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Morning - I'm at the Post Office Horizon IT Inquiry day 186 where we're hearing evidence from Missing Mike Young, the Man The Inquiry Could Not Find. Young was one of the five execs blamed by Paula Vennells for not telling her the PO's Horizon IT system didn't work and...



MY: I've made already clear that he didn't mention the Callendar square issue. He largely emphasized the operational frailties of the legacy Horizon system and talked to some postmasters suggesting the system was at fault when they were prosecuted for theft. [?? - check against transcript]

Sorry I've gone quiet - there's a big long section of evidence about the row between the PO and Fujitsu over the inept rollout of Horizon Online in 2010.

Here's the link to Young's WS - just published:



WITN11130100 Mike Young – Witness Statement | Post Office Horizon IT Inquiry

See hearing page for video and transcript of evidence session, usually published within 24 hours of a session taking place.

<https://www.postofficehorizoninquiry.org.uk/evidence/witn11130100-mike-young-witness-statement>

From Young's WS:

"I could not see anything with Horizon that indicated any weakness in integrity of the platform/service. I was ever mindful that the Justice for SubPostmasters Alliance ("JFSA") frequently indicated in the media that they had been impacted by some part in the reconciliation process. I, however, could not see anything on the platform/service that evidenced this. Despite the lack of evidence, that the system had failed in some way, I did ask Fujitsu several times to review the Horizon code. It is only the last request in 2012, that they agreed to do so."

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More of the same (Burley was responsible for rolling out Horizon Online and reported to the CIO Lesley Sewell):

More of the same as we scroll down the email:

CH with your police officer hat on should the onus have been on SPMs to prove they were innocent?

MY no

CH did it jump out at you at the time

MY yes, probably

CH did you do anything about it

MY no

[just in case anyone cares, I am in the Inquiry room listening to the live evidence and watching the live transcription on the media screens. I'm also recording the audio on my laptop from the three-minute-delayed youtube feed and running it through an automated transcription...

... app which updates a .txt file every 30s (though it falls behind the longer the recording goes on). I am using the text file and my ears to write the tweets and I am screenshotting off the youtube feed to post the emails and docs which are being shown to the inquiry]

[my laptop is running hot and safari has just crashed - this process uses a lot of memory]

[by the way, @Jusmasel2015 - Tim McCormack - is here. Tim is a former Subpostmaster, co-discovered the Dalmellington bug and is a legend of this story. His emails warning Paula Vennells of catastrophe unless she paid attention to his evidence (back in 2015 and 2016) were read...

@Jusmasel2015 ... out to the Inquiry. He doesn't come down from Scotland very often, so it's nice to see him.]

MY: [on why he didn't pick up on SPMs being forced to prove their innocence] "It's not by no means an excuse, but when you're inundated with three or four hundred emails then you've got the world before you in terms of what you've got to deliver. You can't pick up on every nuance in an email."

[MY has spent some time saying that every time a media piece came up he did a call with Fujitsu and his colleagues to check everything was running fine and was repeatedly told it was running fine, and he knew Rod Ismay well and therefore trusted his internal PO report when it came out "it gave me some measure of comfort going forward."]

For more on the Ismay report, and its author, see here:



#### Ismay: the Idiot Returns

Rod Ismay Rod Ismay's role in the Post Office was senior – he finished as Head of Product and Branch Accounting reporting directly to the Chief Finance Officer. He appears to have taken...

<https://www.postofficescandal.uk/post/ismay-the-idiot-returns/>

MY: "I took on board the point that some postmasters were being done for false accounting as opposed to theft, and, you know, from my policeman days, I understand the difference between both and the proof of evidence that's required to prove both. So I gradually got to realise the system is playing a more... integral part in the prosecution process than I perhaps originally might have known in my first year of service at the post office"



CH: "And you attribute that understanding to reading the Ismay report is that right?"

MY: "Some of it but... the best way of describing it is you've got glimpses of it perhaps in a in a board meeting, in an executive meeting, where a particular prosecution was being talked about because it had raised a flag in some form or other. You're not party to the conversation other than you're a set of ears around the table and you pick up a little bit of what might be going on."

MY: "I do think my statement does say in some part that having a statement from a distinguished engineer or someone from Fujitsu that talks about data that's under their management with an audit log is, you know, is in my view, not independent. I would have expected to see in prosecutions of this nature an independent expert commenting on on horizon data and audit logs... it didn't fit well with me as a former police officer, it wasn't truly independent"

CH: "Having identified that as a concern, did you raise that with anybody within the executive team of the post office or indeed raised concerns with your head of security who was giving instructions to the criminal law team?"

MY: "I just, I can't recall. The likelihood is no. I was, you know, I was clearly told let the process be the process."

[we take a break]

[We've restarted - we're now in a post-Ismay report world - Feb 2011] An email is sent to MY by Rod Ismay (RI) about the discussion about the receipts and payments mismatch bug. MY in his WS says RI downplayed the bug and attached the following report

It seems to be some kind of Fujitsu response to the PO's request for info in the light of a BBC piece broadcast on 7 Feb (which I presented).

MY takes more of an interest in Horizon bugs:

Will Russell responds to MY with a "nothing to see here" email:

Ends...

