

POST OFFICE LTD – CASE REVIEW

R. V. NICOLA GRECH

Shrewsbury Crown Court

Offence

1. Nicola GRECH faces two charges of theft, the first alleging that between the 10th December 2011 and the 11th day of June 2012 she stole £625.40; the second alleging that between 10th day of December 2011 and the 16th day of July 2012 she stole £3000.00; both offences relating to the from the Brookside sub-Post Office in Telford.

Case history

2. The defendant appeared before the Telford Magistrates Court on 18th June 2013. She indicated that she would contest the allegations and the Magistrates deemed the case unsuitable for summary trial. The case was then sent to the Shrewsbury Crown Court for a Preliminary Hearing, to take place on the 24th June 2013. Because the defendant had then failed to secure any Legal Aid the matter was adjourned to enable her to do so. The defendant did however indicate that she intended to contest the matters.
3. The matter is next listed to come before the court for a Pleas and Case Management Hearing at Shrewsbury Crown Court on the 2nd September 2013.
4. Consequently the case is next to return to court on the 2nd September 2013.

Prosecution case

5. Nicola GRECH was the manager/clerk in charge at the Brookside sub-Post Office in Telford.

6. Routine systems analysis revealed that there was a high level of utility bill reversals being conducted under Ms. Grech's Horizon User ID. There had also been complaints from customers that utility and other bills, paid through the Brookside Office, were not being credited to the relevant accounts, even where those customers were able to produce a Horizon receipt as proof of payment.
7. The initial investigation report indicated 21 such transactions for which complaints had been received, which amounting to £610.40, 16 of which were supported by Horizon receipts retained by customers.
8. Further complaints were then received, detailing some 13 A4 pages of similar transactions, all reversed under Ms. Grech's Horizon User ID, to an approximate value of £3000.
9. Ms. Grech was interviewed about these matters, the interviews being conducted under the provisions of the Police and Criminal Evidence Act 1984 and the relevant Codes of Practice. In a series of very lengthy interviews the defendant said:
 - Denied any wrong doing.
 - She sought to cast suspicion on individual junior members of staff. These she blamed for making repeated mistakes which she in turn had to sort out.
 - She said that her password was common knowledge; she leaves it under her date stamp pad or keyboard "...for others to use..." Accordingly others were able to carry out transactions, including these reversals, utilising her identity.
 - Sometimes she would help out in the shop and forget to log-out of Horizon or lock her till. Others could then conduct transactions with her Log-in.
 - On occasions she would be off the premises for lengthy periods and forget to log-out. When she returned she would see another member of staff using her till and Log in.
 - She claimed that customers were repeatedly paying their bills and then saying they had made a mistake and requesting their money back. This could happen sometimes up to twice daily. Once when this had occurred she had called the Help Line and was told that it was up to the discretion of the office to reverse. In these circumstances Customer mistakes had not occurred very often but since a particular member of staff had joined they had occurred more

frequently. She had told the sub-postmaster that if he did not get rid of the staff-member she, NG would leave.

- A number of reversals had occurred when she was on holiday in Malta.
- Sometimes she had conducted reversals for customers but had neglected to obtain the original Horizon transaction receipt.
- She stated that a number of reversed transactions related to British Gas regular payment card holders and there was an issue with the account numbers being changed.
- When challenged that this explanation did not make sense as the reversals were all being carried out on the same day, often only minutes apart, she was unable to offer any further explanation.

10. The defendant makes no reference at all to any Horizon problem, nor to any training issues.

Defence case

11. As set out in her interview: she had taken no money from POL. She could explain the shortages by reference to a number of factors, including: other staff making repeated mistakes which she had to correct; utility company's own accounting systems being at fault; and customers seeking to reverse their own transactions to obtain refunds.

12. No Defence Statement has yet been served; the court has directed that one be served by the 19th August 2013.

Prosecution response to defence

13. None as yet: awaiting service of a Defence Statement.

Discussion

14. Because this matter has not yet reached the trial stage, it is not, and cannot be, the purpose of this review to determine the merits or otherwise of the defence case, not least because we have yet to receive a Defence Statement. Our only task at this stage is to determine whether or not we are required by our disclosure duty to serve the

Second Sight Interim report and the Helen ROSE report. Here the defendant has sought to offer numerous explanations for her conduct: importantly she accepts that she conducted many reversals and seeks to blame others for similar conduct. In those circumstances she is not seeking to criticise Horizon; rather she is seeking to justify that which she admits to having done *i.e.* the conducting of numerous reversals. Accordingly I advise that. *At this stage of the case.* These reports should NOT be disclosed to the defence.

15. The only note of caution I would sound is in relation to the Helen Rose report. That report deals specifically with Horizon reversal transactions and identifies NOT a Horizon defect but a Horizon data presentation issue. The conclusion of the report amounts to this: that Horizon ARQ spreadsheets are not specific enough in identifying whether a reversal is system-generated (*e.g.* Recovery) or manual, although such information may be easily obtained from the underlying logs. Helen Rose concludes her report with a recommendation that the ARQ spreadsheets have inserted into them a further column so as to permit this distinction to be made.
16. I advise therefore that the underlying logs used to extract the standard ARQ spreadsheet be examined to determine whether or not any of these reversals are system-generated or manual. I suspect that almost all will be manual, given this defendant's comments in interview.
17. Once we have the information indicated in the preceding paragraph, and a Defence Statement, we can then determine whether the Second Sight Interim report and the Helen Rose report are to be disclosed – if there remains no credible attack on Horizon and the vast majority of reversals are manual then there can be no disclosure. It serves to recall the test for disclosure: we are required to disclose material to the defence where that material "...might reasonably be considered capable of undermining the case for the prosecution ...or of assisting the case for the accused...." If matters remain as they are then that test is not met with either report.

Conclusion

18. This case should be permitted to continue. There are no Horizon issues and the defence has not attacked Horizon. Neither the Second Sight Interim report nor the Helen Rose report is to be disclosed.

Simon Clarke
Barrister
Cartwright King Solicitors

23rd July 2013