Catherine Churchard LLB
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7 October 2004

Messrs Frisby & Co
Solicitors
GRO
For the attention of Andrew W Broome

Our Ref: CRM/23950-1/DH/dmt
Your Ref: AB/VK/10161

Dear Sirs

REGINA -v- CARL ADRIAN PAGE
STAFFORD CROWN COURT – TRIAL – 4 JANUARY 2005

I write further to previous correspondence in this matter and in particular your letters of 23 April 2004 and 20 September 2004.

For ease of reference, I will deal with your request for further material initially requested in your letter of 23 April 2004 using the headings referred to therein.

<u>Page 2 Request: Disciplinary Notes</u>

4 The league table indicating STAM (System Transaction Accuracy Management) was produced monthly during the period covered by the Indictment. The STAM system would update the figures monthly and a hard copy of the table would be forwarded by post to the post office concerned. The team in Chesterfield, who input the errors, did not retain a hard copy.

The tables would be accessible to other interested parties via the post office intranet site. Mr Coney, as a Retail Line Manager, would have used the tables to address any issues with offices in his area. Mr Coney has been contacted and is unable to say whether he would have kept the league tables on his computer or printed them out. He does not have copies in his possession now.

5 In relation to the offer for Mr Page to shadow a Branch Manager, arrangements were made with Cannock Post Office (being convenient to Mr Page) for this facility to be made available. Mr Page did not pursue this course of action. As Mr Page was not an employee of the post office, this was something that Mr Coney could not insist that Mr Page do.

I enclose copies of all notes in Mr Coney's possession relating to Mr Page and Rugeley Post Office.

[illegible] Churchard LLB
[illegible] Legal Services Director

Pages 2 to 5: General Matters

1 Mr Stacey refers in his statement to the amount paid per transaction as being £1.12. This is in fact incorrect, the amount payable being £1.16. An additional statement correcting this error is being obtained and will be served by way of additional evidence. When Mr Page received his monthly wage slip, he would also have been provided with a detailed breakdown of each product, which would show how many transactions were conducted in that period and the amount payable per transaction.

2 A copy of the Post Office Limited' standard corporate customer (Bureau de Change) contract is enclosed.

4 The relevant part of the contract has already been disclosed to you. The position of the prosecution remains the same – the contract is commercially sensitive and not undermining. It will not be copied in full save under a Court Order. Although the document has been referred to in evidence which has been served, it does not follow either that the entire document should be supplied or that time-consuming redactions should be made.

6 I enclose a copy CD showing all Bureau de Change on demand office weekly summary figures from Week 01 (week ending 3 April 2002) to Week 43 (week ending 22 January 2003).

8 It is correct that there is no written instruction that says business cheques can be accepted for the Bureau de Change. However, the Cash and Cheques Acceptance Operations Manual Version 3, September 2002 (copy already supplied) deals with the various types of products for which personal cheques and business cheques with a post office issued cheque authority card can be used. If you refer to Section 10, Pages 46-48, you will see that the position is fully set out.

9 I have been advised that any list referred to by Mr Hutchins is no longer available. The information supplied at 6 above shows the high level of sales and therefore orders from other outlets throughout the country.

10 The volume and amount of currency sent to any particular post office is keyed into a computerised Access programme (Borders Database) on a daily basis. The hard copy documents used to input this data have been destroyed in line with internal policy. LGH/04 was produced by Mr Hutchins keying into the system the name of the office in relation to which the information was required together with the relevant period. The schedule was then automatically generated from the database.

Mr Patel has obtained a further list which shows all currency types sent to Rugeley MSPO between 3 January 2002 to 1 January 2004. A copy is enclosed.

12 The only knowledge which Customs and Excise had of Mr Page prior to his arrest was his identity as the Sub Postmaster at Rugeley. I have to repeat that Mr Whitehouse was the target of an investigation into suspected money-laundering. Mr Patel's evidence does not conflict with my letter of 8 July 2004. Customs and Excise were aware of large value cheques being used by GRO made payable to the post office and datestamped on the reverse with the Rugeley datestamp.

Catherine Churchard LLB
Solicitor & Legal Services Director

Steve Cottier who has the relevant working knowledge of this case in terms of the Customs investigation, is on long-term sick leave. However, when the Customs and Excise documentation from Birmingham was reviewed on 28 September 2004, it was noted that the notebooks referred to by you were not included in that documentation. An examination of the notebooks in your possession will show that Mr P Hunt's activities are recorded in the notebooks of A Hudson, A Cureton and P Jones. The position regarding the remaining officers will be confirmed in due course.