CH wonders why this issue only came to MY's attention several months after it was being discussed internally by PO/F

MY has no idea

CH wonders if he was concerned

MY says he is in retrospect

CH why not at the time

MY because it was a pilot, it was picked up and it was corrected

CH: If you look at the second sentence down in that email, the issue was not encountered in testing, model officer or pilot and only came to light through live through [?].

MY: So that algorithmic approach to looking at the data and looking for anomalies highlighted the issue, and that gave me some sense of confidence that we had the right countermeasures in, even in a pilot, to find any anomalies.

CH: "Did you discuss the bug with your head of security at the time it was brought to your attention?"

invariably came together as a team. So when I ran my management teams, we all came together. [Whether I can say] John Scott was aware of this level of detail, I can't, but he certainly will have been aware that there were bugs in the early rollout of HNGX [Horizon Online] and he'll have been aware that there will have been a mismatch too."

CH: "What Mr. Russell's email suggests is that it wasn't identified during testing, model office or pilot and that it had come to light in the live running of Horizon Online. You see that in the second paragraph to which I refer to you. That's what he told you at the time. Is it your evidence that that is incorrect?"

MY: "Well, my view of that was it was the new system, not the old one, and you're suggesting that it was the old system in the run-up to the new system."

[Chair Intervention Klaxon - Sir Wyn Williams]

SWW: "I don't think that's correct, Mr. Young. I was confused by your answer. This document says to me, and please contradict me if I've got it wrong, that this manifested itself after Horizon Online had been rolled out, and it had not manifested itself in the testing process, if I can put it in that way. Having manifested itself... Fujitsu then dealt with it because they discovered it now. Is that the proper reading of this document?"

MY: "Well, my immediate answer to that sir is um, I'm not sure so so, um, I'm just running that through and reading this again."

SWW: "Yeah, if you would, please... It's the 62 branches that caused me to think about it. Because in my view, the original Oracle issues in the rise and rollout, it was 62 branches that were impacted. So it can't be that we've got two 62 branches impacted. That's the anomaly. So that's what's I follow that point."

SWW: "So on the assumption that the Oracle defect Is a different problem to this you're pointing out that there's a huge coincidence in two I'll call them defects affecting 62 branches and therefore you're querying whether in fact there's just one defect is that it?"

MY: "that that's it."

SWW: "yes right okay but I think you'd agree with counsel that the second paragraph, read as a paragraph, would certainly suggest that this happened after the rollout and not in testing."

MY: "I agree that that second paragraph sounds like that's the case."

[...]

MY: "I would make the point that again in the discovery process looking at the documents particularly those where I have to report some of the issues around where we are with Horizon and the subsequent rollout and so on and so forth, including operational failures and change failures. I don't think there's anything in those reports that talks about a bug or a data mismatch bug in that time frame after rollout."

CH: "So what you're saying is, by reason of the fact that you did not notify the board of this bug, it follows in your view that you can't have understood it to be a bug that was affecting the live operation, or had affected the live operation of Horizon Online?"

MY: "Past pilot, yes."

[...]

CH: "An alternative hypothesis is this, that you were notified in February 2011, as evidenced by this email, that there was a bug [which] had been detected in the live operation of Horizon Online, and you simply failed to bring that to the attention of your more senior colleagues?"

MY: "No, you misunderstand me. I was aware of two Oracle bugs, and those Oracle bugs were eventually identified and mitigated by Fujitsu as part of the pilot, and they were part of a major process. They went to both boards, Poll and Royal Mail Group, and essentially necessitated that letter to Duncan Tate [F exec] that we've already gone through. I'm saying, I didn't know about this other bug... I'm not suggesting you're wrong, but I'm not suggesting I'm wrong either. If indeed there was one in September, I'm not aware of it [being] escalated it to

me. This email... the way I read this was this was the catch-up following bug-related issues in rollout not anything else."

CH: "Do you accept Mr. Young that's not what the email says in terms."

MY: "Do I accept... sorry?"

CH: "That that is not what the email says. It says this was a bug detected in September in the live operation of Horizon Online. It appears it wasn't reported to you, as you say, in September, but it is here being brought to your attention in February 2011."

MY: "Yeah, I do accept that."

[tedious conversation in which MY seems reluctant to accept that he was in the wrong not to escalate what he now accepts was a "major incident" upwards]

[In fact he tries to blame everyone else for not escalating it - Rod Ismay, Lesley Sewell and eventually we get to...]

CH: "So far as you were aware, were there any systems in place whilst you were in your role to ensure that information about the operation and integrity of Horizon was routinely communicated to those who had responsibility?"

MY: "Can you repeat the question please, especially the beginning part?"

CH: "Were you aware, so far as you were aware, were there any systems in place to ensure that information about the operation and integrity of Horizon was communicated to those within Post Office who had responsibility for conducting criminal investigations?"

