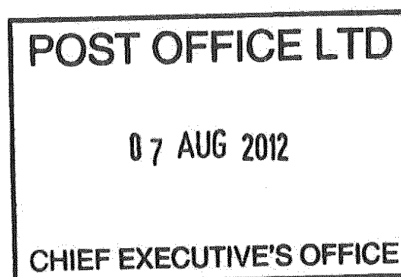


Dunston Post Office  
C/O  
P.Popov

**GRO**

Ms Paula Vennells  
Post Office Ltd  
100 Victoria Embankment  
London EC4Y 0HQ



5 August 2012

Dear Ms Vennells,

**Is Post Office Ltd stealing my money?**

I am a Subpostmaster at Dunston Post Office in Gateshead, fad no. 225 320 1 and I pose this question with all seriousness. I have been having a problem with unexplained shortages for more than 2 years. I had put in place a system of checks and double checks, so much so that we generally do not get any transaction corrections.

The operation of the office was reviewed by a subpostmaster with some 30 years of experience to assess the performance and see any obvious shortcomings. He did not discover any problems, but was not able to shed any light on the unexplained shortages.

I had tried to get the Help line to help without success, I discussed these problems and requested help from 3 different contracts managers over the course of last 3 years to help me, but no help materialised.

With the unexplained losses increasing we started to do a cash balance twice a day at lunchtime and in the evening, because my part time staff change shifts at lunchtime. It did not stop the losses but at least captured them within 4 hours period and I know when they occurred.

To ensure that the money is not lost due to staff stealing, I had installed CCTV system with two cameras on the counter with the staff agreement. After spending countless hours viewing videos I can state that transaction were carried out correctly and nobody took any money.

I attach a table of losses going back to August 2011 although I have much records back to 2009 and from the distribution of the loses it is apparent that the loses tend to occur in periods of heavy demand, particularly on Mondays. We were settling all losses to central, mainly because I did not believe that those losses were due to any mistakes made in the branch. Thus a substantial backlog of 'debt' was accumulating in Chesterfield.

As I was not getting any help from Post Office Ltd. and the loses were not sustainable, I decided by the end of 2011 to sell the post office. The sale was going through and was to be completed on 3 May 12 but it was postponed by POL,

Then on 2<sup>nd</sup> of May our gateway computer ( 3 position office) failed completely and we also lost ADSL connection. The ADSL was reinstated on 3 May by replacing the ADSL hub. The gateway computer was replaced on 4 May 2012 at the same time as the audit team walked in.

The auditors have audited and 'found out' all the loses from Chesterfield and whatever else was in the pipeline. I was suspended (for eight weeks), and suspension was reversed once I gave undertaking to repay all these losses to POL.

Once we reopened after the suspension was lifted, we served on the replaced gateway computer. The remaining two computers had to be replaced within 24 hrs of opening due to a flash flood.

So now we are in the sixth week of trading with all equipment replaced and we are balancing every day to a penny, we have not had one unexplained loss since we re-started..

I know that you have a great faith in Horizon system which is working fine now but we had serious problems before the equipment was replaced. I employ the same staff who operate in the same manner and yet there are no loses compared to daily loses for two/three years prior to equipment replacement.

I have been asking the contracts managers over last two to two and half years for the equipment to be replaced as it seemed suspect but all those requests were denied.

I hope that you will be able to satisfactorily explain why replacement of the hardware has changed the situation so dramatically so that we are balancing to a penny instead of losing thousands of pounds.

I believe that Post Office Ltd. has failed to maintain the equipment adequately and it produced the loses. And if the loses were caused by the faulty hardware, why would POL expect me to repay all the loses which was beyond my powers to stop them. It was only POL who could replace the faulty equipment.

During the suspension I did not receive any pay presumably because we were not opened. But we have a Bol ATM for which Bank of Ireland pays every month to POL for £300 of it to be passed to myself. I never received that money.

Our variable pay is based on TRPs. On the day of suspension there was about a month worth of TRPs on the system. When I was reinstated I did not get any TRP related pay. Where have all TRPs gone? These TRP have been earned by me and my staff. I had to pay wages for a month for those TRPs. I had to pay wages for a month since resumption of the business without TRP related pay.

And when I was suspended, it took over two weeks to get the result of the interview and I had to wait another two and half weeks to resume trading. Was this all part of a punishment that POL dispenses?

Or as I asked at the top of the letter: **Is Post Office Limited stealing my money?**

And finally, would you answer the following questions:

- 1 Why did loses stop occurring once the equipment in my office was replaced?
2. I was asking for help for 2 and half years. Why did I not get any help from POL?
3. Based on experience of others, I asked for the equipment to be replaced when heavy unexplained loses were happening. Why was it not replaced as requested?