The Prosecution does not consider that there is any further material which falls for disclosure. The material held by Customs will be retained by them. This is third party material and, as we do not consider that it falls for disclosure, should you wish to pursue the matter, it will have to be by the usual third party procedure by making an application for disclosure to Customs and Excise.

13 A further copy of the Customs and Excise draft schedule is enclosed.

16 The diary was not recovered during the search, nor has it been located at the office since.

17 In relation to training records, Mr Page took over the running of Rugeley Post Office in April 1997. At that time training for sub postmasters was conducted by each of the three training teams. Post Office Limited have since moved to one national training team and in the numerous reorganisations between 1997 to 2003, the business has taken the decision to destroy "old" training files in an attempt to cut down on storage space. There are accordingly no training records held by Post Office Limited in relation to Mr Page and Rugeley MSPO. Mr Page would have received sufficient training at the commencement of his employment to ensure that he was able to manage the running of the outlet.

The Money Laundering section in Post Office Limited was set up at the beginning of the 2002/2003 financial year. A publication was sent out to all post office branches in September 2002, providing instructions regarding the procedures to be followed in relation to money laundering, together with the forms to be used and who to contact. A copy of that publication is already in your possession.

19 The lists referred to by Mr Brown were screen prints that he examined. The number of offices holding more than £5,000 above their target could have run into hundreds and Mr Brown and his team would therefore start tackling the offices which were well over their cash holdings target.

The list would in any event be discarded after it had been dealt with, there being no retention period for the document and no requirement to print it off.

It is therefore not possible to replicate the list as it was when Mr Brown was making requests of Mr Page to return his excess cash.

All offices would have different targets for cash holdings and therefore are not comparable.

23 Mr Patel has confirmed that neither he, nor Mandy Bushell, made notes of the search at Rugeley Post Office. As you are aware, the Police had a warrant to search the post office and as such were in charge of the search, seizure and documentation of any exhibits.

In relation to your letter of 20 September 2004, I reply as follows to the matters listed under the heading "Other Matters":-

1 My apologies. Copies of both transcripts are now attached.

2 The Financial Investigation Unit who undertook the financial investigation obtained copy bank statements through Production Orders and the relevant material has already been produced either as exhibits within the main papers or as Non-Sensitive Unused material.

I enclose copies of the mobile telephone records of Mr Page. These were checked by the Police for calls made to Mr Page's wife, Mr Whitehouse and Mr Horton. The Police then made a list of the date, time and duration of the call; this list is attached to the telephone records.

No records were passed to the Post Office Investigation Department advising them of the extent of the Police enquiries. Mr Patel was advised verbally that the checks showed calls made from Mr Page's mobile to the mobile of GRO, although these calls were only for a short duration and both had confirmed in interview that they did call each other.

3 The Officer in charge is believed to be Margaret Pearce.

The stock unit referred to is Stock Unit 05. Mr Patel has been informed by the existing staff at Rugeley MSPO that Stock Unit 05 at the time was held by a lady called Sue. We are not aware of her surname.

4 A copy of Post Office Limited's Corrective Action Policy (2002) is enclosed; this deals with disciplinary/suspension matters. Jim Coney has visited Rugeley Post Office on several occasions and gone through any issues with Mr Page to make sure that he had an understanding of what was being required of him. Your Client will, of course, be able to supply you with any details which you consider to be relevant.

5 The monitoring undertaken related to Mr Coney keeping a close eye on the STAM figures over the following three months to see whether the performance of the office had improved. The fact that there was no further correspondence with Mr Page after the three month period meant that the performance of the office had improved, alleviating Mr Coney's immediate concerns. As already indicated, the STAM tables are updated monthly and accordingly no records exist to demonstrate this.

I enclose a copy of the material used by Neil Roberts to prepare his statement. As indicated at Paragraph 1 [Under Pages 2 to 5: General Matters], Mr Page would have received a detailed breakdown with his monthly wage slip.

I enclose a copy of GRO Defence Statement. Mr Page's Defence Statement will be copied to GRO Solicitors.

Catherine Churchard LLB
Solicitor & Legal Services Director

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Finally, having considered the contents of your Client's Defence Statement, I confirm that secondary disclosure has now been considered. I enclose herewith copy Form CS006C confirming that there is no disclosable material.

Yours faithfully

GRO

Debbie Helszajn
[redacted]
Senior Lawyer
Criminal Law Team

Enclosures