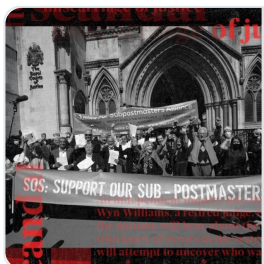
MY: "Well I've described it, because it went to everyone. So major incidents... if you're really alluding to... was Susan Crichton aware of any major incident like a bug on the system as this might suggest, then the answer to that is she's part of the... team and the board she'll have seen the the major incident report and the same with the briefs to board if there was any... let's call it discontinuity in the operation of of Horizon in the branch network that may have affected footfall... may have affected revenues... whatever the case may be - that would be reported either through noting or in some other way written to the board. And Susan sat on the board [reader, she didn't]."

CH: "So is it your evidence that the systems in place to disseminate this information were perfectly adequate?"

MY: "Yes."

[MY appears to be suggesting the PO top brass - including the Security team - either through Susan Crichton (General Counsel) or Lesley Sewell (CIO) would be fully apprised of all bugs and errors causing upset to the running of the business...

... Their evidence is that they weren't. This really should put the focus back on John Scott (former head of security) and Rob Wilson (former head of criminal law) and Jarnail Singh (de facto head of criminal law after Wilson jumped to the Royal Mail). Remember Wilson's advice to colleagues just before he left?



#### **'Grit your teeth, keep prosecuting': lawyers behind Post Office scandal**

The Post Office presided over the prosecution of more than 700 people for theft and fraud, the largest miscarriage of justice in English legal history

<https://www.thetimes.com/uk/article/grit-your-teeth-keep-prosecuting-lawyers-behind-post-office-scandal-t7kpzv6h6>

[Anyway - new topic - remote access to Subpostmasters accounts by Fujitsu]

CH: "Did you consider at the time that the inadequate controls over privilege access had implications for the integrity of the data process by Horizon.. bearing in mind you know that sub-postmasters are complaining about discrepancies in their accounts and you're conscious that from Ersnt and Young's audit that privileged access rights have been granted to a much broader number of employees than they should have, and you're also

backward looking review of how privileged access rights have been used and what implications that might have for the complaints being made by sub-postmasters?"

MY: "The reason I'm hesitating is my sense is, and it's from a review with Fujitsu, you know, in a visit, that they had it, they had it reasonably buttoned down Certainly better than the E&Y report might suggest, on Horizon, legacy Horizon, but I believe the shift to Horizon Online and the some of the dynamics associated with that may have caused some of what we saw in the Ernst & Young report. Did I look back at the time as I'm doing Horizon online...? If I'm being candid, I've got a whole wealth of stuff I've got to deliver against. I'm not getting into the weeds of what would be other people's responsibilities. Might I have? Hindsight and knowing where we are today, might I have taken a step back from everything else I was doing and said hold on a minute here we need to look at privilege access? The answer to that is "yes". Hindsight is a wonderful thing."

[Young has just gone on a long rant about the the JFSA legal action, and a call from someone who must have been @Karlfl from Computer Weekly - and how it led to him forcing the issue to get Second Sight into the building - an audacious piece of credit taking. I'll try to get this down verbatim]

@Karlfl [and when I say verbatim, I mean automated transcript verbatim corrected by my recollection of what I heard]

CH: "On the topic of prosecutions, you say in your statement that the Post Office should have stopped prosecuting some postmasters after they'd received Second Sight's report. Does that reflect your view as to the timings of this, that is to say that once the post office was in possession of that report, the prosecution should have stopped? What I want to ask you is, why do you date it to the second site report and not, for example, to the discovery that you had in February 2011 of a bug which could cause... counting discrepancies?"

MY: "So a code issue, bug issue, can get resolved. You've got some aftermath that you've got to resolve, and some of which we've talked about. But the issue that I think makes the difference from the Second Sight report is my understanding from what I've learned - not having seen the report but certainly seen their evidence - is they found that Post Office/Fujitsu largely had an unordered... there was an potentially an unordered access into the system. At the point you don't have an audit log that you can validate, you've lost your evidential trail... I was deeply interested in where their investigation went because candidly I think I started that process off but I was also... interested in what our distinguished engineer at Fujitsu said around audits and there is clearly a window there where it's not nailed down the way it should do and therefore you cannot categorically say that data was altered with the sub-postmasters permission at each and every stage so you've lost integrity and at the point you've got that you can't prosecute against it in my view."

CH: "You say in your statement that you began to question the integrity of Horizon after you received a further call from, forgive me, you've mentioned an earlier call, but you received two calls from Computer Weekly asking you to comment on Horizon's integrity, is that correct?"

MY: "That is correct."

CH: "The second of which you date to late 2011, early 2012. is that right?"

MY: "Yeah it's somewhere in a three to four month window yes."

CH: "Which you say coincided with significant negotiations over the separation of Royal Mail Group and Post Office?"

MY: "Yes."

CH: "And it's to that second conversation that you date your more significant concerns about Horizons Integrity, is that fair?"

[right, here we go...]

