



Post Office Limited
Post Office Customer Support Centre
Finsbury Dials
20 Finsbury Street
London
EC2Y 9AQ

Neil Parish MP
House of Commons
London
SW1A 0AA

11 January 2016

Dear Mr Parish,

I have been asked by the Minister, George Freeman, to reply to you following your recent written question asking for an estimate of the number of postmasters who have been penalised as a result of the Post Office computer system.

There has, regrettably, been a large amount of inaccurate and misleading information reported in the media and Parliament about the claims of a small number of (mainly former) postmasters that they have been wrongly held liable for losses of money caused by faults in the Post Office computer system, Horizon. Each of these claims has been investigated by both Post Office and by a firm of independent forensic accountants but no evidence has been presented or uncovered to suggest that the system, which processes six million transactions for customers every working day, does not work as it should.

There is, in fact, overwhelming evidence that the losses complained of were caused by user errors, and, in some cases, deliberate dishonest conduct. During three years of extensive investigations, no transaction caused by a technical fault with Horizon has been identified as having resulted in a postmaster being wrongly held responsible for a loss. Without this, there is no evidence to support the broad allegations about Horizon.

I am of course sorry if the people who have put forward grievances feel that they have not been fairly treated but I strongly believe that we have acted fairly and responsibly in addressing their complaints. Indeed, I would argue that we have gone much further than many commercial organisations might have done in analogous circumstances.

It is, of course, vitally important that our postmasters and all those who work in the Post Office network, as well as our customers, have confidence in Horizon which underpins 11,500 Post Office branches, serving communities right across the UK.



That is why we have gone to such enormous lengths to examine the claims that have been made. The Post Office instigated a first independent review in 2012. When that found no system-wide faults with Horizon, we established a Complaint Review and Mediation Scheme to investigate individual complaints and, where appropriate, provide a forum to assist their resolution through mediation. 136 cases were accepted into the Scheme from a total of 150 applications made (4 were ineligible and 10 were resolved prior to entry). This number should be considered in the context of nearly 500,000 users of the Horizon system since it was introduced.

Post Office is acknowledging where its support in a particular instance may have fallen short of its desired standards, and we have settled a number of cases through the Scheme. But many of the cases are based on allegations which are not supported by the evidence. In fulfilling our commitments to confidentiality we have, at times, been unable to publicly correct inaccurate or misleading statements made by complainants or on their behalf regarding individual cases, despite this being detrimental to our position. Nevertheless, each case is different in its facts and circumstances and individual outcomes will therefore reflect this.

I hope this letter provides useful information for you. I understand that you are meeting with Post Office colleagues on 21 January, which I hope will be helpful in answering any further questions you might have on this matter.

Yours sincerely,

A handwritten signature in black ink that reads "Paula Vennells". The signature is written in a cursive style with a large initial 'P' and a horizontal line underneath the name.

Paula Vennells
Chief Executive