

- 4 APR 2000 - 3006

Electronic memo

To: Keith K Baines
cc:
Hard Copy To
Hard Copy cc
From Lynn Hobbs/POCL/POSTOFFICE
Date 04/04/2000 05:53
Subject: Horizon - Offices to be investigated

Keith

My apologies for not sending this earlier, I wanted to be certain that the information we were supplying you with was accurate and I therefore had the weekly office cash account information checked against that received from audits and transaction processing. Both offices have received additional support from HFSOs who investigated the cash accounts to the best of their ability and could not identify any reasons for the shortages. I am told by TP that no outstanding error notices exist for these offices and that in their opinion they cannot identify any system problem for the errors. The worst of the two is **Two Ball Lonnen** with an outstanding loss of **£647220.58**, the second offices **Hazelrigg** has an outstanding loss of **£4550.32**. Both offices are run by the same multiple, Nigel Mills, who has a number of other offices in my area. In both instances comments were made by HFSOs about migration errors that would generate error notices and consequently the subpostmaster is now refusing to repay the loss. I know very little about the system but in the case of Two Ball Lonnen this office migrated on a Wednesday so the cash account was completed manually and I would have thought that only the cash and stock figure to be carried forward would have been migrated onto the system. This appears to have happened. In the case of both offices the Helpdesk suggested that the system was experiencing problems which would eventually be resolved and an error notice would be generated. RNMs knowledge of the system was extremely limited and these assurances were therefore accepted and the offices allowed to carry the amounts in their suspense accounts.

I am attaching an excel workbook which summarises all of the cash account/error notice discrepancies recorded at these offices from migration to week 51. I am also attaching a summary of the issues related to Two Ball Lonnen as recorded by the RNM up to week 31.

I am extremely concerned that a fraud of some description may have been committed at one or both of these offices particularly as errors relating to P&A summaries have now been received (again these are being disputed as system errors) and the initial problems with the Horizon system has created the perfect opportunity to enable this to happen. The subpostmaster does not accept that he should make good any of the monies citing comments made by HFSOs and the Helpdesks to support this.

I do not believe we should write off almost £70k without evidence that the system somehow "created" these errors and they are just "paper errors". On the basis of the possibility of fraudulent activity I would appreciate your help in accessing transaction information from Pathway to investigate exactly what has happened from migration to date at both of these offices.

If you need anything further or wish to discuss please do so.

Thank You
Lynn



T.B. Lonnen - Hazelrigg Horizon migration Two Ball Lonnen no

Head of Retail Network
Post Office Network
Post Office Network - North

Darlington RNM Group Office, Crown Street, Darlington, CO DURHAM, DL1 1AN

STD Phone: , Fax: Mobile:

External eMail: lynn.hobb

364329 - Two Ball Lonnen

Two Ball Lonnen
Office Code - 364329
Migration date - Wk 5

Wk No	Declared Discrepancy		Authorised Cash Shortage		Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA		Credit E/N BTA		Error type
	surplus	short										
1		£41.54	£20.50									
2	£41.22		£20.50	£41.54								
3	£25.99		£20.50	£41.54	£41.22							
4		£83.90					£30.10 (BTA 13)					Chq to DC
5	£11,285.43				£11,285.43	£5.00/£2164.25/£84.16 (BTA 11/18/9)	£100.31/£209.37/ £379.91 (BTA 11/15/10)					Giro, Rems, BT, C/A, APS, Chqs
6	£10,746.01				£11,285.43	£20.00/£84.64/£691.16/ £7080.00 (BTA 11/14/37/13)	£271.37/£586.79 (BTA 18/11)					Giro, Chqs, Green G, BT, Green G, BTSS
7		£3,524.23			£22,570.86		£32.00/£29.08/£510.51/£109.00/ £803.88 (BTA 13/26/15/13/18)					BTSS, APS, Chqs, Giro, Rems
8		£3,473.27			£22,570.86							
9		£3,486.77	£3,524.23		£22,621.82		£66.00/£117.00 (BTA 28/24)	£84.16				Giro, BTSS,
10	£1,832.71		£6,837.46		£22,535.05	£30.00/£379.91/£100.00 (BTA 16/36/15)	£212.10/£1053.89 (BTA 21/20)			£379.91		Green G, Rems, C/A, C/A, Giro
11	£1,585.80		£6,457.55		£24,367.76	£100.00/£687.10 (BTA 36/36)			£5.00 £20.00	£100.31 £586.79		Giro E/N, E/N proc incorrectly
12		£2,469.35	£5,670.45		£25,928.56							
13	£15,438.13		£7,968.70		£18,848.56			£7,080.00		£30.10 £32.00 £109.00		