MY: "I want to just give you a sense where I was at this point in time, because I think that's pertinent to where we are. So I'm working three or four days a week on separation [of PO from RMG]. The nearer you get to separation,



team with Royal Mail's executive team and there was a lot of to-ing and fro-ing to be counted in it and the team that pulled that together, with a little bit of help from me, did a good job because it stood the test of time for 10 years, but I want to make the point that it was it was in the last three or four months of my service at post office I lived and breathed delivering that contract. I was probably every working hour that I could apply to it so so I'm in the negotiation when my phone rings just as we're finishing up, I excuse myself I go into another room and it's a journalist from Computer Weekly, right, so it's been a bad day, so I take the call it's quite a courteous call and in fairness to the journalist, whose name I can't remember, he says in summary the JFSA now has much larger group and it was [now] hundreds of sub-postmasters that are disputing the integrity of Horizon and more importantly they're engaging with lawyers (later on it was established that was Shoosmiths) to start pulling together a case you know, to take a case to court. I emphasized what I had right the way through and still believed at that time that Horizon, in my view, worked as prescribed. I didn't see any issues. There was a...

... maybe I've chosen a few words I'd use which which which have been repeated in Private Eye and elsewhere... but nonetheless, that's what I did I finished the call up... it couldn't have lasted more than five minutes. And to the point I think you're you're now alluding to... I'd got to the point where frankly I'd had enough and I rang Duncan Tate up, you know, it's like a continuous drib-drib with Fujitsu and just said, "Look, I've just had this call with Computer Weekly. This is where he says things are. This is reflecting badly on all of us. Your brand and our brand in POL and we need to address it and there's no two ways about it Duncan you know we're gonna have to investigate this system thoroughly now. I'm conscious at this point that there are - and you'll ask me here and I won't be able to name them - but but there were one or two people saying at the point you do that, you now question past performance prosecutions and other bits of it, but I've got to the point where you know the wealth of sub-postmasters that appear to have been affected and the media outlay that was now coming more and more to the fore where I felt we needed to be much more proactive and I - albeit I was dispirited by Duncan's reply to my letter - I had continued to knock on doors and more or less got the same reply each and every time. Every time there was a media outlay I used it as a mechanism to say "are we sure about the system? Are you sure you won't have a look at it? You know, we'd have those conversations. This time around I'd got to a point where I'd had enough, and I said we're going to do it, and more importantly I want your support. And in fairness to Duncan Tate he took you know a minute or two to think about that and calmly replied "okay I think you're right." Okay? And I said - which was a an important point rightly or wrongly - I said I'm expecting Fujitsu to pay for this audit but I want it to be under Post Office's leadership, and he agreed to that. As soon as I finished that I rang Paula [Vennells] and repeated the conversation I had with Computer Weekly and the conversation I had with Duncan and she said, "Right, okay then." I said, "I've got to get you into the room with Duncan so we can take this forward." She asked for his phone number, I gave her the phone number, and my presumption, again I'm still doing separation, I don't know... writing down a contract, it is that there was some form of telephone call between the two of them, which I know took place because I think in Paula's evidence she suggests there were phone calls that took place. But that's how I left it, and that's why my belief is carrying that through to June when second sites are brought on board from when I left in March, you know, it was clearly followed through. My noting paper in March to the board, you know, before I left March 2012, talks about a full evaluation of the system and that it should be a shared process between ourselves and Fujitsu with execs from both companies... I expected that to expand and the one thing I think that still hasn't happened that should have happened in my view (and I know this is long-winded answer okay) you can't look at the system in isolation, right? The system is one thing and certainly the code needs reviewing to see what anomalies are and the practices they apply to keep that code where it needs to be. But you need to look at the process mapping that sits around that system and the training that's applied to the branch network and the use of that system. I see too often, even today, with digital systems where people buy a digital system and somehow expect the digital system to make their life easy without changing the process that they have, and that all three need to work in perfect harmony. Process, training, system, and in my view, from an investigation point of view, it should have been a big hitter like Ernst & Young, okay, that came in and vetted everything, because I still don't think that's happened."

[Phew.]

[Sam Stein KC has just had a cross-tempered exchange with MY - effectively accusing him of failing to do his job properly. MY pushes back]

[Lunch.]

[We're back after lunch - Flora Page (FP) - barrister for several high profile Subpostmasters is asking questions of Mike Young (MY)]

FP: Mr. Young, you were Chief Operating Officer. writing after when you left POL [Post Office Ltd] in April of 2012 with Lesley Sewell, head of technology, one of your direct reports, yes? Yes. Yet you take no responsibility for the Horizon scandal, is that right?

MY: Well, you're all at the part to blame... If the tech doesn't work as prescribed and has caused the failures that it's caused, then yes, we've got some responsibility and that includes me.

FP: But you said that it was really other people's fault for not telling you of the problems with Horizon, just like Paula Vennells said that it was your fault for not telling her.

MY: I highlighted, other than the last bug, which is a misnomer that I'll have to come to terms with, I highlighted all the issues we had with Horizon. As we've heard, I challenged Fujitsu with regards to looking at the system. I was reminded that it was a service, we didn't own the IP, and I think some of the work I did got us to a point where we could demand it because we would own the IP. I think I did everything I could. Paula's response was based, as I understand it, on a conversation we had after the first a weekly call. Now I actually left in the second week of March 2012 and Paula was there seven years later.

[MY on the Ismay report]

FP: Mr Smith [Dave Smith the then PO MD] said that there were no terms of reference for the Ismay report but in effect he said that you were one of the few people who was giving Mr Ismay [instructions] ... "Mike Young, all at various times, did have conversations with Rod to sort of set the tone of what we wanted and expected to come back, and also to help him review his progress... It wasn't just one conversation, it was a set of conversations.

