

In the Guildford Crown Court

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V

Seema Misra

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Further Request for Disclosure

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Contract

1) Please provide a copy of our client's signed Post Office Contract for Services. The initial response to this request was that it was already provided at pages 11 and 12 of the exhibit bundle. Page 11 is a signed acknowledgement and page 12 is page 47 of the contract. Please provide a full copy of the contract signed by our client.

I enclose a copy of the Subpostmasters Contract.

2) In a response dated 30 December 2008 to an FOI request, the Post Office indicated that, between July 1999 and December 2008, 244 sub-postmasters had their contracts terminated under s1, Paragraph 10 of their Contract for Services.

a) Please confirm the same information for 2009

b) Please indicate how many of those sub-postmasters had losses recorded on the Horizon system.

These are the details of all subpostmasters who had left the business up to mid-November 2009. I have no information to part (b).

Count of Reason for Leaving	Perm/Temp Contract		
Reason for Leaving	Permanent	Temporary	Grand Total
Abandonment	3		3
Abandonment of Service	1		1
Appointment Suspended	1		1
Change to Company Operated Contract terminated by POCL	443	2	443
	35		37

Death	23		23
End of contract	193	27	220
End of Season	2		2
Family transfer	3		3
Network Change	250		250
Resign to avoid termination	41		41
Summary terminated	12		12
Suspension	151		151
Terminate following suspension	37		37
Voluntary resignation	540	2	542
Grand Total	1735	31	1766

**Training (Responses supplied by Anita Bravata Field Support Manager for this section).**

1) Please provide a copy of the training manual supplied to the Defendant.

We do not have a training manual, we use the Counter Operation Manuals as our definitive reference point, Subpostmasters are encouraged to use these to follow through transactions. These are retained at the Post Office®.

2) Please provide the date when the manual was supplied and, if supplied in parts, the dates on which each part was supplied.

The Operation Manuals are not issued by the training team they are sent directly to the Offices from Stores. Tracey Cox may be able to help with dates of when the operation manuals were issued. (I have been in contact with Tracey Cox and she has sent me a CD containing all the operational publications. Tracey was not too keen on the idea of people outside of the business being allowed detailed information about all our procedures and maybe you (Warwick) could advise on this point. Tracey Cox may be able to confirm dates when updates were made to the manual, but the defence need to be more specific and state which particular transaction they require this information for as they have been numerous updates.

3) Please provide copy records of all training provided to the Defendant.

I have in my possession a record of the following training;  
Confirmation of Sales Training and FSA Compliance.  
Performance Standards Assessment.

Learning Action Plan.

Request for Ad-Hoc Training.

Training Requirements For Incoming Subpostmasters

- 4) Please provide details of the qualifications of the trainer and their ability to train sub-postmasters on the Horizon system.

No specific training qualifications, experienced counter clerks that have progressed into the role

- 5) During the second week of the Defendant's tenure as sub-postmistress at West Byfleet the trainer was present during the weekly reconciliation. He called the helpline to request explanation as to a loss as, in his opinion, the Defendant had at all times followed procedure. No explanation was given and the Defendant made good the loss. Please provide the following information:-

- a) The name and contact details of that trainer (to assist in identification the defendant recalls his name was Michael and he was black).

Michael Opebiyi is our only trainer that fits your description,

Mobile

**GRO**

- b) What enquiries were made, bearing in mind the request came from a trainer, as to the cause of this loss.

Michael's reply - I am sorry I can't remember the training for the office, the PSA and the learning actions will be on file for the office. I didn't raise any issue as to loss of stock or cash during my time at the office.

- 6) In light of the above, the statement by Fujitsu that the calls to the helpline were of a routine nature is not accepted. Please provide a copy of the log of all calls made to the helpline by West Byfleet Post Office for a period from 6 months prior to the Defendant becoming sub-post until the present day.

Fujitsu will provide a CD containing all Helpdesk calls made during this period.

- 7) Has the Post Office provided any training in the identification of lost EPOS transactions and, if so, please provide details of when such training was provided to the Defendant.

If a problem occurs with Horizon, you should phone NBSC and they will talk you through what you need to do. It is not covered on the course so that people do not try to correct it themselves.

