



# Business, Energy and Industrial Strategy Committee

House of Commons, London SW1A 0AA

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Nick Read,  
CEO Post Office Ltd  
Post Office Ltd,  
Finsbury Dials,  
20 Finsbury Street,  
London,  
EC2Y 9AQ

2 June 2020

Dear Nick,

I hope this letter finds you well.

I am writing in my capacity as the new BEIS Committee Chair, having taken over from Rachel Reeves on 5 May. The Committee's evidence session on 24 March on the Post Office and Horizon was postponed due to the Covid-19 lockdown. However, the Committee is keen to hear from the witnesses who were scheduled to appear and I would therefore be grateful if you could answer the following questions:

- Do you now accept that there was a major problem with Horizon and, if so, when did Post Office Ltd identify this problem and what was the nature of that problem?
  - For instance, can you confirm that local Horizon terminals could be accessed centrally and altered?
  - If so, when was Post Office Ltd aware of this?
- How much confidence do you currently have in Horizon?
- How transparent are you now, regarding bugs and errors in the system and are you tracking them?
  - If you are tracking errors, how many have been reported each year since tracking started?
- Can sub-postmasters now park significant shortfalls in suspense accounts and can they expect that Post Office Ltd's first response will be to assist them in identifying possible errors?
- You have said that Post Office Ltd will "take on board some important lessons". Can you tell us what these lessons are?
  - What mistakes did Post Office Ltd make?
- Have you reviewed the role of the Post Office Investigation Branch in light of Horizon and the powers Post Office Ltd has to prosecute sub-postmasters and postal workers?

- If so, what conclusions have you drawn and what changes might be implemented?
- Will you, for example, ensure that the Crown Prosecution Service is fully involved in and will conduct future legal proceedings involving sub-postmasters or postal workers?
- Why does it appear that when an individual sub-postmaster was questioned by one of your investigation teams that they were told that they were the only sub-postmaster experiencing shortfalls with Horizon?
- Have you reviewed the duty of care you exercised towards sub-postmasters who experienced shortfalls in Horizon?
- The Judge in *Bates v Post Office Ltd* said that your organisation paid “no attention to the actual evidence, and seem to have their origin in a parallel world”. He also criticised several of your staff who gave evidence, such as one individual whom he said “did not give me frank evidence, and sought to obfuscate matters, and mislead me”.
  - How many of your current management team or those in senior positions were involved with the Horizon case? [i.e. took key decisions and/or gave evidence]
  - Has anybody within your management team who was involved in decisions relating to Horizon been disciplined or dismissed?
- How are you responding to the Judge’s criticism in *Bates v Post Office Ltd* that your organisation has a culture of “secrecy and excessive confidentiality”?
- Lord Callanan has stated that on Horizon, Post Office Ltd “clearly misled” BEIS officials, while the Minister has told this Committee that the advice Post Office Ltd gave BEIS was “flawed”.
  - What action are you taking to address the serious charges levelled by Lord Callanan and the Minister?
  - Are you investigating which advice was misleading or flawed and who gave it?
  - Will there be any sanctions for those who may have given misleading or flawed advice?
- How many of your current and previous staff worked for Fujitsu on Horizon before joining Post Office Ltd and what input did they have in Post Office Ltd decisions on Horizon?
- How much has Horizon cost Post Office Ltd in addition to the settlement agreement, including legal and other costs such as hiring and diverting resources to deal with issues relating to it?
  - Are you paying the legal and other costs of former Post Office Ltd employees related to Horizon?
  - How much have you put aside for meeting costs and compensation if sub-postmaster convictions are overturned on appeal?
- How will Post Office Ltd fill any financial holes caused by Horizon and will it threaten sub-postmaster and postal worker incomes and the ongoing sustainability of the Post Office network?
- On 1 May 2020, Post Office Ltd launched a new scheme to independently assess applications from sub-postmasters who believe they had experienced shortfalls related to previous versions of the Horizon system.
  - Bearing in mind *Bates v Post Office Ltd* and, as we heard in our first evidence session, the lack of faith many former sub-postmasters have in your organisation, how can you be trusted to deliver such a scheme?
  - How will you ensure the independence and integrity of the scheme, and who is on both the advisory panel assessing the applications and the external appeals panel?
  - What criteria is being used to assess applications and how is this being communicated to those applying?

- How much money has been earmarked for the scheme and when do you expect to start making payments if applications are successful?
- Will you provide regular updates to the BEIS Committee on the progress of the scheme?

I would be very grateful if you could provide answers to these questions by 16 June.

With best wishes,

A handwritten signature in black ink that reads "Darren Jones". The signature is written in a cursive, flowing style.

**Darren Jones MP**  
**Chair of the Business, Energy and Industrial Strategy Committee**