FP: "So your evidence is that Mr Ismay was getting instructions from multiple people at multiple times. Would you agree with that?"

MY: "I don't recall giving any instructions. I was asked questions and I responded to those questions. I didn't give instructions to Rod or to anyone else. I actually saw the preparation of that statement going across the whole tech team, not just me."

FP takes MY to his WS where he states:

FP takes him to task over this and brings up the infamous "bandwagon" email sent round the PO higher echelons as they managed to get Seema Misra convicted at trial:

FP: This was post office using a criminal trial for improper collateral purposes, wasn't it?

MY: That's not the way I see it. I actually think what Dave Smith was trying to do was thank people for their efforts to see it through. Now we can argue about whether it was right or wrong. That's the way I saw it. that email. I think the intent was, the way I read this email from Dave Smith, the intent was I was to pass my thanks on potentially to John Scott. I didn't. I read through it and I left it as it was. So, but I do think, and I did see Dave Smith's evidence, I do think... It's not a great message, personally.

FP points out MY's WS says: "I was not involved in the prosecution of Seema Misra. I only became aware of the case after seeing the Channel 4 programme and reading the Ismay report. I was not copied on the initial email dated 21st October 2010 regarding the conviction of Seema Misra... I was not aware that as a result of a successful RMG poll prosecution a pregnant lady was imprisoned."

FP: "Mr Young, I am not a lawyer."



MY: "No. On reflection, having looked at that discovery document the answer would be no."

FP: "Do you think you've made any other self-serving errors of that nature in your evidence?"

MY: "It's not self-serving, genuinely not self-serving."

FP: "What about the recollection of the second Computer Weekly call and your subsequent very detailed recollection of your conversation with Duncan Tate? Is that a little bit self-serving?"

MY: "No I was angry so I remember it implicitly."

An interesting internal email chains has come up about the Sep 2011 Private Eye articles by @rbrooks45:

@rbrooks45

Up the chain...

And again:

FP finishes. Angela Fitzpatrick now asking questions also on behalf of Subpostmasters. Her client Jo Hamilton is sitting next to her.

AP takes MY to the Ismay report's infamous conclusion - which to paraphrase is "we don't want to open this can of worms"

AP: "Did the inclusion of that section and your reading of that section cause you any concern?"

MY: "Let me answer it this way, so it wasn't going to dissuade me from pushing Fujitsu to have an independent review of the system, and indeed it didn't. ... Duncan may allude to the fact that, you know, it usually came up in our conversation, certainly when we were face-to-face or it was a long conversation or when there was a media output... I would run the ground again around potentially... So I wanted to get to a point where I'd got Fujitsu to agree and I've no doubt if I brought that ticket back to the post office as a request from me and then we would have some persuading to do with those that sat doing the prosecutions but up you know I was tackling it one bridge at a time."

AP: "Just pausing there, what you've said this morning, we know, pre-Isamay report, you've given that in evidence, from the start of your role you knew that the Royal Mail Group and Post Office as part of that had been pursuing individual prosecutions. Yep, and when you read this Did it cause you any concern?"

MY: "Well, so I recognise, I think the point you're trying to make, recognise the point you're asking me to recognise, do I recognise that this this potentially shuts the door on being even-handed with regards to a review on a rise, basically saying if you do go down that particular road we're gonna have to go right the way back through all the prosecutions.... I recognize what that means. I am, I'm saying it wasn't changing my approach with with Fujitsu so Yes, I recognise that."

SWW apologises for saying that Mike Young could not be traced, when he clearly had been. He thanks MY for his evidence.

[Simon Oldnall is up in 10 mins - you can watch all this here: ]

### Post Office Horizon IT Inquiry Live Stream



[we are back in the room - Simon Oldnall, the current Post Office "Horizon IT Director" has been sworn in. He's mainly going to be asked about events at the PO since he joined in 2020]

CH just called him the "Branch Technology Director", which MY agreed with - to reflect he is across Horizon and "a number of related technologies within the branch".

CH asks about the remediation team within his remit

SO it's to do with the findings in the Horizon Issues judgment (last judgment in Bates v Post Office from Dec 2019)

Also runs another sub-team called the "Security Risks and Investigations" team.

CH: "What's the role and function of that team?"

SO: "That's effectively looking at where we need to support issues with Horizon and making sure that Horizon remains secure and reliable."

CH: "Would it be fair to characterise a key part of your role upon joining the Post Office as being to embed and ensure changes were made in the aftermath of the group litigation?"

SO: "Yes, very much so. That was my initial scope."

CH: "You were appointed approximately 10 months after the Horizon Issue judgement was handed down?"

SO: "That's correct."

CH: "What impression did you form upon joining the Post Office as to the progress which had been made in responding to the issues raised in that judgement?"

SO: "I think my initial impression was that fairly limited progress had been made by that point. I think the CIO at the time had started to put in place the mechanisms to address the judgement findings but there had been little substantive progress at that stage."

CH: "What did you understand to be the reasons why limited progress had been made in that 10-month period?"

SO: "I don't think those reasons were particularly clear to me. By the time I joined we had appointed an

substantially started at that stage."

