

Bond Pearce

Telephone attendance

Client: Royal Mail Group PLC Sub Postmaster Litigation

Matter: Mr Lee Castleton

Matter no: 348035.134

Attending:

Name: Stephen Dilley

Location: N/A

Date: 1 December 2006

Start time:

Units:

I had a telephone conversation with Richard Morgan in the morning in relation to John Jones' e-mail of yesterday evening, Mr Castleton's letter of today enclosing further documents he wants in the trial bundle, e-mail in from Brian Pynder about what happened on 30 March or 1 April, the safe point ie he wants to know what was kept in the safe and also the witnesses timetable. We couldn't really be more specific at this stage.

Time engaged: 12 minutes.

I had a telephone conversation with Mr Castleton in the morning who confirmed that he had received the bundle. I asked him to check them carefully immediately and let me know if he hadn't received any of them which we said we had sent to him. If he came back to me quickly, then I can put any further bundles to him on the courier.

Time engaged: 6 minutes.

I had a telephone conversation with Mandy Talbot in the afternoon. Discussing with her the criminal cases. She said that criminal proceedings had totally different considerations in terms of taking cases forward. For example in a criminal case the level proof is different and we might not be able to pin point who stole money and therefore settle the case on that basis.

Also discussing with her our expert report and explaining that it is by and large helpful apart from the £3,500 point and outlining that to her as per my e-mail. She agreed with me that we should not disclose it.

Reporting to her the PTR outcome and how Mr Castleton tried to seek an adjournment on medical grounds and handed to the Judge an attendance note that was privileged between his solicitors and his doctor which said that he was well enough to attend trial. Also updating her on the without prejudice conversations I had had with Mr Castleton over the week.

Finally explaining to her where we are with our witnesses and that we had stood down some and that we needed them to say what we thought they were going to say to win the case etc.

Time engaged including attendance note: 30 minutes.

I had a telephone conversation with Ms Morgan (her call). She wanted to know what to expect at trial and when she would be required to attend. Updating her as far as I was able. Also advising her to re-read her statement and generally explaining the procedure to her.

Time engaged: 18 minutes.

I had a telephone conversation with Cath Oglesby in relation to the e-mail I had sent to her on 30 November. Discussing Christine Train's witness statement as follows:

At paragraphs 13 and 15 – this meeting was some time after the £1900 loss. She looked over the previous few weeks and they balanced ok. She wouldn't have said that the losses would even themselves out. All she would have said about a mistake is that if a mistake had been made it would come back within 6 to 8 weeks, rather than a mistake definitely had been made. She went through individual units. Balancing had suggested a number of different things. She was not disinterested.

As far as the accounts were concerned, it would have taken her hours to go through them. She didn't feel this would really add any value because she was not an expert on this, didn't have the time and Mr Castleton had already been over the accounts.

In relation to paragraph 19 and 21 of Christine's statement, she said it was not in his contract that he had to make good losses where there were errors. She would check the suspense account on a visit. She said that he must make losses good and that he could not roll them forward.

In relation to paragraph 25 of Christine's statement, she stated that Ruth was in one of the post offices of which she was a retail line manager. She did not know Ruth socially. She only knew Ruth once she took over as retail line manager.

In relation also to paragraph 32 of Christine Train's statement, she stated that she could not recall what paperwork she took. He did not print out a balance snapshot for every day. She was clear what a suspense account was. She can't explain what various sums are at the top of the snapshot ie discrepancies and so she asked the suspense team to assist to clarify those points.

In relation to paragraph 10 of Dorothy Days statement, Christine Train had not been suspended. She was not desperate to have Miss Train back in the office. However, she thought there might be cheaper transfer and that the incoming sub-postmistress or sub-postmaster may have to take Christine Train on and she was therefore being careful about employment laws.

Turning to Lee Castleton's witness statement, in relation to paragraph 1, Christine Train was already there. Lee may have asked Cathy what Christine Train was like and if he did she would have said that she was good, but she didn't put forward a recommendation.

Paragraph 5 of Lee Castleton's witness statement – MOP stands for method of payment. She cannot recall saying that the stock and MOP figures are only a guide and will even themselves out when Lee Castleton reached the final balance. In relation to whether she told Lee Castleton he had made a mistake unless an error notice would come back in 6 weeks to give them the money, she may have suggested he made a mistake, but did not say that he definitely did.

In relation to paragraph 16 of Lee Castleton's witness statement, she does not recall looking at the balancing with Horizon handbooks. She told him there was a further loss and she did remember looking at the cash account for that period.

