



Partner Organisation monthly portfolio project headlines

Risk ID	Partner Organisation Assessment Risk headlines	Current rating	Target rating



Risk ID	Partner Organisation Assessment Risk headlines	Current	Target
POL: POR-7 - Horizon IT system - civil litigation	POL faces civil litigation in relation to its 'Horizon' IT system. Mitigation: UKGI and BEIS have been working collaboratively to ensure that Ministers are well briefed on the issues as they arise. Recently UKGI, HMT and BEIS scrutinised a settlement package which has now been approved by ministers and disbursed to claimants. There is an ongoing risk from claimants going through processes with the CCRC and the Court of Appeal, and postmasters not part of the GLO		



Partner Organisation Analysis

[Link to ORB](#) and [Link to SharePoint reports](#)

Covid 19 on Partner Organisations business as usual activities: 8 Partner Organisations reporting this quarter (73%) and 22 Projects (73%) have reported concerns.

Post Office Limited

Delivery Confidence
Finance

▼ Revenue and trading profit anticipated to fall significantly, with many service lines seeing significant volume declines. Operating profit
 ▼ forecast to outturn at c.£10m for 2020/21, down from earlier forecasts of c.£90m (and c.£73m in 2019/20)

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PO risk headlines:

To note – Post Office - Horizon litigation:

Post Office faces civil litigation in relation to its 'Horizon' IT system. The risk has increased from Medium/Possible to High/Possible.

	Very Unlikely	Unlikely	Possible	Likely	Very Likely
Very High					
High			POR-131 POR-98 POR-7		
Medium			POR-130		
Low					
Very Low					

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POL – POR-7 Horizon Litigation	<p>POL faces civil litigation in relation to its 'Horizon' IT system. The risk has increased from Medium/Possible to High/Possible.</p> <p>Mitigations: Litigation monitoring - Independent review to be launched soon - Secretary of State has committed to launch by September. Extension granted on referrals by CCRC until 2 October 2020 and this continues to pose a material financial and operational risk to POL. POL is working on developing a compensation scheme.</p>		

PO risk headlines:

Litigation cases:

POL have flagged 2 risks relating to the ongoing Horizon litigation. The first risk is around Horizon litigation and the second looks at the Horizon litigation implications on employment contracts.

Covid 19:

POL and Met Office have all flagged risks relating to Covid implications.

While POL highlights the impact Covid has had on it's branches which has had a negative impact on revenue.

	Very Unlikely	Unlikely	Possible	Likely	Very Likely
Very High					
High			POR-7		
Medium			POR-129 POR-9	POR-115	
Low					
Very Low					

POL faces civil litigation in relation to its 'Horizon' IT system. The risk is rated at High/Possible. Mitigations: Litigation monitoring - The inquiry was launched on 29/09/20. Also, the Historical Shortfall Scheme was oversubscribed (2,200 vs 500 anticipated) and the claims could cost up to £311m, materially above POL's budget of £35m, and there is a risk that this would impact POL's ability to operate as a going concern. Officials are preparing a comfort letter regarding financial support, ahead of a funding request by POL.

**High/
Possible** **Medium/
Possible**

PO risk headlines:

Official Development Assistance (ODA) and funding implications:

Covid 19 and EU exit implications:

	Very Unlikely	Unlikely	Possible	Likely	Very Likely
Very High					
High			POR-155 POR-99 POR-114 POR-7		
Medium					POR-4
Low					
Very Low					

**POL - POR-7
Horizon Litigation**

The risk of POL faces civil litigation in relation to its 'Horizon' IT system is rated at High/Possible. The HSS business case was approved by the BEIS PIC and Permanent Secretary in January, with Funding Commitment Letter with BEIS and HMT for final approval prior to announcement and parliamentary disclosure. UKGI are working with POL on what a sensible provision would be for the HSS in its 19/20 accounts. The HSS SteerCo has met several times and is making steady progress.

**High/
Possible High/
Possible**