CH: "That firm was KPMG, is that correct?"

SO: "Initially the firm was BDO, we later changed that to KPMG."

CH: "So that change took place during your tenure?"

SO: "Very shortly afterwards, yes."

CH: "You explain in your statement that KPMG produced a draft report in December, so a couple of months after you joined, in which they noted that in particular no progress had been made in relation to privileged or elevated access controls within the Horizon environment, is that correct?"

SO: "That's correct, yes"

CH: "You also say in your statement that in parallel with that audit work that was ultimately commissioned from KPMG, the Post Office was setting up a forensic investigation team within the IT function to support the response to the Common Issues Judgment and the Horizon Issues Judgment. Is that the Security Risk and Investigations team that you - is that one of the same?"

SO: "That's correct, yeah, that's one of the same."

CH: "I think you say it was recognised in August of 2020 that the capabilities were quite limited in that respect. They were, yes."

SO: "And they've since been scaled up, is that right?"

CH: "We have improved that capability, yes."

SO: "Now, during your tenure as head of branch technology, you've been required to deal not only with historic Horizon issues, but also current issues, is that correct?"

CH: "That's correct, yes."

SO: "Do you consider you have sufficient resources to manage both of those work streams in parallel? Yes, we effectively separated looking at historical remediation activity into a programme whilst I created a business as usual team to deal with the ongoing and current management of Horizon."

CH: "Can you please explain what systems do you now have in place to monitor and detect defects in the live running of the Horizon system?"

SO: "There are a number of steps we take. Obviously, if issues are reported to us, we investigate and investigate whether that is a result of a defect. We have a process whereby when a defect is reported to us, we very rapidly convene a process around that defect and determine what the impact might be, whether it is what we call a 'failure', describes a poor user experience or whether in fact it's something that might impact the branch... all those defects are then reported out normally within 48 hours to the branch. We publish the list of those defects and we engage with a broad range of stakeholders to ensure that that impact is understood and then prioritised to control fixing."

CH: "In your statement you say that this about the reporting of defects, you say where a defect is detected in the live system it will be reported to the IT service desk, is that assumption being by a postmaster?"

SO: "It can be by a postmaster or it can be by anybody who determines there's a defect, yes, but normally we would expect the end user to potentially find that defect. But other ways that do exist."

CH: "You say that analysts in the IT service desk are provided with knowledge-based articles about the identified defect. Who produces those, please?"

SO: "They're produced by my team, and that they can refer to those when they are dealing with issues raised with them to the bug."

CH: "Do you have any systems in place to monitor the calls to the service desk to ensure quality assurance in relation to the application of those knowledge-based articles?"

SO: "There are a number of measures around the IT service desk and its performance. That's reporting out. It's a separate part of the technology team, it's not directly part of my team, but there are a number of systems in place to monitor the IT Service Desk and the performance of the IT Service Desk, yes."



CH: "I think you, and essentially what you say in your statement is this is now a process which is led and owned by the Post Office rather than by Fujitsu as it was this morning."

SO: "That's correct, yes."

CH: "You've said that the new testing processes identify approximately four new defects every I think month."

SO: "Four might be the current number of defects we have, yes, so it is a very small number of defects."

CH: "In the live environment?"

SO: "Correct."

CH: "AND you have systems in place to notify postmasters of those?"

SO: "We do. We utilise a number of communication channels including Branch Hub and Bulletin out to postmasters, yes."

CH moves on...

CH: Now, you discuss in some detail the third phase of the remediation program, which you explained was launched in mid-2022, and that - is that correct?"

SO: "That's correct, yes."

CH: "This addressed some of the more tricky issues that required both greater funding on the one hand, but also cooperation from third parties."

SO: "That's correct, yes."

CH: "You say that one key aspect of this phase... to making improvements in the provision of transaction and branch accounting data to sub-postmasters."

SO: "That's correct."

CH: "Addressing a problem identified in the Horizon Issues Judgment concerning their access to data, branch accounting data, on their own system. The direct access to branch accounting data by postmasters."

SO: "Yes."

CH: "You say that there was a significant initiative planned to remedy that problem, but that the Post Office hasn't been able to deliver that change into Horizon, is that correct?"

SO: "That's correct, yes."

CH: "Why is that?"

SO: "Ultimately, that solution was dependent on another technology programme, which was our migration away from our physical data centres in Belfast, so the technology that would have enabled us to get that data much more readily available to postmasters was dependent on the other programme which was ultimately cancelled."

After mentioning him earlier, @rbrooks45 has appeared in the Inquiry room. I feel like I've conjured him up. Who shall I try and summon next...? Incidentally I've been told @karlf from Computer Weekly might make a rare live appearance in the Inquiry hearing room on Friday...

@rbrooks45 @KarlF ... so if you want to come and annoy/congratulate him on his medal, do come along. The PO's General Counsel in absentia, Ben Foat will be giving evidence all day. It should be an illuminating session.

@rbrooks45 @KarlF [Sorry, got distracted]

CH: "Can you assist us, what is the Post Office's current position in relation to the recovery of shortfalls shown by Horizon?"

SO: "I believe the current position is that we do not recover a shortfall unless the Postmaster agrees with the reason for that shortfall."

