. As I have no memory of the Treasury Review, I am unable to comment on the Post Office's position on the options identified. The Post Office would have been focussed on ensuring the viability of all parts of the Post Office Group both financially and operationally.

25. Given my lack of memory of these events which occurred over twenty two years ago, my lack of involvement in the meetings with government, or public sector negotiations I cannot add anything further to what is in the papers I have been provided.

Board Meetings of 20 July 1999, 14 September 1999, 26 October 1999, 11 January 2000

26. I have further been asked to consider minutes of board meetings on 20 July 1999 (POL00000352), 14 September 1999 (POL00000353), 26 October 1999 (POL00000354) and 11 January 2000 and to provide any further information that I recall regarding the discussion of Horizon at those meetings. I was aware of the progress of Horizon through the Board and my recollection is that my knowledge derived from what we were told in those meetings. In the case of each of these meetings, I am unable to recall the discussions and am entirely reliant on the minutes and their record of the matters discussed. I have not therefore addressed each of these documents individually.

27. I am not an expert on technical issues. Generally, at that time if a matter on the Board required technical expertise, and was not routine, I would ask Duncan Hine, the Group IT Director for a brief including if there was anything material and whether I should be asking any questions; and probably have a pre-discussion with him prior to the Board.
28. These events happened over twenty years ago, but I have no recollection of Duncan briefing me on any potential show stopping issues. Further, whilst my recollection is hazy, I have no memory of any material problems.
29. At the time I was not aware of problems experienced by sub-postmasters. The system was not in general use, it was being trialled. During trials you would expect there to be issues but these are generally reported and ironed out. These issues would not have come to the attention of the Board unless the problems were unusual. I cannot remember what was known at this time, above what is recorded in the Board minutes.
30. I cannot remember what my understanding was regarding the robustness of Horizon at that time. It is clear from reading the minutes that any issues, which are not unusual in a major new IT development project, were ironed out and resolved.
31. Given the passage of time, I cannot remember if I had concerns, and if I raised them at the time. If I had concerns I would have raised them with the Managing Director of Counters or the Chairman. However, I believe that if I had, had such concerns and had raised them I would remember this.
32. The Horizon project appears to have been an ongoing discussion, and was on

the agenda for each Board meeting. According to the minutes the Board seems to have received a report that Horizon's operational issues were being satisfactorily addressed. At the time there was a collegiate work atmosphere where you could give constructive criticism without it being taken wrongly.

33. I do not remember why the decision to sign the contract with ICL was remitted to the Chairman and Chief Executive, but I am not surprised. From reviewing the Minutes it is clear that as the Board had approved the conditions it was a matter of ensuring that those conditions were being met. It therefore would make sense for this to be remitted to them to confirm the conditions had been met and then sign accordingly.
34. My focus on Horizon would have been whether the new system provided any strategic new product opportunities across the Group as opposed to within Post Office Counters, and my (vague) memory is that I concluded that the opportunities were limited. My style, given my limited IT knowledge, in preparation for Main Board discussions on Horizon, would, as set out above, have been to ask Duncan Hine, the Group IT Director for a brief; and probably have a pre-discussion with him prior to the Board. I do not recall him advising that the project should be red flagged on operational or technical grounds. I also had a lot of respect for David Miller, who was leading on the project from Post Office Counters, to be robust in telling the Board of difficulties although I had no direct contact with him on Horizon, that I recall.
35. In summary, but only from reading the Board minutes not from any clear recollection, I was aware that there were hurdles to overcome in terms of technical issues and robustness but got no sense that these were show-

stoppers; b) As set out above, Duncan Hine would have briefed me, but I have no recollection of specific technical issues; c) I have no recollection of sub-postmasters' problems. d) I would have taken part in the Board discussions, but unless Duncan Hine had briefed me that there were serious concerns at that time, (and I am reasonably sure that he did not, as I would probably remember that), I do not recall raising any issues outside the Board meeting. I was not as a matter of course involved in meetings about Horizon, as far as I recollect; e) As I do not recall the discussion, it is difficult to answer the question directly, but in style-terms the Board, having set out some clear parameters for signing the contract would have been content that if those parameters were met, the Chair and Chief Executive in tandem would be authorised to sign and report back accordingly – this is fairly normal practice on a number of Boards on which I have sat.

Board Meeting of 12 June 2001

36. I have no recollection other than reading these Board minutes (POL00021476) which strongly suggest the implementation was proceeding well. I have no reason to doubt the accuracy of the meeting minutes.
37. I have no recollection of any material technical issues or any problems with sub-postmasters being reported at this time.
38. My understanding around Horizon would almost certainly have again been limited to the favourable report set out in the Board minutes. I would not, for reasons set out in the preceding paragraphs of this statement, have been involved further.