364329 - Two Ball Lonnen

Two Ball Lonnen

Office Code - 364329

Migration date - Wk 5

Wk No	Declared Discrepancy		Authorised Cash Shortage		Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA		Error type
	surplus	short									
14		£10,024.22	£7,968.70		£34,002.05	£101.64 (BTA 27)		£84.64			Rems
15	£600.00	£2,699.78	£17,273.04		£33,902.05		£20.00/£400.00 (BTA 21/24)	£100.00	£209.37	£510.51	Giro, Instants Act.
16	£582.61		£17,717.83		£27,207.41	£400.00/£400.00 (BTA 23/23)		£30.00			Instants Act., Instants De-act.
17		£3,019.90	£17,717.82		£27,790.02	£5.00/£400.00/£400.00 (BTA 22/23/23)	£92.00 (BTA 27)				Giro, Instants De-act., Instants act., TVLSS
18	£53.00	£660.20	£19,662.47		£25,625.77		£88.00/£64.00/£45.00 (BTA 27/27/27)	£2,164.25	£271.37	£803.88	TVLSS, BTSS, BGSS
19		£7,427.27	£20,322.67		£25,678.77						
20	£5,434.10		£27,749.94		£25,625.77		£202.00 (BTA 27)			£1,053.89	TVLSS
21	£53.00	£2,220.22	£27,517.84		£31,059.87				£212.10	£20.00	
22	£53.00	£2,161.29	£29,738.06		£31,054.87			£5.00			
23	£53.00	£3,514.89	£29,716.06		£29,454.87		£110.00/£110.00 (BTA 32/32)	£400.00 £400.00 £400.00 £400.00			PB chq enc. as Dep., Pbchq enc. overstated
24	£53.00	£2,762.28	£33,335.95		£29,454.87		£400.00/£98.58/£413.17/£400.00 (BTA 30/30/32/30)		£117.00	£400.00	Rems, Giro, E/N proc incorrectly
25	£53.00	£3,663.26	£36,098.23		£29,454.87						
26	£53.00	£7,065.41	£39,732.41		£29,454.87	£1000.00 (BTA 38)			£29.08		Giro

364329 - Two Ball Lonnen

Two Ball Lonnen

Office Code - 364329

Migration date - Wk 5

Wk No	Declared Discrepancy		Authorized Cash Shortage		Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
	surplus	short								
27	£92,952.81		£46,306.82		£29,353.23			£101.64	£92.00 £88.00 £64.00 £45.00 £202.00	
28	£53.00	£92,589.17	£46,240.82		#####				£66.00	
29	£53.00	£3,722.90	£138,829.99		#####	£30.00 (BTA 34)				Giro
30	£6,253.27		£141,654.31		#####				£400.00 £98.58 £400.00	
31	£53.00	£15,705.10	£141,654.31		£128,559.31					
32	£53.00	£1,243.06	£156,726.24		£128,559.31	£400.00/£158.06/£400.00 (BTA 44/46/44)			£110.00 £110.00 £413.17	Fam Tax overst, Instants Act overst
33	£53.00	£12,029.72	£157,969.30		£128,559.31					
34	£10,226.25		£169,999.02		£128,529.31		£99.00 (BTA 46)	£30.00		Giro
35	£53.00	£3,607.23	£169,999.02		#####					
36	£53.00	£2,342.34	£173,606.25		#####		£100.00 (BTA 48)	£379.91 £100.00 £687.10		Green G
37	£379.18		£175,848.59		#####	£1415.90 (BTA 43)		£691.15		Giro
38	£53.00	£250.41	£175,848.59		#####			£1,000.00		
39	£53.00	£1,181.97	£176,099.00		#####					