[CH takes him to an internal Loss Recovery Update doc]

CH reads point 3: "The process to review a discrepancy and identify the cause is formally documented and regularly assured by the assurance and complex. transaction team."

SO: "So that is the team I believe that's led by John Bartlett. That team, as the title suggests, will provide assurance over a number of investigation type activities. So in this context I would... they are probably looking at the way that the discrepancy has been looked at by the network support team as opposed to anything else."

CH: "Now you said earlier that the extent of your, and it may be a question of terminology, the extent of your cooperation with what we discussed earlier is the network crime."

SO: "Yes, for the Net Requirement and Risk Support team, that you provide ARQ data to that team a request to Fidget Services via the ARQ process."

CH: "Do you have, do you provide any support to the Assurance and Complex Investigations team in analysing that data to explain what the underlying cause of a discrepancy might be?"

SO: "I don't recall we provide particularly regular support. We would probably on request. If asked about a particular defect or a particular issue with the system, we would provide that support."

CH: "Do you think that the analysis of, for example, ARQ audit data is something which would probably fall within the ambit of your team bearing in mind their expertise and their technical knowledge?"

SO: "We can certainly support that analysis. we don't habitually do to carry out that analysis though."

CH: "Do you think that you should?"

SP: "We could."

[CH moves onto the ongoing row between F and PO]

CH: "In... mid to late May of this year, Fujitsu submitted, I think they instructed, that ARQ [Horizon Audit data] requests should henceforth be made on a form which contained two new mandatory questions, is that correct?"

SO: "That's correct, yes. Can we just bring a copy of that up please? It's FUJ 00243223. Thank you. So at the top we see, under the heading "mandatory", firstly, the first question, "Is this request related to either the investigation of or action taken or intended to be taken by the post office against the postmaster or post office worker in connection with a potential fraud, theft, breach of contract or any other potential impropriety which is suspected to have occurred at relevant post office branches?" So seeking an answer yes or no to that. "Will this information be used to support either a postmaster or a post office worker to achieve financial redress, including under the compensation scheme such as the Horizon Shortfall Scheme established or administered by either the UK government or the post office, for action taken against them by the post office?" Again, a yes or no answer. Now... This came to you to deal with, is that right?

SO: "It was escalated to me to have a discussion with Fujitsu, yes. As you say, Fujitsu effectively unilaterally imposed these questions upon Post Office."

CH: "And why was there objection on the part of Post Office to answering what on the face of it appeared quite straightforward questions as to the purpose to which the information would be put?"

SO: "I think we felt particularly the first question was very, very broad. The second question, Fujitsu were well aware of why we were requesting lots and lots of data around redress. So overall we didn't feel the mandatory changes were necessary in relation to the first question."

CH: "You say that you were concerned it was unduly broad on the face of it it seems to be quite narrowly focused to investigations or actions to be taken in relation to specific suspected criminal activity. Why would it be difficult for post office to confirm whether the request had been raised for that reason?"

SO: "Well, I think the second leg of the question actually talks about action being taken or intended to be taken by the post office against a postmaster. Post Office doesn't take action against postmasters. So it doesn't really stand even as a question, and then it goes on to talk about any other post office worker with a potential for all breach of contract, it felt very broadly worded and not actually relevant to the way Post Office operates today."

CH: "As you've said a short time ago the Post Office is designing its own audit store for Horizon enabling storage of audit data for all branch transactions within the post office, is that correct?"

SO: "That's correct, yes."

CH: "And that the process of retrieving data from that would henceforth be carried out by the post office, that's the intention?"

SO: "That's the intention, yes."

cause of discrepancies, is that correct?"

SO: "Absolutely, yes. ARQ effectively is the process to retrieve audit data, so yes, we will continue to use audit data and support a number of activities."

CH: "What steps do you intend to take to ensure the accuracy of that data is maintained for its use in... investigations and related prosecutions if that be the case?"

SO: "So the solution we're designing is designed with a similar level of rigour around an audit solution for similar systems to Horizon. So although it uses more modern technology to the current very physical storage, it will maintain the same levels of integrity effectively. means the ability to audit how that data was retrieved and found."

[CH turns to the Horizon replacement service NBIT - New Branch IT which was due to roll out in 2024, might not roll out until 2030, might not roll out at all and has so far wasted millions]

CH: "So you say in your statement that it was initially proposed that the new branch IT program would be deployed in a manner that would enable Post Office to exit its contract with Fujitsu by March 2025. Is that correct?"

SO: "That's correct. But due to delays in the development and roll-out of the system. the deployment is now not due to start until June 2026."

CH: "Firstly, is it your understanding that the system is currently still on track to be deployed in June 2026?"

SO: "I believe we're currently at a stage where we're reviewing the current plan for the replacement of Horizon and I think is... others have given evidence that that review is live right now to work out what that plan might look like."

CH: "What do you understand to have been the reasons for the delay, the historic delays in the programme which caused the original timetable to be relapsed?"

SO: "So I've obviously seen a number of documents that have been shared with me and I think a number of issues around probably technical complexity, wanting to ensure that the product itself is fit for purpose, and so going through quite extended levels of testing, and ultimately I think building up an understanding of a system that is quite diverse in its product nature has taken much longer than potentially post-officer retention. anticipated."