General

39. I do not recall attending any other significant meetings around the operation of the Horizon Project – but I would not, given the nature of my role, be due to attend such meetings as a matter of course, only when there was potential impact on my cross-Group responsibilities.
40. I have no recollection of whether any steps were taken to seek reassurance from ICL/Fujitsu, which does not mean they were not requested as it is unlikely I would either remember or be directly involved.
41. I do not recall any political pressures in respect of agreeing the contract or in relation to the timing of the roll out and would offer the observation that the Post Office was very robustly chaired at that time, so doubt those pressures would have had much if any impact if they had existed. Horizon was not substantively mentioned, again as far as I recall, in meetings which I personally attended with government, which were focussed on corporate and cross-Group issues.
42. This was a major project being run by an experienced project team. The Board's role was and should be to ensure risks were being managed, and appropriate controls and expertise were in place. The Board, not least the non-executives were experienced in such oversight. It would have been very unusual at that time for 'experts' to be on a Group Board for specialist projects.
43. I believe, based on the culture at the time, that the project was transparently reported to the Board.
44. This project was not being operationally run by the Group Board but by Post

Office Counters. The Board would have trusted, based on their track record and that of ICL/Fujitsu, that operational issues were being identified and solved and this is backed up by the Board minutes. The Board's appropriate concerns were that the business case was sound, and that controls, governance and risk management were in place – the reporting at that time, according to the minutes, rather than my memory, suggests all this was being addressed and progressed, issues were being identified and solved.

45. I feel that at the time the Board effectively scrutinised the procurement, pilot and roll out of Horizon– although as I have no knowledge of how/why the Horizon project ran into its subsequent difficulties, I cannot therefore comment on whether this Board should have been capable of anticipating those difficulties.
46. I have been asked some further questions on 25 July 2024 and I answer these below.
47. I am asked to what extent, if at all, I was aware that the Post Office prosecuted SPMs for theft, fraud and false accounting? As a long-term Royal Mail employee, I was generally aware that the Post Office prosecuted for fraud and theft, but not sure that I was aware that this also embraced false accounting. All such prosecutions were matters for the Post Office.
48. I am asked to describe the corporate governance structures in place to oversee the Post Office's prosecutions against SPMs for theft, fraud and false accounting, and the extent to which I or the board involved in those processes. My responsibilities were focussed on Royal Mail, within the Royal Mail Group,

and the Royal Mail Group Board was not, as far as I recall, generally involved in operational issues within Post Office Counters Ltd, other than any highlighted in the monthly report to that Board. I do not recall any flags about prosecutions being raised by Post Office Counter Ltd to the Royal Mail Group Board, but I did leave that Board in 2003, perhaps before any trends became apparent. I have no recollection of what governance processes were in place within Post Office Counters Limited, as governance of prosecutions was a matter for them.

49. Lastly, I am asked to describe my reflections on the adequacy of oversight of Post Office prosecutions by the board. If I am being asked about the Royal Mail Group Board, the governance process was normal for what in effect was a holding Company Board, namely monitoring of finances, strategic direction and KPIs. If anything else was off target or of major issue, this was due to be flagged up in the monthly report of the Chief executive (Managing Director) of Post Office Counters Limited. Such an approach is normal for Subsidiaries of any major Board. I have no knowledge of the more detailed operational governance, including prosecutions, that would have been in place within Post Office Counters Limited

STATEMENT OF TRUTH

I believe the content of this witness statement are true.

Signed: **GRO**

Date: 30 July 2024

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	<u>URN</u>	<u>Document Description</u>	<u>Control Number</u>
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1.	POL00031128	Counter Automation Steering Group minutes of meeting of 23/07/1997	POL-0028721
2.	POL00031131	Counter Automation Steering Group minutes of meeting of 26/01/1998	POL-0028724
3.	RMG00000027	Minutes: Post Office Board Minutes of 12/05/1998	VIS00007435
4.	RMG00000015	Minutes: Post Office Board Minutes of 10/11/1998	VIS00007423
5.	RMG00000012	Minutes: Post Office Board Minutes of 08/12/1998	VIS00007420
6.	POL00000352	Post Office Board Minutes of 20/07/1999	VIS00001326
7.	POL00000353	Post Office Board Minutes of 14/09/1999	VIS00001327
8.	POL00000354	Post Office Board Minutes of 26/10/1999	VIS00001328
9.	POL00021476	Consignia Plc Board Meeting Minutes of 12/06/2001	POL000009