Not sure what you mean by EPOSS transactions, as we do not currently have an EPOSS based system.

**Investigation**

- 8) During investigation the Defendant was given the clear impression that she was the only sub post office suffering with difficulties. Please confirm how many sub post offices have undergone some form of investigation, since the introduction of the Horizon system, arising from alleged losses on the system.
- 9) During the Defence visit to the sub Post Office at West Byfleet, the investigating officer, John Longman, made it clear that it was Post Office policy that investigating officers should never consider systems problems as relevant to their enquiry. Please provide details of the reasoning behind this policy.

Not true. I told the defence that the auditors would alert me to any problems with the Horizon system as they would be using it to complete the audit. It also goes without saying that if at the interview stage with Ms Misra she had mentioned problems with Horizon as opposed to GRO then enquiries would have been instigated with the Helpline and Fujitsu to confirm or dismiss what she was saying.

I have rechecked Adrian Morris's report and can confirm that no mention of Horizon problems was made. I enclose the extract from his report below.

"Ms Misra said that the shortages in the office, were due to previous GRO GRO She added that the loss had been carried for over a year. Ms Misra said that when they first took on the business, they GRO to run the office. She states that after a while she noticed things weren't right and a theft of £1,000.00 had been reported to the Police. She added the GRO as the losses were uncovered. Although only £1,000.00 had been reported to the Police, Ms Misra said the loss was actually between £89,000.00 and £90,000.00. Ms Misra confirmed that this loss had been carried since around November 2006. Ms Misra added that they had been paying money back into the account in order to try and reduce the loss.

Ms Misra explained that she would hide the shortages by not only falsifying the cash on hand figure, but also falsely declaring cash in

pouches or currencies awaiting despatch. When shown Branch Trading Statement for Branch Trading Period 08, 2006/2007 dated period 15 November to 14 December 2006 Ms Misra confirmed that the cash on hand figure of £27,993.73 and currencies awaiting collection figure declared as £13,070.00 were both falsified figures. When shown the Branch Trading Statement for Branch Trading Period 02, 2007/2008 dated period 16 May to 16 June 2007 and the Branch Trading Statement for Branch Trading Period 08, 2007/2008 dated period 14 November to 15 December 2007, Ms Misra confirmed that the declared cash on hand figures and currencies awaiting collection were false figures. Ms Misra confirmed that all Trading Statements since Branch Trading Period 08, 2006/2007 were false accounts."

10) John Longman accepted that there was no Post Office requirement that he should understand the operation of the Horizon system in order to properly conduct his investigations. Please provide details of the training given to investigators to enable them to properly conduct an investigation. Given his lack of understanding of the system what back up teams does the Post Office have to ensure all reasonable explanations are considered before a criminal investigation is commenced.

I explained to the Defence that I have a working knowledge of the Horizon system but it is not up to the level of a counter clerk who works with the system on a daily basis. That is why I referred a lot of the questions he raised to one of the clerks at the PO. As an Investigator we deal with all types of cases and when we need guidance or advice on a particular fraud we will consult with Branch Managers, Counter Clerks, Contract Advisors, Other Investigators and external agencies such as DVLA or Fujitsu to assist with the understanding of the fraud.

Initial Investigator training comprised of a 4-6 week residential course. We also receive ad hoc training at times and our required to work on the Post Office counter for a few days at Christmas and during strike action.

#### Horizon System

11) In the Defence Expert's interim report reference was made to the need to have sight of service logs for West Byfleet. Comment has been made as to the huge cost involved in pursuing this exercise. Please provide details as to the work involved in this action and why the cost is so high. Depending on the answer provided to this request and others contained in this document, a decision will then be taken by the defence as to whether this action needs to be pursued.

12) Please provide details of any business testing carried out by the Post Office on the Horizon system before it went live.

You would need to ask POL about this as we are only responsible for managing live service. Horizon has undergone stringent testing before it was installed and as far as I am aware, no evidence exists of the Horizon equipment ever being proven to have been responsible for anything untoward.

13) Please provide a certified audit trail in relation to the Defendant's Horizon accounts.

