

MO18 Telecon RJW and Alun Jones re CRR

ALUN JONES: ... the police involved.

RON WARMINGTON: Yes, I saw that.

ALUN JONES: The detective inspector in charge here is a friend of mine and lives in my village.

RON WARMINGTON: Yes.

ALUN JONES: I got him to bring, not himself but to bring a team in, a detective sergeant and two detective constables.

RON WARMINGTON: Yes.

ALUN JONES: They arrested Elliott, and I've got their report here, still on file, that says they could not find anything to suggest that he had, in fact, stolen anything.

RON WARMINGTON: Yes.

ALUN JONES: They were at the branch for a day or two doing finger printing and going through the (unclear) any my procedure.

RON WARMINGTON: Yeah.

ALUN JONES: Also, you mentioned Jim Davis as running it on my behalf.

RON WARMINGTON: No, I made a mistake. It was Elliott on the --

ALUN JONES: He is the predecessor there, who also suffered losses due to the Horizon System, because I've spoken to him subsequently.

RON WARMINGTON: Yeah.

ALUN JONES: And all he said was, "If you can manage to do something about this."

RON WARMINGTON: Yeah, yeah.

ALUN JONES: "I will start, because I also lost of 2,000 something pounds there."

RON WARMINGTON: Right, okay. Well, I'll tell you what my prime hypothesis is as to where this money went in that case. I will de-emphasise the theft by the staff or by the shop staff, but I do want to needle POL, Post Office, to this point about you telling them not to keep delivering the cash.

ALUN JONES: Yes, I kept saying, "This is ridiculous. Literally we're open half day a week."

RON WARMINGTON: Is that what it was?

ALUN JONES: Yes, "And yet you're sending me well over a thousand every week, when there have been no transactions, and you know there have been no transactions, because seeing as the printer doesn't work and I can't run things in and I said --

RON WARMINGTON: Yeah.

ALUN JONES: -- I wasn't prepared to accept cash without running it in."

RON WARMINGTON: Yeah.

ALUN JONES: I then rang cash out, but I couldn't run it out --

RON WARMINGTON: Yeah.

ALUN JONES: -- and sent it back, and all this was because the printer wouldn't work and, when the technician from Fujitsu came down --

RON WARMINGTON: Yeah.

ALUN JONES: -- he said, "You've got a signal problem."

RON WARMINGTON: Yes, exactly. I've covered that in the report. So --

ALUN JONES: And that of course, if you haven't got a printer that works --

RON WARMINGTON: Yeah.

ALUN JONES: -- you can't do a blind thing. So I had to say, "Right, for the foreseeable future, the (unclear) Post Office is closed because they can't function without the proper tools of the trade because, if anything goes wrong, it's my neck that will be on the block."

RON WARMINGTON: Yes.

ALUN JONES: They kept sending cash.

RON WARMINGTON: Right. Okay, got it. I'll build all that in the report.

ALUN JONES: That's what angers me so much. Now, I think -- you see, when we see things mention of problems with the signal, what I think has been happening here -- here's what we found has happened in some branches, and you'll see reference to this in the part 2 report when you get that. But of course we can't make the leap of logic, or we can but it's not valid in terms of an evidence-based report of saying, "Look, we know what I'm about to describe has happened in other branches. It is highly likely that, given the circumstances that we have here, similar environmental context issues, that this has happened here", and what I'm referring to is what I call in the report one-sided transactions, where a customer comes in and, let's say, pays for something, a bill, hands over an electricity bill or something like that, and uses a debit card or credit card to pay for it, and the bill payment goes through, but the payment to the

customer's, or the charge against the customer's account does not. We've got loads of examples of both those things happening. Sometimes the customer gets something for nothing, and other times he gets nothing for something. In other instances, we've got counter errors, like it's ever so easy to erroneously process a withdrawal as a deposit, or it's possible to process a -- to mis-key because of the proximity of some of the icons, amounts at ten times their value. Now, in the old days (a) that tended not to happen because there wasn't a computer involved.

