

# UK Post Office scandal implicates all main political parties in injustice against hundreds of postmasters

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The scandal over the terrible plight of hundreds of Post Office sub-postmasters wrongly accused of theft and false accounting, is rocking Britain's ruling elite following last week's broadcasting of a four-part ITV drama *Mr Bates vs The Post Office*.

Between 1999 and 2015, the Post Office prosecuted 736 sub-postmasters and sub-postmistresses—an average of one a week—for accounting errors actually caused by a faulty IT system named Horizon, provided to the Post Office by Fujitsu. This was despite sub-postmasters and mistresses complaining about bugs in the Horizon system after it reported shortfalls of many thousands of pounds.

The legitimate concerns by postmasters, who had never had any such issues before Horizon was implemented, were ignored by the Post Office which prosecuted them instead. Many people lost their jobs, were declared bankrupt and went through divorces, and 236 suffered unwarranted prison sentences. At least four of the victims committed suicide.

With the first wrongful convictions in 1999, 60 victims have died before finding any justice. Only 93 of 900 convictions linked to the flawed IT system have been overturned and only 11 victims have been compensated in full.

To this day, no executives of the Post Office, Fujitsu, or any of the government ministers involved in running the Post Office have been punished.

The ITV drama, with renowned actor Toby Jones playing Alan Bates, tells the story of some of the victims of the Post Office—and successive Labour, Conservative and Liberal Democrats governments—and the fightback campaign Bates led for over 20 years to get justice for postmasters and their families.

Bates, a former sub-postmaster, took over a shop with a Post Office counter in Wales in 1998. He first became aware of issues with Horizon by the end of 2000, when a shortage of £6,000 appeared on his books. This was rectified when he noticed multiple duplicated transactions in the system. However, in 2003 his Post Office contract was terminated when the company claimed £1,200 was unaccounted for. Bates and his partner Suzanne kept their shop but lost the Post Office counter and their investment of around £60,000. In 2009, Bates set up the Justice For Subpostmasters Alliance.

The first episode of the drama was watched by 9.2 million viewers, with the four episodes being the most watched

programmes on any channel so far this year. Feeling the heat building up, the *Financial Times* editorialised Monday on a “grave British miscarriage of justice... The most talked-about holiday TV viewing in Britain was not a Hollywood blockbuster or a Netflix fantasy drama. It was a dramatisation of the real-life scandal of hundreds of sub-postmasters wrongly accused by the Post Office of theft and false accounting that were in fact the result of a faulty computer system.”

The drama sparked over 1.2 million people signing an online petition, first set up in 2021, demanding that former Post Office boss Paula Vennells hand back her Commander of the Order of the British Empire (CBE) award.

Vennells was awarded her CBE in the New Year honours list of 2019—*fully 20 years after the scandal first broke*—for “services to the Post Office”. Having been hired by then Tory Prime Minister David Cameron with a remit to eliminate the £3 million-a-week subsidy to the Post Office his government wanted to make, Vennells played a critical role in the persecution of postmasters in her role as Post Office CEO from 2012 to 2019. On Tuesday, Vennells announced she would hand back the CBE with immediate effect.

In December 2019, following a class action case, *Bates & Ors v Post Office Ltd*—fought for by the Justice For Subpostmasters Alliance—the High Court ruled that the Horizon system was faulty and 550 sub-postmasters were awarded over £58 million in compensation.

The ruling class gives up nothing easily and even the £58 million was held back. After costs only £11 million was paid out to the postmasters in the class action to compensate for false prosecutions. This equated to around just £20,000 each but many received only £8,000. In April 2021, the Court of Appeal quashed 39 convictions, a tiny fraction of the many hundreds more that remained unsafe. A BBC *Panorama* documentary aired in 2022, *The Post Office Scandal*, further exposed the outright criminality in the prosecution of postmasters.

With the scandal again in the spotlight, more than 100 people have come forward seeking legal advice. *The Guardian* reported that among these are expected to be postmasters who were involved in a Horizon pilot scheme rolled out in 1995 and 1996 to hundreds of branches in northeast England.

The Conservative government, which ignored the crisis for years

before setting up a highly restricted ongoing public inquiry in 2020, has held high-level meetings in Downing Street in the last 48 hours, including receiving legal advice on how to quell a mounting crisis.

