

Glenn Chester

29/01/2010 16:51

To: Mike Wilcox/e/POSTOFFICE@POSTOFFICE

cc: John Breeden/e/POSTOFFICE@POSTOFFICE

Subject: Notification of Suspension - Mr Michael Rudkin (Ibstock Post Office 223 217)

Mike

As discussed, following irregularities revealed at an audit of Ibstock branch today, I have issued Mr Mike Rudkin, Subpostmaster, with a precautionary suspension. At audit the following concerns were identified:-

1. National Lottery monies owing to the Post Office were not being paid into the Post Office from the retail side on a regular basis. At audit, £2447.00 of National

lottery sales were outstanding. The Subpmr produced £3k of monies to the auditor to correct this error.

2. BB stock unit was £4k down. The Subpmr stated that he had completed a transfer of the £4k from EE to BB stock on Wednesday night but the money had

'unfortunately' not been physically transferred into the stock unit.

The Subpmr states that this was due to ill health on Wednesday/Thursday.

The money was

produced by the Subpmr from the main official safe along with some paperwork that he had found at the bottom of the safe. The auditing officer suspects that

the £4k was introduced into the stock by the Subpmr but is unable to prove this. It is interesting to note that the notes were to the value of £3860.00 and were

in a paper bag. This begs the question, why weren't the notes in either EE stock or BB stock units?

The aforementioned audit had been requested after we received a number of confidential calls from staff members working at the branch, wishing to raise their concerns over a number of irregular practices they believed were occurring at the branch.

The first contact request came via the NBSC Helpline. This was made by Ruth Store (member of staff) on 11.01.10. The e-mail message that we received from the Helpline was as follows:-

TEL NUMBER LEFT GRO COULD MR WILLIAMS CONTACT RUTH STORE SHE IS

A MEMBER OF THE STAFF AT IBSTOCK PO 2232170 SHE AND THE OTHER 3 MEMBERS OF STAFF WOULD LIKE A MEETING WITH HIM AS MR RUDKIN THE POSTMASTER IS MAKING FALSE CASH DECS.

Mrs Store requested to speak with Paul Williams (Contract Manager) who dealt with the original disciplinary case involving Mr Rudkin and his wife. As that case had been concluded from the contractual side, I rang Mrs Store on either 14/15th January 2010 to introduce myself and discuss her concerns. Mrs Store was concerned that approx £1350 of lottery monies had not been paid into the counter from the retail side and that Mr Rudkin was transferring sums of money between stock units when in fact no money was actually being transferred. Mrs Store was concerned that Mr Rudkin was doing this to conceal the true level of cash on hand and she was worried that he was inflating the cash on hand to hide the shortage. As their stock units were being used for this purpose, Mrs Store and the other members of staff were extremely concerned that they could be implicated in any wrong-doing should the branch be audited - hence the reason for taking the difficult decision to raise their concerns with Post Office Ltd. I informed Mrs Store that I took her concerns seriously and recognised that it was not an easy decision on her part to contact the Post Office. I informed her that I would make further enquiries into her concerns and thanked her for raising them with me.

I received a second call from Susan Ball (staff member) on 19.01.10 (apologies telephone number not known). Mrs Ball re-iterated the concerns put forward by Mrs Store, in that she believed the cash at the branch was being inflated to cover a shortage and the lottery monies had not been paid over. In addition to this, Mrs Ball informed me that the atmosphere at the branch was taking its toll on the health of all the staff working at the branch, with staff having trouble sleeping and being constantly worried about the situation at the branch.

Subsequent enquiries were made with Glenys Devlin, Accounting Team in Chesterfield to see if she could identify any areas of concern at the branch. Nothing untoward was identified. However, noting the concerns of the two staff members a special audit was requested on 20.01.10.

I received another call from Ruth Store on my mobile on 27.01.10 asking if I could give her a call and up-date her on the latest situation. I spoke with her on th 27.01.10 and she informed me that one of the stock units was £4k short and there was approximately £2k of lottery monies outstanding. Mrs Store informed me that she thought Mr Rudkin was in

financial difficulties, as she had seen a letter from a financing company and was concerned that he was trying to secure the necessary finance to make good the losses before the branch received it's Horizon on-line migration visit - As part of the new installation of Horizon software, all branches will have their cash holdings checked. Mrs Store again expressed her concerns that the health of the staff at the branch was being adversely affected and asked when some action was going to be taken. I informed her that I had requested a special audit at the branch but could not disclose the date of when that audit would be taking place. I again emphasised the fact that I took her concerns seriously and thanked her for taking the time to give me a call.

As the audit has only taken place today, I've not had chance to speak with Mrs Store or Mrs Ball, as all the staff were sent home by Mr Rudkin. I am therefore unable to confirm whether they will be prepared to sign a statement confirming the aforementioned. Noting the previous irregularities at this branch, I would have expected the branch to be run perfectly. I am therefore very concerned with the findings reported at audit today and noting the fact that two of the staff members have taken the courageous step in reporting the Subpmr, I would be very grateful if you could please give consideration to looking into this case further. Many thanks.

Regards

Glenn

Glenn Chester

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