I look forward to hearing from you.

Yours sincerely

**GRO**

Paul Popov

Cc  
Rt Hon James Arbuthnot MP  
House of Commons  
London SW1A

DUNSTON POSTOFFICE - UNEXPLAINED LOSES

TP6

Thu	25/08/2011			01/09/2011	-63.51	-55.92	08/09/2011	-30.01	-78.09	15/09/2011	-0.05	2.29
Fri	26/08/2011	-21.55	4.84	02/09/2011	-50.08	-48.13	09/09/2011	-181.79	-181.79	16/09/2011	4.3	-80.7
Sat	27/08/2011	7.55		03/09/2011	-36.31		10/09/2011	-189.99		17/09/2011	-80.27	
Mon	29/08/2011			05/09/2011	-34.23	-35.23	12/09/2011	-188.83	-288	19/09/2011	-27.56	-27.58
Tue	30/08/2011	15.51	-5.36	06/09/2011	-121.71	-121.72	13/09/2011	-283.21	-278.24	20/09/2011	-408	-409.4
Wed	31/08/2011	-4.22	0.71	07/09/2011	-304.46	-304.23	14/09/2011	-278.24	-277.41	21/09/2011	-488.63	-478.27

TP7

Thu	22/09/2011	12.79	2.35	29/09/2011	-25.74	-121.36	06/10/2011	-109.99	-109.65	13/10/2011	-37.45	-65.6	20/10/2011	11.8	11.88
Fri	23/09/2011	-7.34	-6.02	30/09/2011		-110.79	07/10/2011	-119.35	-109.65	14/10/2011	-59.6	-42.91	21/10/2011	-23.09	-22.86
Sat	24/09/2011	-4.52		01/10/2011	-97.94		08/10/2011	-109.73		15/10/2011	-64.05		22/10/2011	-22.49	
Mon	26/09/2011	-5.07	-2.89	03/10/2011	-281.64	-381.64	10/10/2011	-217.8	-200.76	17/10/2011	-555.75	-565.75	24/10/2011	-12.37	-16.9
Tue	27/09/2011	-13.53	-12.2	04/10/2011	-285.53	-277.45	11/10/2011	-300.55	-299.76	18/10/2011	-2586.74	-2586.82	25/10/2011	-16.99	-17.73
Wed	28/09/2011	-115.71	-104.67	05/10/2011	-368.13	-365.64	12/10/2011	-305.12	-299.71	19/10/2011	-2585.63	-2595.81	26/10/2011	-70.45	-67.45

TP8

Thu	27/10/2011	0.19	303.76	03/11/2011			10/11/2011	0.89	4.94	17/11/2011	-0.05	7.03
Fri	28/10/2011		1.18	04/11/2011			11/11/2011	42.23	5.21	18/11/2011	-7.13	-5.15
Sat	29/10/2011	6.35		05/11/2011			12/11/2011	5.21		19/11/2011	70.5	
Mon	31/10/2011	-67.39	-63.35	07/11/2011	-280.83	-281.45	14/11/2011		-218.74	21/11/2011	-90.33	-128.13
Tue	01/11/2011	-53.17	-51.93	08/11/2011	-298.95	-277.34	15/11/2011	-259.62	350.47	22/11/2011	-88.13	-78.19
Wed	02/11/2011	-111.63	-152.12	09/11/2011	-280.67	-280.67	16/11/2011	-420.28	-417.24	23/11/2011	-103.79	-94.95

TP9

Thu	24/11/2011	5.35	7	01/12/2011	-39.88	-40.34	08/12/2011	0.27	3.5	15/12/2011	0.05	8.79
Fri	25/11/2011	7.21	5.87	02/12/2011	-34.07	-29.4	09/12/2011	55.26	25	16/12/2011		-97.87
Sat	26/11/2011	5.87		03/12/2011	76.96		10/12/2011	6.39		17/12/2011	-99.71	-239.88
Mon	28/11/2011	-1978.38	-1994.31	05/12/2011	-19.06	-19.17	12/12/2011		-183.54	19/12/2011		-219.88
Tue	29/11/2011	-1986.37	-1985.11	06/12/2011		78.85	13/12/2011	-392.94	-206.43	20/12/2011	-274.82	-224.66
Wed	30/11/2011	-1983.53	-1942.79	07/12/2011	-13.66	-10.64	14/12/2011	-265.28	-361.7	21/12/2011	-226.45	-226.46