364329 - Two Ball Lonnen

Two Ball Lonnen

Office Code - 364329

Migration date - Wk 5

Wk No	Declared Discrepancy		Authorised Cash Shortage		Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
	surplus	short								
40	£53.00	£35,077.94	£177,280.97		#####					
41	£35,021.31		£212,358.91		#####					
42	£53.00	£356.89	£212,358.91		£171,297.88					
43	£3,278.10		£212,765.80		£169,881.98			£1,415.90		
44	£53.00	£3,777.19	£212,765.80		#####			£400.00 £400.00		
45	£53.00	£1,306.66	£216,542.99		#####					
46	£1,385.63		£217,750.65		#####			£158.06	£99.00	
47	£444.30		£217,750.65		#####					
48	£53.00	£2,153.69	£217,650.65		£174,031.95				£100.00	
49	£288.33	£278.53	£45,431.06							
50	£525.62		£45,431.06	£315.37	£9.80					
51	£43.41		£45,431.06		£130.05					

Outstanding Error Notices

week 5 = £1,607.05 (Charge) P&A
 week 6 = £10,212.95 (Charge) P&A
 week 7 = £7,518.07 (Charge) P&A
 week 12 = £81.00 (Charge) P&A

£19,419.57Total owed to POCL= £64,720.58

249329 - Hazelrigg

Hazelrigg
Office Code - 249329
Migration date - Wk 6

Wk No	Declared surplus	Discrepancy short	Authorised Cash Shortage				Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
1	£33.28								£90.00 (BTA 14)			Rep understated
2		£15.19							£395.83 (BTA 16)			local schemes
3		£402.92	£15.19					£342.00/£242.00 (BTA 14/22)				z/n not on Dns53, NSB
4	£68.74		£15.19	£402.92								
5		£88.06	£15.19	£402.92			£68.74	£90.00 (BTA 14)				Chqs to DC
6		£519.96	£506.17				£102.02	£176.81 (BTA 12)	£308.72/£176.81 (BTA 18/19)			P&A understated, local schemes, Giro
7	£10.00	£362.34	£506.17	£519.96			£102.02	£20.00 (BTA 14)	£30.00/£632.82 (BTA 14)			Gas recharge, Giro, Chqs to DC
8	£725.00	£1,026.00	£506.17	£519.96	£352.34		£102.02	£24.55 (BTA 14)				Giro
9		£699.98	£1,532.17	£519.96	£352.34		£827.42	£46.00/£105.00/£11.78 (BTA 20/24/14)	£384.87/£24.29/£233.70/£98.00 (BTA 17/20/20/24)			Chqs to DC, AP over, Gas recharge, G Giro, Camelot, Camelot prize, Giro
10		£1,258.22	£1,532.17	£519.96	£352.34	£699.98	£827.42	£53.00 (BTA 40)	£2117.36 (BTA 15)			Gas recharge, Giro
11		£2,275.41	£274.17	£519.96	£352.34	£699.98	£827.42	£92.00/£57.00 (BTA 20/36)				TVLSS, P banking, Gas recharge
12		£4,957.57	£2,001.24	£519.96	£352.34	£699.98	£650.61	£53.60/£30.00 (BTA 22/36)				G Giro, P&A over, Gas recharge
13	£41,171.98	£1,811.94	£9,079.43					£43.00 (BTA 36)	£582.30 (BTA 23) £204.81/£20.00 (BTA 23/18)	£176.81		Chqs to DC, Gas recharge, Giro

