



ANATOMY OF A FAILED TRANSFORMATION: UK POST OFFICE HORIZON: THE SYSTEM WAS WRONG. THEY KNEW.

The Collapse

Between 1999 and 2015, more than 900 subpostmasters across the United Kingdom were prosecuted by the Post Office for theft, fraud and false accounting. Dozens were imprisoned. Many lost their businesses, their homes and their health. Several died before they could see any form of justice.

The evidence used to prosecute them came almost entirely from the Horizon accounting system, an IT platform developed by Fujitsu and rolled out across Post Office branches from 1999 onwards. Horizon produced shortfalls in branch accounts that the Post Office insisted were the result of theft or incompetence by subpostmasters. When subpostmasters raised concerns that the system was generating errors, the Post Office told them consistently and repeatedly that Horizon was robust and that no other branch was experiencing similar problems.

Both claims were false. The Post Office knew, or had every reason to know, that Horizon had serious defects. It prosecuted people anyway.

In 2019 a landmark High Court judgment found that Horizon had contained bugs, errors and defects over many years. In 2024 the UK Government announced a comprehensive exoneration scheme. The Post Office Horizon scandal is now recognised as one of the most serious miscarriages of justice in British legal history.

This was not a technology failure alone. It was an institutional failure sustained over two decades by a governance structure that protected the system rather than the people it was harming.

The Fatal Flaw

The fatal flaw was the Post Office's decision, made repeatedly and at senior levels, to treat Horizon's integrity as an institutional position rather than a testable proposition.

When subpostmasters reported unexplained shortfalls, the Post Office's response was not to investigate the system. It was to pursue the individual. Internal documents later disclosed in litigation showed that Post Office and Fujitsu staff were aware of Horizon defects that could affect branch accounts.

That awareness did not stop prosecutions. It did not prompt disclosure to defendants or their legal teams. It was managed internally while the institution continued to insist publicly that the system was reliable. The decision to prosecute using Horizon data as the sole or primary evidence, without disclosure of known defects, transformed a technology governance failure into a criminal justice catastrophe.



Governance

The Post Office operated as both the operator of Horizon and the prosecuting authority for alleged financial crimes identified by it. That conflict of interest was never resolved by an independent oversight body with the authority to interrogate both the system's reliability and the prosecutorial decisions being made on its basis. The board received assurances about Horizon's integrity that were not adequately tested against the evidence accumulating from branches across the country.

Process

The contract with Fujitsu did not include adequate independent audit rights over Horizon's defect history. When bugs were identified they were managed through internal processes that did not systematically assess whether ongoing prosecutions were compromised. Disclosure obligations in criminal proceedings were not met. The process environment at the Post Office treated the system as the source of truth and the subpostmaster as the variable to be explained away.

People and Culture

Subpostmasters who raised concerns were told they were the only one experiencing problems. They were not. Internally, staff who had visibility of Horizon's defects operated in a culture where the institutional reputation of the system took precedence over the obligation to those it was harming. Whistleblowing mechanisms either did not exist or were not effective. The people with the most direct evidence of what was happening were the people with the least institutional power to change it.

The Leader's Mandate

When an institution holds both the system and the prosecutorial authority, independent oversight is not optional. It is the only mechanism that protects the people the institution is meant to serve.

Leaders accountable for technology systems that generate evidence used against individuals carry a specific and non-delegable obligation: to know what the system is capable of getting wrong, and to disclose it. Institutional reputation is never a legitimate reason to withhold information that bears on someone's liberty. The leaders who allowed that calculus to operate over two decades did not fail a governance standard. They failed a fundamental human one.

Strategic Conclusion

The Post Office Horizon scandal endured for as long as it did because every governance mechanism that should have stopped it was either absent, captured or overridden by an institution protecting its own position. The technology was flawed from the outset. What compounded that into a decades-long injustice was the deliberate and sustained decision to treat the system as infallible and the people reporting its failures as the problem. No program governance framework prevents this outcome on its own. What prevents it is leaders who are willing to ask whether the system is wrong before they ask what is wrong with the person.

If you are leading a program where technology outputs are being used to make consequential decisions about people, and you are beginning to see warning signs around system integrity, disclosure culture or the absence of independent oversight, let's talk.

Sources Bates & Others v Post Office Ltd, High Court judgment, Mr Justice Fraser (2019). UK Government Post Office (Horizon System) Offences Act 2024. House of Commons Business and Trade Select Committee: Post Office and Horizon: Compensation and Exoneration (2024). Smellie, N. & Robinson, J. (2024). The great Post Office scandal. The Times. Second Sight interim report on the Horizon system (2013).