CH: "To your knowledge, has the provision of sufficient funding been an issue in achieving a design and a solution that is fit for purpose?"

SO: "I'm aware of some of the funding discussions and have been involved in some of the funding discussions. I think, as others have talked about, the iterative nature of funding a programme. of that scale probably hasn't been particularly helpful, but I also am aware that the initial estimates for how much it would cost to replace Horizon have greatly increased, yes."

CH; "Now, we know from other witnesses that concerns have been raised internally within the Post Office and particularly through the Post Office's internal speak-up process. Are you aware of the nature of those concerns that have been raised?"

SO: "From the documentation that's been shared with me, I've seen some of those, yes."

CH: "So when you say that's been shared with you, do you mean by the inquiry?"

SO: "By the inquiry, yes, sorry."

CH: "Right, but absent that, it wasn't something that was shared with you...?"

SO: "I was broadly aware of some concerns that have been raised particularly around the level of defects in the new system but not very specifically."

CH: "What can you tell us about?"

SO: "I was broadly aware that there were concerns around the volume and the levels of defects that were present in the system and particularly the enthusiasm to get the new system out there potentially some of those defects were not being controlled and managed in the way that I would particularly like."

CH: "And did that cause a personal concern to you to learn that there was pressure to roll out a system with outstanding bugs and defects?"

SO: "At a personal level, yes, we've spent quite a large amount of time over the last four years trying to build



that has a higher level of defects it would definitely cause me concern, yes."

CH: "Now obviously that was a concern reported to you, did you have any knowledge as to whether any merit to or that there was any substance to that that complaint?"

SO: "Not directly, no."

CH: "And from where in the organisation did you understand the pressure to be coming to get the system rolled out even if it had outstanding defects?"

SO: "I couldn't specifically say from where in the organisation, I know obviously there's... as you've highlighted, the ambition was to have this rolled out by initially 2024 and then 2025."

CH: "Are you personally concerned that the Post Office might be repeating the mistakes of the past in its handling of this particular programme?"

SO: At a personal level, yes, I would be concerned... I think the opportunity that's being taken now is to take a step back and make sure that the MBIT program does deliver to the kind of standard that our postmasters expect.

Thank you very much Mr. Oldenall, I have no further questions for you."

[Sam Stein KC takes over from CH]

SS: "There's a document which I will ask to go on the screen. I just want to ask you when you were first made aware of this document. Okay, so that's the question FUJ0243199 And so this is the I call it the Fujitsu Patterson letter 17th of May this year. I think, Mr. Oldenall, you should have had this within the documents you had for the inquiry. My question is not about when you got it through the inquiry, my question is when you got this document, if you did, through your workplace."

SO: "Yes, I did."

SS: "[Did it] trigger a discussion internally about where this letter should go to? In other words, should it go to legal? If so, what their opinion of it was? And in relation to police investigations, whether the police should be kept informed of it and indeed other parts of the system?"

SO: "The discussion I was aware of internally was certainly led by legal. I think the I was involved in was more around what would be post office response to the content of the letter."

SS: "Did you have any dealings directly with Mr. Patterson or a subordinate of Mr. Patterson's about the content of this letter?"

SO: "Not directly."

SS: "Including your Fujitsu relationship?"

SO: "Correct, yeah, not directly, no."

SS: Does that mean one of your team did?"

SO: "No, so my interaction... with this letter sort of started and ended with Mr. [?] telling me the letter was coming and that was it."

SS: "The letter itself is from Fujitsu, obviously it runs the system and it's saying, 'don't rely upon our system'. That seems to have quite an effect upon the sorts of projects you're engaged in."

SO: "It does, I think I've used the word confusing a couple of times in my evidence so far today. I found that particular letter quite confusing because on one hand you're right, it says don't rely on our system, which is an interesting position for a supplier and not one I've experienced in my career, but equally says please use our data to sort. address so it is somewhat confusing."

SS: "Have you got to the bottom of this letter yet?"

SO; "Not me personally, no."

SS: "Has anyone?"

SO: "I believe and I've seen obviously there's been exchange of letters in this same thread."

[There is another short Q&A between SS and SO about a small branch shortfall and what might happen and then the session ends for the day with SWW thanking SO for his extensive Witness Statements, which can all be found here: ]



**Phase 7 – 15 October 2024 | Post Office Horizon IT Inquiry**  
Evidence from Mike Young, former Chief of Technology and Operations Services Director (Phase 5/6 evidence), and Simon Oldnall, Horizon IT Director at Post Office Ltd.Phase 7 is examining current pract...  
<https://www.postofficehorizoninquiry.org.uk/hearings/phase-7-15-october-2024>

Sorry this is all a bit late - I stayed in the Inquiry ante-room with @rbrooks45 drinking tea, eating biscuits and plotting...

@rbrooks45 Thanks very much for reading. I'm going to get a short blog post up once I've worked out what the most significant element of today's evidence was. Feel free to tell me your thoughts as my brain is mush.

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Good morning from day 189 of the Post Office Horizon IT



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Good morning and welcome to the final day of the Post Office

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