

Learning lessons from the past-what hope for real change at the Post Office and continued public confidence in statutory inquiries?

On the last day of the Post Office Inquiry Catherine Hobby and Elaine Yerby assess whether the proceedings will bring lasting change to the organisation and why reform at the Post Office is crucial for ongoing public confidence in Public Inquiries.

The Final Phase of the [Post Office Horizon IT Inquiry](#) has closed with publication of its findings expected in summer 2025. Closing arguments from Core Participant Counsel emphasised the human suffering of sub postmasters and mistresses (SPM) inflicted on them by the Post Office and Fujitsu's "wicked" and "dishonest" defence of its flawed Horizon IT system. The costs of their actions are also significant to the British taxpayer. In November 2024 it was reported the costs of the Inquiry would top [£50 million](#). This figure is then dwarfed by the [compensation the UK government has already paid](#) to victims of the scandal and the subsequent [£1.8 billion](#) set aside in the recent budget for further compensation claims. In view of these combined human and public finance costs, it is essential key lessons from the statutory inquiry are implemented to rebuild trust in government institutions and retain public confidence in the efficacy of future inquiries to bring about accountability and lasting change.

Few are unaware of the Post Office Horizon scandal following the airing of the TV drama *Mr Bates v The Post Office* and the public response that led to the unprecedented [Post Office \(Horizon System\) Offences Act 2024](#) enacted to quash the remainder of more than 700 wrongful convictions of SPMs. [As argued elsewhere](#), the title of the Inquiry does not fully reflect how the organisational culture of the Post Office and actions of humans caused this scandal and not faults in the Horizon system. The Inquiry has examined the responsibility of individuals at all levels of the organisation for what has been called the "[widest miscarriage of justice](#)", with later phases focussing on the actions of the actions of the executive team and failure of the Board.

All agree the Inquiry as a "[watershed moment](#)" but concerns remain if effective and lasting change will follow. The Post Office's corporate approach in the private prosecution of over 900 SPMs and the civil recovery for disputed shortfalls from thousands more SPMs has exposed a culture of corporate defensiveness and denial. Numerous witnesses in the previous phases of the Inquiry have recorded that, despite early warnings as to the irregularities in the Horizon system, the Post Office continued to prosecute SPMs and bring proceedings to recover losses resulting in an estimated windfall to the Post Office of £336 million. The *Bates v The Post Office* litigation can be regarded as a turning point in the Post Office Scandal in establishing there were "bugs, errors and defects" in the Horizon IT system. In the [Bates v The Post Office \(No 3 Common Issues\)](#) judgment, Mr Justice Fraser compared the institutional obstinacy or refusal of the organisation to recognise there was any alternative to its view of the robustness of Horizon IT system, to the "21st century equivalent of maintaining that the Earth is flat".

In the face of the damning judgments, [evidence to the Inquiry](#) demonstrates there appears to be a persistent lack of corporate memory and unwillingness to accept the enormity of the scandal. Richard Swannell, the first chair of UKGI, gave evidence that the culture of the Post Office in 2019 was "shocking" in being closed, toxic and defensive and, in combination with a complete

lack of curiosity on the part of many key individuals, this led to wrongdoing. In its policy paper, the Institute of Directors Policy, [*The Post Office Scandal – A failure of governance*](#) found the causes of the scandal to be “human decision-making, organisational culture and business ethics”. The Institute of Directors cites Swannell’s view that when “incomplete curiosity...meets a toxic culture, bad things happen”. It is clear from witnesses at the Inquiry phase hearings in 2024 that the toxicity remains, and there persists a lack of professional curiosity and challenge on the part of those who have ultimate responsibility. As argued in Closing Statements, despite all that happened “the mindset remains the same” at the Post Office.

This was shockingly exposed in Phase Seven (Current practice and procedure and recommendations for the future) that had a remit to explore whether the current Post Office had learned vital lessons and embedded the cultural changes required. The final gathering of evidence has exposed [past and continuing](#) dysfunction in the Post Office. It has been revealed that individuals involved in historical failings continue to operate in SPM facing roles and investigations, with individuals accused of past wrongdoing continuing to be rehired or redeployed by the Post Office.

Rather than address the key failings found in the highly critical court judgments, Phase Seven of the Inquiry found the Post Office instead sought to use selective parts of the judgments regarding the reliability of Horizon to support a request to Lancashire police to review its decision not to take any further action in respect of criminal proceedings against a SPM. Despite the evidence of hundreds of witnesses and ongoing concerns about the reliability of Horizon, it was also revealed in the Post Office had [recently](#) considered resuming civil proceedings against SPMs to offset rising losses from writing off shortfalls. Nick Reed’s evidence to the Inquiry was that on becoming Chief Executive of the Post Office in 2019, he found a culture of “part denial and part paralysis”. This environment persisted and, in his role, he failed to address this, and instead displayed an “unhealthy” obsession with his remuneration in a period when SPMs have seen a fall in income.

Most revealing about the lack of change at the Post Office since the start of the Inquiry is the evidence presented to the inquiry concerning current SPMs’ views and experience of Horizon. In a YouGov Survey commissioned by the inquiry, [Horizon Inquiry: Phase 7 Surveys](#) it was found nearly half of SPMs (49%) were dissatisfied with how Horizon currently operates and 92% had experienced some issue with the system in the last 12 months. Significantly 69% had experienced an “unexplained discrepancy” since January 2020 with most SPMs resolving this themselves (74%) by paying the shortfall. These are worrying findings of continued Horizon unreliability as the Post Office has just announced the [pausing](#) of the NBIT project (intended replacement for Horizon) and the [extension](#) of the contract with Fujitsu for Horizon at considerable cost to the public purse. It is unsurprising that overall, the YouGov Inquiry survey revealed only 55% of SPMs believed the Post Office had learnt lessons from the past and there is strong evidence from the Inquiry hearings that it is so.

[Statutory Inquiries](#) are intended to establish the facts of what happened, why it happened and who is accountable and most importantly learn lessons from the past to prevent it happening

again. A recent report, [Public inquires: Enhancing public trust](#) by the Statutory Inquiries Committee has found that too often inquiries are failing to meet their aims and ‘learning lessons’ is becoming a vacuous phase because inquiry recommendations are not subsequently implemented. The Committee found this to be “inexcusable”. In the five years since the judgments of Mr Justice Fraser, and three years of compelling Inquiry evidence, the Post Office has been unable to address its own failings in decision-making and corporate culture.

Given these concerns, it remains to be seen whether the final report of the Inquiry will lead to effective change through the implementation of key recommendations. Counsel for some core participants acknowledged these concerns in requesting the Chair to retain inquiry powers under the [Inquiries Act 2005](#) to ensure oversight of progress and change after delivery of the final report. Such action would reflect the approach of the chair of the [Infected Blood Inquiry, Sir Brian Langstaff](#). While [public confidence in inquiries remains relatively high](#), if the recommendations of the Post Office Inquiry are not implemented, public trust and justification for the expenditure may decline and individuals and government institutions will not be held to account. It is in all our interests to ensure the recommendations and lessons learnt are fully and broadly enacted - otherwise sustaining public confidence in future inquiries will be challenging.