249329 - Hazelrigg

Hazelrigg
Office Code - 249329
Migration date - Wk 6

Wk No	Declared surplus	Discrepancy short	Authorized Cash Shortage				Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
14	£4,273.79	£1,027.94	£9,079.43				£4,273.79	£58.33/£619.30/£339.00/£1028.00/£56.33/£339.00 (BTA 28/23/49/24/26/37)	£100.00/£325.00/£315.38/£802.82/£802.82 (BTA 24/24/24/37/37)	£242.00 £30.00 £20.00 £24.55 £11.78	£50.00 £30.00 £832.82	E/N incorrect (*8), Chgs to DC, NSB, TVLSS, Camelot, Camelot prizes, P&A, NSB
15	£545.09	£200.00	£10,107.37				£4,273.79		£200.00 (BTA 30)		£2,117.36	Rec misbalance
16	£487.66	£200.00	£10,107.37				£4,273.79				£395.63	
17		£3,935.91	£10,107.37				£4,561.45		£364.87/£364.87 (BTA 36/36)		£364.87	E/N incorrect (*2)
18		£3,299.86	£14,043.28				£4,561.45		£308.72/£308.72 (BTA 36/36)		£308.72 £20.00	E/N incorrect (*2)
19		£7,665.02	£14,043.28				£4,561.45		£176.81/£176.81 (BTA 36/36)		£176.81	E/N incorrect (*2)
20		£947.24	£14,043.28	£7,665.02			£4,561.45	£35.00 (BTA 36)		£46.00 £92.00	£24.26 £233.70	Gas recharge
21		£33.22	£11,694.98				£4,561.45					
22		£319.35	£11,694.98	£33.22			£4,285.85			£242.00 £33.60		
23		£482.37	£11,694.98	£33.22			£4,285.85			£619.30	£80.00 £562.30 £204.81	
24	£140.48		£10,855.60	£33.22			£3,152.85			£105.00 £1028.00	£39.00 £100.00 £325.00 £315.38	
25	£539.69		£10,855.60	£33.22			£3,012.37	£800.00 (BTA 31)		£56.33		Rems over
26		£575.32	£10,855.60	£33.22			£3,012.37			£56.33		

249329 - Hazelrigg

Hazelrigg
Office Code - 249329
Migration date - Wk 6

Wk No	Declared Discrepancy surplus short	Authorised Cash Shortage				Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
27		£306.25	£10,855.60	£33.22			£3,012.37				
28		£558.32	£10,855.60	£33.22			£3,012.37	£150.00 (BTA 33)			Giro
29		£672.30	£10,855.60	£33.22			£3,012.37				
30		£340.32	£10,855.60	£33.22			£3,012.37		£339.00	£200.00	
31		£202.33	£10,855.60	£33.22			£3,012.37		£800.00		
32		£288.28	£10,855.60	£33.22			£3,012.37	£800.00 £60.00 (BTA 43/42)			NSB, AP over
33		£100.60	£10,855.60	£33.22			£3,012.37	£100.00 (BTA 42)		£150.00	Withdrawal not entered
34		£161.61	£10,855.60	£33.22			£3,012.37	£15.00 (BTA 44)			P Banking missing
35	£552.56		£10,855.60	£33.22			£3,012.37				
36	£1,418.89		£10,855.60	£33.22			£3,012.37 £3012.37 £1418.89	£82.35 (BTA 46)	£57.00 £30.00 £43.00 ££35.00	£364.87 £364.87 £308.72 £308.72 £176.81 £176.81	P&A
37	£1,526.73		£10,855.60	£33.22						£802.82 £802.82	
38	£36.90		£4,931.76								
39	£252.83		£4,931.76				£36.90	£331.00 (BTA 49)			Camelot prizes

249329 - Hazelrigg

Hazelrigg
Office Code - 249329
Migration date - Wk 6

Wk No	Declared surplus	Discrepancy short	Authorised Cash Shortage				Surplus held	Charge E/N actual week	Credit E/N actual week	Charge E/N BTA	Credit E/N BTA	Error type
40	£71.27		£4,931.76				£289.73			£53.00		
41	£8,796.80	£203.84	£4,931.76				£289.73	£250.00/£484.00/£201.00 (BTA 48/44/48)				giro ("2), TVLSS, Gas recharge
42		£14,430.63	£4,771.76	£203.84			£9,086.53				£60.00 £100.00	
43	£349.18		£4,771.76	£14,634.47			£9,086.53					
44	£996.54		£4,771.76	£14,619.47			£8,941.71			£494.00	£15.00	
45		£10.48	£4,771.76	£14,589.47			£8,941.71			£988.00	£35.00	
46	£32.01		£4,771.76	£14,599.95			£8,859.36			£82.35		
47	£38.98		£4,771.76	£14,599.95			£8,891.37					
48	£4.00		£4,771.76	£8,180.28			£8,529.35					
49	£942.34		£4,310.76	£8,180.28			£8,202.35			£331.00	£800.00	
50		£218.24	£4,550.32	£8,180.28			£8,202.35			£239.56		
51	£27.06		£4,550.32	£8,180.28			£8,202.35					

Total owed to POCL

= **£4,550.32**