TfS was only installed in September 2007. (TFS (Triole For Service) is the current Helpdesk call logging system, it replaced the "Powerhelp" system in 2007). A Cd of all calls will be collated by Fujitsu

14) Please confirm the following:-

- a) When, and why, the hardware in the system at West Byfleet Post Office has been changed.

These exchanges will have been completed by Touch logistics who are our preferred third party supplier for engineering services. They are purely hardware swaps following a standard set of processes.

- b) When new hardware was installed at West Byfleet was it brand new or reconditioned (i.e. existing hardware that has been wiped prior to installation).

All the Hardware is reconditioned, we will replace any hard-drives that show as having bad blocks at repair and we scrap any base units that are returned with the same fault three times. When kit is sent back from any branch, it has its memory wiped and a full software reload takes place. The install software is then installed, and the base unit is then uniquely configured to the FAD code it is being installed at when it is taken to site by the engineer. A base unit will NOT work at any branch if it is simply taken from one location and an attempted install is made at any other.

- c) If it is the latter please confirm the identity of the Post Office from which the reconditioned hardware came and why the hardware had been removed from that Post Office.

The location of the hardware being installed at this branch is not relevant as it is returned to repairer prior to ever being sent out to a new branch and will undergo the tests and processes as described above.

15) Please find attached a statement from GRO In light of the content please provide the following information:-

- a) in relation to the sub post office in GRO

- i) Full disclosure of the issues raised by her.
- ii) The nature of the apparent losses.
- iii) Full disclosure of the steps taken by the Post Office to rectify those losses on the system thereby removing the deficit.
- iv) The findings of the Post Office as to the cause of the Horizon system to show these losses.
- v) The identity and contact details of the woman who contacted her with a view to resolving the problem.

- b) The identity of other post offices that were found to be having problems as a result of her enquiries.
- c) Whether those Post Offices also had deficits rectified.
- d) What steps, if any, were taken by the Post Office to upgrade the Horizon system nationally to take into account their findings.

Post Office Security Team dealing with this point (see separate e-mail to you)

- 16) The Defence Expert's second interim report makes reference to the visit to an unnamed post office. Please confirm that no action will be taken against the post master in respect of our visit in order that we can identify this post office and request full disclosure in relation to that post office.

Post Office Security Team dealing with this point (see separate e-mail to you)

- 17) In light of the Post Office's stated intention to commence rolling out the new computerised accounting system from January 2010, please confirm what steps are being taken to preserve the end to end architecture of the Horizon system in general and, in particular, to West Byfleet Post Office.

Post Office Security Team dealing with this point (see separate e-mail to you)

- 18) The Prosecution has always maintained that there is no problem with the Horizon system. Further it has given the impression that the Defendant's defence of raising issue with the system has no merit. To counter that stance, the Defence raise the following cases by way of example. Others are in the pipeline.

- a) On 9<sup>th</sup> December 2009 the trial of R v Macdonald, a post office prosecution for theft and false accounting, is due to commence at Preston Crown Court. In that case the Defence have served an interim expert's report from a Forensic Accountant raising potential issues, similar to this Defence Expert's IT report, with the Horizon System. Please provide full disclosure of this case including prosecution summary, defence case statement and expert's report.
- b) On 14<sup>th</sup> December 2009 the trial of R v Hosi, a post office prosecution for theft and false accounting, is due to commence at Snaresbrook Crown Court. In that case the Defence have served an interim expert's report from a Forensic Accountant, similar to this Defence Expert's IT report, raising

potential issues with the Horizon System. Please provide full disclosure of this case including prosecution summary, defence case statement and expert's report.

Post Office Security Team dealing with this point (see separate e-mail to you)

19) In light of the information supplied to the Prosecution in paragraphs 15, 16 and 17 above please now provide details of:-

- a) All post offices, past and present, that have experienced losses with the Horizon system.
- b) All prosecutions, past and present that have been brought for theft and/or false accounting as a result of alleged losses on the Horizon system.

Post Office Security Team dealing with this point (see separate e-mail to you)

When considering the request raised in this paragraph, we have taken into careful consideration that prosecutions by the Post Office are dealt with by one office as opposed to the CPS which has numerous offices around the country.

Issy Hogg

**GRO**