ALUN JONES: That's right.

RON WARMINGTON: (b) it was much easier to trace because you had the underlying docket. So if the customer had paid in £200 and you'd accidentally credited him with 2,000, you would have all the paperwork to cover it.

ALUN JONES: The paper trail.

RON WARMINGTON: Yes. Now using a card swipe, there's only one receipt produced and the customer gets it. So the customer walks away, glances at it when he's down the street and says, "Oh, crikey, hang on a minute. I didn't pay £2,000, I paid £200 in.

ALUN JONES: Yes.

RON WARMINGTON: At that point he's just passing the bicycle shop and he says, "I do need a new bicycle. I think I might as well buy -- I mean I have got the money for it now." So what we pointed out in our part 2 report is that, first of all, when a customer gets something for nothing, he's a lot less likely to -- first of all, he might not notice. If he thinks he's paid his electricity bill and he actually hasn't, but he's been charged for it, he's going to get a final demand as a nice reminder. If, on the other hand, his bill has been paid and he hasn't been charged for it, it's perfectly likely he won't notice.

ALUN JONES: Yes.

RON WARMINGTON: If he does notice, it's perfectly likely he's not going to tell you about it. So therefore the error process is stacked against the postmaster.

ALUN JONES: And there's no suspense account.

RON WARMINGTON: And there's no suspense account as well. So what we've said is: we know that that's happened and we know customers have sometimes got something for nothing, and they have come forward, and others that haven't. Now, we are speculating in our part 2 report of course that that could have been the reason for the underlying root cause of a lot of these mysterious shortfalls and, you know, strictly you can have a £30,000 or a £60,000 shortfall because of that. Customer comes in and buys two lost premium bonds and the payment doesn't go through, you are going to be £60,000 down.

ALUN JONES: Yes.

RON WARMINGTON: So what -- but, of course, in your case we can't make the causative link as it's called between the generality of the telecoms problems, which is in my report, and the specifics of the shortfall. I will try -- and what I'm going to do is kind of pose the question to the -- for the mediator to say, "Look, you know, it's perfectly likely that that is what the cause of this is, rather than theft by staff", which is what Post Office are pointing towards.

ALUN JONES: I am absolutely convinced it's not.

RON WARMINGTON: All right.

ALUN JONES: I don't understand. I run Llanvalion(?) Post Office, and I was a subpostmaster --

RON WARMINGTON: Yes.

ALUN JONES: -- and I owned the building and that was my business.

RON WARMINGTON: Yes.

ALUN JONES: My employees -- I was asked to do them a favour because they couldn't get anyone before --

RON WARMINGTON: I know, **yeah**.

ALUN JONES: -- and to take that small little thing under my wing, as it were --

RON WARMINGTON: Yeah.

ALUN JONES: -- I wish to God I hadn't --

RON WARMINGTON: Yeah.

ALUN JONES: And (unclear) happened in (unclear).

RON WARMINGTON: Yeah.

ALUN JONES: In fact, I had the auditors there as well. I said, "Look, go in there" and they found -- I think there was tuppence out.

RON WARMINGTON: Yes.

ALUN JONES: It was something silly.

RON WARMINGTON: Well, you had a surplus actually of the (unclear). You were £960-odd over.

ALUN JONES: And I couldn't understand that either.

RON WARMINGTON: No, exactly.

ALUN JONES: I think that's what happened there, is that -- is again in my absence or whatever, I think again there was -- the Post Office delivered money to (unclear).

RON WARMINGTON: Yes, it looks like it, doesn't it?

ALUN JONES: Because (unclear).

RON WARMINGTON: Exactly. All right. Well, look, that is enormously helpful. I will finish off your report now.

ALUN JONES: There were two errors by the way; you do realise that. It wasn't just the one-off. There was a 2,000 odd error --

RON WARMINGTON: Yeah.