In relation to paragraph 19, she cannot recall telling Lee Castleton that once the computer system was proved faulty, he could revert back to her in the Post Office. She said that Ruth Simpson did keep in contact by telephone and text with her, but she was in a team meeting during Ruth Simpson's first day in office, all day on the 24th March. She therefore cannot recall the contact being constant.

Time engaged including attendance note: 36 minutes.

I had a telephone conversation with Ruth Simpson to discuss my e-mail to her of 30 November. Firstly turning to paragraph 27 of Christine Train's witness statement, Ruth has found her diary for the period in question. For the first few days she made notes of her start and leaving times. She started at 8.45 and finished at 6.30pm. She had noted that the balance took longer that day because she was in an unfamiliar environment. She telephoned her partner a lot because he runs a farm. She did not frequently ring Cath Oglesby. She did ring Cath Oglesby when she got into her car to leave.

In relation to paragraph 29 of Christine Train's statement, she states that she had noted that in the morning she was fully occupied, but in the afternoon she was waiting for customers. Once, one man who was in a private store room at the back of Marine Drive complained loudly to Mr Castleton about there being a delay. She thought this was a staged complaint as he had raised his voice obviously so that she could overhear. She doesn't know who he was, or when this took place. He might have been somebody who dropped off a number of parcels. She cannot recall really what was said.

In relation to paragraphs 40 of Christine Train's statement and paragraph 8 of Dorothy Day's statement, Mr Castleton gave Ruth Simpson the Lottery cash net of prizes ie sales less prizes. If Ruth had not put through the prizes into Horizon, it would make her cash short, not over. For example if there were 100 sales in Horizon and she had not put through 20 prizes then she would have had 100 sales v £80 cash and would be £20 short. Dorothy Day and Christine Train said she should have ended over and they are incorrect if what they are saying is true. That said, she does not recall not putting through any transactions. She did say that she kept all documents in envelopes.

Turning to paragraph 9 of Dorothy Day's statement, she says that she is quite thorough and is a creature of habit and does tend to print out the trial balance cash account and a final balance cash account. There are also trial balance printouts and a final balance printout. Some sub-postmasters do not produce a trial cash account. She does. She therefore wonders if this is what Dorothy Day is talking about. She would have done a trial balance on Wednesday afternoon. On Thursday she would have put the Lottery through the system and manually calculated how this should alter the cash. She will then do a further trial balance and the difference should be down to the Lottery.

She also said that she may have rolled over into the balance period rather than the cash account period as the computer gives you two options.

She had some further comments:

She said that another Ruth was there whilst she worked there as temporary sub-postmistress. The other Ruth worked in the shop, but previously had worked behind the Post Office counter. She found it was surprising that this was not mentioned in any of Mr Castleton's statements. The other Ruth was in her 30s to 40s.

In relation to the cash account week 42, Mr Castleton was saying he was £1,103.15 short where as in actual fact the cash account shows he was 60p short. This must mean he made good the majority of the shortfall even before he produced the cash account, which is odd.

In relation to error notices, she said there were numerous error notices as follows:

Week 33, one error notice.

Week 31 one error notice.

Week 29 six error notices.

Week 43 four error notices.

Week 48 one error notice.

She saw these in the branch and there was only one with correspondence.

Time engaged including attendance note: 30 minutes.

I had a telephone conversation with Richard Morgan, updating him on the criminal proceedings. He asked me to put Rob Wilson on stand by to give evidence. We may have to call him. We want to know what allegations have been made in the ?? case.

He also on the Thomas case wanted proof of this conviction and we should get a certificate of this.

Also updating him on my conversations with Cath Oglesby and my conversations with Ruth Simpson.

Time engaged: 36 minutes.

I had a telephone conversation with Greg Booth in relation to the letter I had written to him of yesterday.

Firstly his general point was that it was true that some customers were unhappy. He doesn't accept that he was slow compared to other people. He was just doing his job properly and he had to be thorough particularly in this sort of situation. He tends to do things the way he has been trained. Christine Train has never been formally trained by anybody else. He would have to check ID of customers he didn't know for example when paying out of the Giro bank, so there may be are things that do take longer when you go in as a sub-postmaster. Also the e-bay customers took a long time to serve because they were bringing in 20 to 30 packages at a time and Horizon was slow going.

In relation to paragraph 32 of Christine Train's statement, she doesn't recall if Cath Oglesby took all the paperwork whilst he was there. She did visit a few times. He thought she had taken it before he was appointed, but he wasn't sure.

Time engaged: 24 minutes.

I had a further telephone conversation with Richard Morgan updating him on my conversation with Greg Booth. He also wants Tom Bourne to produce a summary of what is happening in relation to Westend – Ferry Road branch.

Time engaged: 6 minutes.