POL00050356

Interview Notes

Interview Type		RTU		Interviewer	Michael Haworth	MH
Date		9 October 2008		Interviewee	Sunil Khanna	SK
Location		Leeds		Accompanied by	Anil Khanna	AK
Start	End	10.45	12.00	Note Taker	Interview recorded	

Introduction/Purpose:
MH introduced himself, and established how Mr Khanna would like to be addressed throughout the meeting. Mr Khanna confirmed he would like to be called Sunil.

MH clarified Anil's name & confirmed his role was to support SK at the interview.

MH explained to SK that:

- this was his opportunity to respond to the charge, to put forward reasons as to why this happened and what facts MH should be taking into account when making his decision in this case
- so that an accurate record was made of the interview, it would be recorded and notes produced giving a summary of the meeting. A copy of the notes would be provided to SK along with a copy of the recording on disc.
- MH said that he would like agreement to the notes from SK before making his decision.
- that if, as a consequence of the meeting, any further investigation is required these investigations would be completed prior to the decision being made
- SK had the right to appeal the decision he made
- MH stated that if anyone wanted to take a break at anytime then they should let him know

1	MH	Provided SK with details of the case history as he understood it and detailed the following, referring to the charge letter sent 25 Sept 2008: An audit was performed at the branch on 18 Sept '08. Examination of the cash declarations showed that there was one, 'declaration ID 06', for a total of £39632.16, made the previous night by user PHO001 (Peter Holmes), and also another, 'declaration ID 09', for a total of £46400.00 (£34000 x £20 and £12400 x £10 only), also made by user PHO001 at the end of August, when the last Branch Trading Statement had been completed; this had then been left in the system, and would automatically add to the other declaration, to show a much higher figure of cash than what was actually on hand. The Office Snapshot showed that the system expected there to be £85199.90 in cash on hand at the branch. Because of the existence of two separate cash declarations, and the fact that one was from weeks ago, the auditor asked Peter Holmes if there was in fact cash on hand to the value of both declarations; he said that there was only cash totalling around £39000, as stated on the previous night's balance. He informed Peter Holmes and also Sunil Khanna that this would almost certainly mean that the branch was about £46000 short and that they would have to keep the branch closed until they fully completed the audit. Sunil Khanna had to leave the secure area and later the branch, and the auditor told him that he would phone him with the result. Peter Holmes did not offer a proper explanation as to why there were two cash declarations. On completion of the audit, the resulting discrepancies confirmed that the branch was £46,049.16 short, the vast majority of the shortage being in cash. Robert Daily, Fraud Advisor, conducted interviews the following day. The branch was transferred to Thelma Crerand as temporary Spmr. The case was passed to MH to deal with the contractual issues, letter sent 25 Sept '08 to SK detailing the charge & interview arranged.
2	SK	Agreed that this was an accurate understanding of the case.
3	MH	Asked how long SK had been a Subpostmaster and branch located on premises.
4	SK	Approx 11 yrs and explained the background to the branch relocating into their premises when appointed.
5	MH	Asked SK how many assistants worked at the office and to explain what level of personal service he provided.
6	SK	Thelma, Doreen, Vicky and Noel. Personally doesn't work in branch but keeps in close daily contact, discussed discrepancies, monitored customer service and branch performance monitored with Peter Holmes. All PO assistants have User IDs.
7	MH	Asked SK how he deployed his contractual obligations & managerial controls?

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8	SK	Work on shared stock basis but now planning to change to individual stock units. Relied on Peter's experience, trust and integrity. Maintained regular daily contact with PO. Balance discrepancies discussed regularly but only approx £100. Has been meeting regularly with Thelma since his suspension.
9	MH	Asked about controls in place in the pharmacy and expectations of staff.
10	SK/AK	Referred to staff training manual, going through each section in detail and copies provided of 2 sections which were pertinent to the PO, although whole manual was applicable. Deployment monitored in individual staff members copy.
11	MH	Asked about ongoing staff management.
12	SK/AK	Provided evidence of customer flow management survey, detailing transactions per hour, plotted on charts to identify peaks, troughs and areas needing attention.
13	MH	Asked about branch performance and development.
14	SK/AK	Discussed various examples implemented for growing sales and the good working relationships with the BDM.
15	MH	Asked how this could have happened and what could have been done to prevent it?
16	SK/AK	Totally unaware until auditors discovered the discrepancy. Trusted Paul. Assumes that it must have happened over a period of time but have been deceived.
17	MH	Explained contractual responsibilities and asked for proposals for repayment of the £46,049.16. Also explained that any criminal proceedings would be progressed by the Fraud team.
18	SK/AK	Agreed to a £6K lump sum payment followed by monthly instalments to spread the repayment over 2yrs,
19	MH	Asked if there was anything else that SK wanted taking into account.
20	SK	Provided a copy of written submission which MH agreed to take away and read in detail.
21	MH	Thanked SK & AK for attending and confirmed next steps.

Interview notes received and agreed

Signed: ______________________ Date: ________________

Name: Sunil Khanna, Spmr Jesmond

Signed: ______________________ Date: ________________

Name: Anil Khanna