ALUN JONES: -- which I paid back, so I didn't get paid a penny for being in (unclear) every penny of my salary went to repay the original one.

RON WARMINGTON: Yeah.

ALUN JONES: But when maximum of the second one came out --

RON WARMINGTON: Yes.

ALUN JONES: -- making a total over £20,000 between the two --

RON WARMINGTON: Yeah.

ALUN JONES: -- I absolutely nearly died. My (unclear). My late father-in-law helped my wife. She gave me the money. Otherwise Post Office would have bankrupted me.

RON WARMINGTON: I know and that's what's they've done in lots of other cases actually.

ALUN JONES: Yes, and I -- I'm a county councillor.

RON WARMINGTON: Yes.

ALUN JONES: (Unclear) I wouldn't have been able to be one.

RON WARMINGTON: Yeah.

ALUN JONES: And I was standing for Parliament.

RON WARMINGTON: Yes, I know. It's absolutely -- well, I tell you what. I've been an investigator for -- off and on for about 40 years. I've done other jobs at some point but, you know, I've been global head of fraud investigation for two of the world's largest companies, and so I've investigated frauds in 110 countries around the world, thousands of fraud cases.

ALUN JONES: You know what you're on about.

RON WARMINGTON: I have never come across anything as bad as this. This is the worst corporate behaviour I've ever come across.

ALUN JONES: But they're bullies --

RON WARMINGTON: Yes. It is --

ALUN JONES: I called them up. The first thing they did, "I'm suspending you."

RON WARMINGTON: Yeah.

ALUN JONES: I said, "Hang on, I called you in. You haven't found an error and a flaw. I called you in to check things."

RON WARMINGTON: Well, you see, Alun, you are an articulate and smart guy, but a lot of the bullying was to people that didn't have your self-defence capability, and they were walked all over by these people and ground into the dirt.

ALUN JONES: One person I've heard tried to commit suicide.

RON WARMINGTON: Well, one person succeeded.

ALUN JONES: I heard that too.

RON WARMINGTON: Actually, with Martin Griffiths.
I think I know of seven suicides related to this case.

ALUN JONES: Dreadful.

RON WARMINGTON: Yes, it's just these people have got blood on their hands, and they're not making -- the present board and senior management who committed to my face that they would seek the truth and support my search for the truth, and that was the condition I took the job on, they are doing nothing but fight every inch on the way on --

ALUN JONES: Thank you very much for letting me know what they've done so far because, quite frankly, I was getting --

RON WARMINGTON: I didn't call you because -- I had spoken to Alan who I speak to every day.

ALUN JONES: I emailed him.

RON WARMINGTON: Yes, I said -- I mentioned to him what I'd found in your case, and he said, "Well, Alun is getting a bit anxious", and I said, "Well, he deserves to be, you know. He's got every right to be because I am overdue and it's my fault."

ALUN JONES: I'm not blaming -- the job gets done and I know the picture, I'm happy.

RON WARMINGTON: All right. Look, I'm on the case and I now have -- from this conversation I've got some more useful material that's going to go into the report.

ALUN JONES: You could write a book about this, couldn't you?

RON WARMINGTON: There will be a film about it! This is, if you've ever seen Elaine(sic) Brockovich and films --

ALUN JONES: The BBC in Wales have been in touch with me.

RON WARMINGTON: Ah, the -- well, Matt Prodger was on this as well, and Nick Wallis. There will be a Panorama programme about it, probably in the autumn.

ALUN JONES: It stinks from top to bottom.

RON WARMINGTON: It absolutely stinks, you're right, and --

ALUN JONES: Thank you very much for being in touch.

RON WARMINGTON: All right then. Okay, sir.

ALUN JONES: Thanks.

RON WARMINGTON: Back to the garden.

ALUN JONES: Bye bye.

RON WARMINGTON: Thanks, bye.

(Recording ends)