

ROYAL MAIL GROUP (POST OFFICE LTD) – CASE REVIEW

R. v Angela Jane Hodgson

Penrith Magistrates Court and Carlisle Crown Court

Offence and Case history

1. On 17th September 2010 at Carlisle Crown Court, this defendant pleaded guilty on a basis to one count of Fraud, contrary to section 1 of the Fraud Act 2006. She was sentenced to 6 months imprisonment suspended for two years with a 150 hour unpaid work requirement.
2. Ms Hodgson first appeared at Penrith Magistrates Court on the 19th August 2009. The defendant did not attend as she was suffering from depression and stress. The case was adjourned to 28th September 2009. On that date the defendant having indicated a not guilty plea, it was adjourned to the 23rd November 2009 for committal. On that date it was further adjourned owing to legal aid problems to 21st December 2009. The case was adjourned from the 21st December to the 11th January 2010 as relations had broken down between the defendant and her lawyers as, owing to alcohol issues and mental health problems she was unable to sort out legal aid. The case was adjourned again to 20th January 2010 on which date it was committed to Carlisle Crown Court.
3. The PCMH was listed on the 22nd February 2010 on which date the defendant pleaded not guilty and the case was fixed for trial on 26th May 2010. The PCMH form specifically mentions the reliability of the Horizon system as one of the issues for the trial. A Defence statement was served on 15th March 2010 which questioned the accuracy of the audit and denied the removal of any cash by the defendant. On the 24th May the trial date was vacated for the defence to

serve their expert's report. The case was relisted for mention on the 9th July 2010 and for trial on 21st September 2010. The case next appears to have been before the court on 16th July 2010. The defendant was apparently refusing to speak to her solicitors or counsel. The matter was then listed for a "Goodyear" indication on 7th September 2010 which appears to have been non effective. On 17th September 2010 the defendant was sentenced as above.

4. There is no indication that the defence expert report was served on the Prosecution who were asking for it as late as 9th August 2010.

Prosecution case

5. The defendant, Angela Jane Hodgson, was during the relevant period, 30/06/2007 – 04/03/2009, a sub postmaster at Kirkoswald Sub Post Office.
6. On 4th March 2009 an audit took place at Kirkoswald Sub Post Office.
7. On the date of the audit the auditor found a total shortage of £17,810.97 made up as follows:
 - £11,055.09 (-) identified as a difference in cash figures
 - £139.83 (-) identified as a difference in cheque on hand figures
 - £171.37 (-) identified as a difference in stock figures
 - £161.11 (-) identified as a difference in postage stamp figures
8. A further £6,278.57 was identified by Chesterfield as being an outstanding amount previously settled centrally which brought the total to £17,810.97. (It seems from the correspondence on the file that the defendant was sentenced on the shortage in the cash at the time of the audit, namely £11,532.40. This was the amount ordered in compensation.)
9. Ms Hodgson gave the auditors a cheque for £11,532.40 which was subsequently returned unpaid.

10. After a certain amount of evasive behaviour by Ms Hodgson interviews were eventually arranged for the 21st May 2009

11. Ms Hodgson, in her interviews, conducted under the provisions of the Police and Criminal Evidence Act 1984 and the relevant Codes of Practice, said that:

- She had made “big boobs with it not of a criminal nature but I’ve made lots and lots of mistakes and become very frustrated with it, especially lots of things that happened like events like it was always going wrong.”
- The £6,278 was about savings stamps. There was obviously a mistake as no one would have that amount of savings stamps.
- The explanation for the deficit on the day of audit was that it was “by making mistakes.”
- She did not have time for additional training due to her nursing job
- The figures had always been going wrong.
- The helpline was no good as it took too long to get through.
- When it was put that she could not be bothered with the Post Office as it didn’t interest her she replied “correct”.
- She stated that, “quite frankly I hated it.”
- Asked how she did her balances she said, “I just had a piece of paper a thing I used to follow to try to get it right and I just used to make mistakes with it.”
- The Officer asked, “Is it that you’ve shoved any old figure into the system?” to which she replied, “Mm.”
- She had never used POL money for anything. She did not use it for the shop or to pay staff.
- She did not know if the declaration of 26th February 2009 was accurate
- She didn’t always count the cash.
- She had not lost, given away or stolen the £17,000 in the week between that figure and the audit.
- Most of the branch trading statements weren’t accurate because I didn’t understand how to do the system, you know work it out when there was things going wrong.

- She had not stolen money and had not made an attempt to hide a shortage.
- On the declaration that she did on the morning of the audit she did not notice that she only had £836 rather than £12,346.07. She did not know that she had inflated the cash.
- She was shown an IOU for £5000. (HD9) She stated that it was for £50
- She denied that the £170 note (HD10) found in the Post Office paperwork referred to money for cigarettes being paid for by POL cash.

Defence case

12. In interview the defendant denies taking POL money but admits that her book keeping was chaotic as she didn't know what she was doing.
13. The defendant served a defence statement which denied taking any POL money and questioned the audit. The Horizon system was questioned on the PCMH form and the defence commissioned an expert to investigate this case
14. The guilty plea was entered only a week before the proposed trial date

Discussion

15. This case was dealt with by way of a guilty plea at the eleventh hour before the trial. Until that time the matter looked like an effective trial. It seems to be clear from the prosecution file that there was tension between the defendant and her legal advisors which, reading between the lines, seems to result from firm advice to plead (The defendant not speaking to counsel and solicitors at the hearing of 16th July 2010 would seem indicative of this).
16. In this case there was a direct attack on the figures produced from the audit, a direct challenge to Horizon, criticism made in interview of the helpline and a firm assertion that she was not properly trained and did not understand the system. These are all issues dealt with in the Second Sight Interim Report and

it is my view that had we been possessed of that report during the course of this case we would have made the defence aware of its contents.

17. This defendant may well be hard put to found an appeal against either conviction or sentence in this case as she all but admitted submitting false figures in interview and the sentence is hardly manifestly excessive for this type of case. Nonetheless where a defendant pleads guilty as late in the day as this one, there is always a concern that the plea was tendered in a spirit of pragmatism rather than an acceptance of guilt and such a plea might not have been tendered in this case had the defence had material upon which they could have mounted an attack on the Prosecution's figures. It is my view that we should disclose the Second Sight Interim Report to those who were acting for Ms Hodgson in order that they can consider and advise upon her options.

Conclusion

18. This is a case in which, had we been possessed of the material at the relevant time, we would have disclosed to the defence the matters identified in the Second Sight Interim Report during the trial process. It is my view that we are still under a duty to make those instructed by Ms Hodgson aware of the contents of that Report and they should be written to accordingly.

Harry Bowyer
Barrister
Cartwright King Solicitors

10th April 2014