DUNSTON POSTOFFICE - UNEXPLAINED LOSES

TP10

Thu	22/12/2011	-0.53	-49.49	29/12/2011	1.09	-12.43	05/01/2012	1.08	-2.01	12/01/2012	-70.01	-30.07	19/01/2012	-1	-0.76
Fri	23/12/2011	-332.75	-333.29	30/12/2011	3.99	-217.3	06/01/2012	3.93	-55.02	13/01/2012	-99.17	-98.19	20/01/2012	39.35	42.07
Sat	24/12/2011	-333.16		31/12/2011	-217.39		07/01/2012	-54.98		14/01/2012	-135.78		21/01/2012	-233.92	56.09
Mon	26/12/2011	B H		02/01/2012	B H		09/01/2012	-64.07	-14.94	16/01/2012	-133.77	-133.55	23/01/2012	67.36	
Tue	27/12/2011	B H		03/01/2012	-367.18	-366.29	10/01/2012	-159.98	-151.84	17/01/2012	-342.55	-431.55	24/01/2012	-53.24	67.2
Wed	28/12/2011	-333.2	-334.35	04/01/2012	-365.25		11/01/2012	-280.92	-286.75	18/01/2012	-363.85	-422.55	25/01/2012	67.85	-41.76

TP11

Thu	26/01/2012	40	-0.04	02/02/2012	4.67	6.18	09/02/2012	2.2	2.17	16/02/2012	110.73	200.24
Fri	27/01/2012	-68.35	-119.29	03/02/2012	-2994.22	-2994.36	10/02/2012	1.81	-6.3	17/02/2012	89.54	102.12
Sat	28/01/2012	-123.29		04/02/2012	-2994.41		11/02/2012	138.39		18/02/2012	101.97	
Mon	30/01/2012	-126.9	-121.4	06/02/2012	-2990.41	-2985.23	13/02/2012	-76.48	-90.2	20/02/2012	4.51	105.18
Tue	31/01/2012	125.4	-154.51	07/02/2012	-2996.7	-2995.7	14/02/2012	-98.45	-127.93	21/02/2012	7.94	11.76
Wed	01/02/2012	-154.56	-156.94	08/02/2012	-2963.56	-2984.57	15/02/2012	-108.11	-128.11	22/02/2012	2.07	1.32

TP12

Thu	23/02/2012	-39.17	-100.31	01/03/2012	-109.45	5.69	08/03/2012	-100.12	-98.12	15/03/2012	-9.11	-15.42
Fri	24/02/2012	-150.97	-155.08	02/03/2012	-4.85	30.42	09/03/2012	-106.81	-244.97	16/03/2012	-85.89	-84.58
Sat	25/02/2012	-154.96		03/03/2012	60.49		10/03/2012	-250.99		17/03/2012	-185.59	
Mon	27/02/2012	-254.95	-254.19	05/03/2012	-100.58	-141.19	12/03/2012	-412.85	-414.64	19/03/2012	-265.53	-405.63
Tue	28/02/2012	-251.28	-252.72	06/03/2012	-290.29	-328.56	13/03/2012	-424.63	-425.18	20/03/2012	320.74	380.71
Wed	29/02/2012	-253.77	-254.04	07/03/2012	-281.86	-374.86	14/03/2012	-465.16	-455.72	21/03/2012	415.81	302.84

TP1

Thu	22/03/2012	-40	-42.1	29/03/2012	-6.4	5.68	05/04/2012	-1100	-1379.31	12/04/2012	-4.05	-18.71	19/04/2012	-68.99	-70.49
Fri	23/03/2012	-31.06	-30.52	30/03/2012	-11.39	8.61	06/04/2012	0	0	13/04/2012	-18.76	-18.91	20/04/2012	-70.59	-70.54
Sat	24/03/2012	-71.56		31/03/2012	17.46		07/04/2012	0	0	14/04/2012	-18.71		21/04/2012	-70.57	
Mon	26/03/2012	-361.4	-361.32	02/04/2012	-81.82	-81.51	09/04/2012	0	0	16/04/2012	-91.84	-109.41	23/04/2012	-249.81	-250.69
Tue	27/03/2012	-362.06	-411.51	03/04/2012	-172.01	-170.51	10/04/2012	0	0	17/04/2012	-129.01	-251.41	24/04/2012	-330.49	-323.73
Wed	28/03/2012	-361.47	-411.32	04/04/2012	-1172.87	1278.59	11/04/2012	-1469.13	-1462.53	18/04/2012	-262.49	-252.32	25/04/2012	-513.45	-393.55

TP2

Thu	26/04/2012	-100.11	-103.34
Fri	27/04/2012	-102.35	-102.59
Sat	28/04/2012	-101.97	
Mon	30/04/2012	-224.52	-265.1
Tue	01/05/2012	-342.86	-437.86
Wed	02/05/2012		