*Politico* reported that the government has had to put aside £1 billion to cover the expected compensation payments bill. On Monday, after Prime Minister Rishi Sunak was forced to declare that he intended to “get the money to people as quickly as possible,” Justice Secretary Alex Chalk met with Post Office Minister Kevin Hollinrake to find ways of speeding up compensation to victims of the scandal.

To keep a lid on a mushrooming social opposition, the government is considering the mass quashing, via parliamentary legislation, of all remaining 800 unsafe convictions that have not yet been overturned. Hollinrake told Parliament Monday, “The time for quibbling is over. It is a case now of action, action on this day, and delivering that by overturning convictions.”

Asked on Tuesday by Nadhim Zahawi, the former Tory cabinet minister if he would put forward a “simple bill” to quash the convictions, Chalk replied, “The suggestion he made is receiving active consideration.”

Central to this emergency face-saving operation by the Tories—who face a general election this year under conditions in which they are substantially behind in the polls to the opposition Labour Party—is identifying the necessary scapegoats.

All told, 11 government ministers from three Labour and Conservative-led governments oversaw the Post Office during the period in which postmasters were falsely prosecuted. In recent days pressure has mounted on Liberal Democrats leader Ed Davey, who served as Post Office minister for two years in the 2010-15 Conservative-Liberal coalition.

Bates wrote to Davey five times to demand action over the crisis, as part of correspondence with ministers over the span of three successive governments between 2010 and 2019. In May 2010, Davey refused to meet Bates declaring he did not believe it “would serve any purpose”. Several high profile prosecutions of postmasters had already taken place. On May 11, 2009, the same month that Bates contacted Davey, *Computer Weekly* magazine published the first major piece exposing the scandal. It revealed the plight of seven sub-postmasters, including Bates, and raised concerns about the suitability of the Horizon IT system.

Bates also wrote to another former Lib Dems leader, Jo Swinson, who served as Post Office minister in the coalition from September 2012-May 2015.

Fujitsu was handed hundreds of millions of pounds after winning the contract for a Post Office IT system. The latest incarnation of Horizon is still used by the Post Office today. As a “strategic supplier” to the government, Fujitsu has secured £3 billion in contracts since 2013, including 150 more in the few years since the Post Office finally stopped prosecuting its innocent staff. Leading Tory and Labour figures, led by Tory peer Lord Arbuthnot and Labour peer Baron Falconer demanded in a *Sunday Times* column, “The inquiry needs to examine in detail the role of Fujitsu, which provided and managed the faulty software. Was Fujitsu completely unaware of the devastating effect of its actions? Should it not contribute to the compensation claims of hundreds of sub-

postmasters?”

Labour Shadow Business Secretary Jonathan Reynolds said, “If it is found that Fujitsu knew the extent of what was occurring there will have to be consequences that match the scale of the injustice.”

This is meant to conceal the role played by governments that have overseen terrible injustices for the last 25 years. Labour leader Sir Keir Starmer, who refused even to back calls for Vennells to hand back her gong, was Britain’s Director of Public Prosecutions (DPP) at the Crown Prosecution Service (CPS) from 2008 to 2013, before entering parliament. Starmer never lifted a finger to challenge any of the frame-ups of the postmasters, with at least 27 postmaster cases brought by the CPS when Starmer was DPP.

Horizon originated in a Tory government procurement process in 1994. It was announced by John Major’s government at the 1995 Conservative Party conference, with a stated goal not just to computerise the payment of benefits at post offices but of reducing welfare benefit “fraud” by £150 million per year.

Fujitsu and its Horizon system was chosen, with a major factor that in seven out of 11 categories Horizon was the cheapest option available. The £1.5 billion project was funded under the private finance initiative (PFI) set up by the Tories but carried out mainly by the 1997-2010 Blair/Brown Labour governments. The full rollout began in 1999 with deployment to over 13,000 offices in 2000 and 2001. Horizon would eventually cover 18,000 offices.

The faulty data was resulting in prosecutions almost immediately. In 2000, there were six shortfall convictions that relied on Horizon data, with another 41 sub-postmasters prosecuted in 2001, and 64 in 2002. By 2009, with Tony Blair out of office, and succeeded by Gordon Brown, prosecutions had risen to a staggering 525.



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