

“Reasonable likelihood” that UK sub postmasters were convicted as a result of faulty predecessor IT system to Horizon

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According to a report into an accounting system used by UK Post Office sub-postmasters before the controversial Horizon software was introduced, there was a “reasonable likelihood” that it too could have created cash shortfalls in accounts and led to wrongful prosecutions.

The IT system, called Capture, developed in-house by the Post Office’s information technology team, was used in many post office branches across the UK from 1992 to 1999, prior to the Horizon software, which became central to the Post Office scandal.

According to Sky News, at least 40 sub-postmasters claim they were falsely accused of stealing money due to “glitches” in the Capture software.

Between 1999 and 2015, over 900 sub-postmasters were wrongly prosecuted for errors arising from the faulty accounting software, Horizon, which was designed and leased to the Post Office by IT corporation Fujitsu. In what has been described as the largest miscarriage of justice in British legal history, thousands of sub-postmasters were forced into using their own money to cover accounting discrepancies at the branches they managed on behalf of the Post Office.

Hundreds were sent to prison, and many were financially ruined. At least 251 have died before any full reckoning has taken place. Those affected are dying without justice at an average rate of around three per week.

The legitimate concerns of postmasters were ignored by the Post Office which prosecuted them instead. Many 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 the 900 convictions have been overturned and only 11 victims have been compensated in full.

To this day, not a single Post Office executive nor any government minister involved has been punished. Fujitsu

has not only remained unpenalized, but its government contracts have also subsequently been renewed.

Sky News has conducted its own investigation into Capture and spoke to two former sub-postmasters who had fallen victim to its bugs and glitches.

Former sub-postmaster Steve Marston said the Capture system would routinely crash, then restart, and in the process generate fictitious discrepancies, saying “this is the software that’s destroyed so many lives.” Marston spoke of the desperate need for exoneration and justice for all the post office victims, some of whose cases go back nearly 30 years.

Former sub-postmaster Steve Lewis lost his job, his business and his home when he raised concerns about Capture. Visibly upset, Lewis described the terrible time in his life when he was looked on as “the man who robbed the post office,” losing friends and family over the issue.

A report from financial and risk advisory company Kroll—which was commissioned in May by the Department of Business and Trade published last month—revealed the following data from its research interviews on Capture:

- There was an inconsistency in the level of training provided to sub-postmasters on Capture, which could vary from a dedicated training session to simply being provided with a copy of the floppy disks and the computer, if purchased by the sub-postmaster.
- Some sub-postmasters expressed concerns they were pressured to adopt and use Capture by more senior staff members, including Retail Network Managers and Area Managers. The basis of these pressures was due to the time and costs invested in Capture’s development, as well as the efficiencies it was said to bring to post offices.
- A number of sub-postmasters stated that variations, including shortfalls and surpluses, began to be generated in greater frequency after the adoption of Capture, when compared to prior use of manual reporting.

Kroll estimates that, following pressure from a network of managers and area managers, around 13.5 percent of all Post

Office branches may have been using Capture prior to Horizon.

The Kroll report also questioned the Capture Helpdesk remit and effectiveness.

Following the publication of the report, Neil Hudgell at Hudgell's solicitors told Sky News his firm was advising more than 70 people who experienced unexplained losses at their branches when the Capture software was in use.

Hudgell said, "Like Horizon, it was a flawed system which was destroying lives whilst officials repeatedly ignored the evidence playing out in front of their eyes." The independent review has only taken place "as a result of the bravery, determination and resilience of those affected, who came forward to speak about what had happened to them, and ultimately would not let injustice go unchallenged."

Hudgell continued, "It should never have needed such a long, hard battle to reach this stage, and there now must not be a long, hard battle ahead for exoneration and compensation."

Lord Beamish, formerly Labour Party MP Kevan Jones, who was at the report briefing meeting, described Capture as a "copycat" of the Horizon scandal and said he believed that records on Capture "do exist." He said, "I think some more digging needs to be done at the Post Office," adding, "I wouldn't trust the Post Office as far as I can spit."

Giving evidence this week to the ongoing Horizon IT Inquiry, Post Office chief executive Nick Read said that he was told not to "dig into the details of the past" by its leading lawyers when he took on the role in 2019.

According to Sky News, it is privy to documents that show the Post Office knew Capture was prone to glitches which could cause accounting issues.

In January, the previous Conservative government ordered the Post Office to investigate the claims related to Capture, even as its ministers and Post Office executives squabbled among themselves over how to contain the crisis.

The Labour Party is as politically implicated in the Post Office scandals as the Tories. Not only were most of the years covered by the Horizon prosecutions during Labour governments, but Prime Minister Sir Keir Starmer was Director of Public Prosecutions and the Crown Prosecution Service for five of them (2008-2013).

Last month, the former sub-postmaster, Alan Bates—whose 20-year fight to win justice for postmasters and their families was portrayed in the hugely popular four-part series *Mr Bates vs the Post Office*—questioned whether the Labour government was dragging the "issue out to exhaust victims until their deaths" and if the compensation scheme has become a "gravy train" for its lawyers.

An estimated total of £265 million has been spent on lawyers relating to the Post Office scandal from 2014 to

2024.

Bates called for a March 2025 deadline to compensate all involved in the initial legal action against the Post Office. However, Post Office minister Gareth Thomas recently stated that not all payments would be made by then.

Post Office Horizon scandal victim Jo Hamilton denounced the government following Thomas' statement, saying it "could pay by the end of March", adding that the whole process is "just nonsense."

Referring to the process whereby sub-postmasters who have already submitted claims on previous occasions—some as early as 2013—and are having to resubmit them, she said: "They could apply a broad brush approach, and if claims are reasonable, just pay them... It's almost like we're being treated like criminals all over again."

Hamilton pointed out that some claims have not been submitted because sub-postmasters have to go to the Post Office, "who is a bit like the fox in the hen house", for evidence.

The *Telegraph* revealed this week that a senior Post Office executive is under investigation for allegedly instructing staff to destroy evidence that could have been pertinent to the Horizon IT inquiry.

"The executive, whose identity is not known, has been suspended since the incident was brought to the organisation's attention by a whistleblower," reported the paper.

The newspaper recently reported that the Post Office has raised doubts over the future of the computer system meant to replace Horizon, as delays have seen taxpayer funded costs for the programme balloon from £180 million to £1 billion. The Post Office has reportedly since agreed a deal with Fujitsu to continue operating in branches until 2030 in a £180 million deal.



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