

From: The Rt. Hon. James Arbuthnot, M.P.

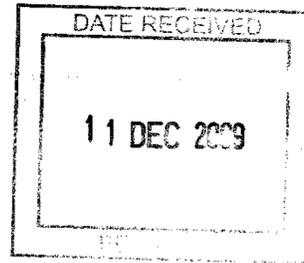


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HOUSE OF COMMONS
LONDON SW1A 0AA

10 December 2009

Rt Hon Lord Peter Mandelson
Secretary of State
Department for Business, Innovation & Skills
1 Victoria Street
London
SW1H 0ET



Dear Peter,

I write further to my letter of 3 November regarding correspondence received from my constituent Mr David Bristow, postmaster of **GRO**

I enclose a copy of my previous letter, and the two emails to which it refers. I also enclose two subsequent emails from Mr Bristow and an email from a local councillor, Cllr John Kennett, describing the circumstances of the second post office in my constituency affected by the Horizon system, Jo Hamilton of **GRO**

I have not yet received a reply and I should be most grateful if you would let me have your comments on this matter. I also request reassurance that BIS will investigate this matter fully and take action as and where appropriate. Given the urgency of Mr Bristow's situation I would ask for your attention as soon as possible and a response by way of a letter or, if preferred, a meeting.

Yours ever

James

Telephone:

GRO

Email:

GRO

Website: www.jamesarbuthnot.com

HEFFERNAN, Virginia

From: ARBUTHNOT, James
Sent: 30 November 2009 12:00
To: HEFFERNAN, Virginia
Subject: FW: Post Office threats!! URGENT
Importance: High

From: David Bristow [mailto:GRO]
Sent: 29 November 2009 16:57
To: ARBUTHNOT, James
Subject: RE: Post Office threats!!

Dear Mr Arbuthnot,

Yes, there are commonalities between my case and the one you received from your local councillor.

There is however one major difference although mine originated from the same source, the difference is that the post Office will take criminal action if the postmaster has put his own money in to try and correct matters, they are then seen to be falsifying accounts.

In my case I did not do that so its then put through as a civil case.

I would like to explain to you exactly what has happened to me, would it be possible to have a meeting with you?

I have also discovered another MP who has experienced constituents with the same problems. His name is David Heathcoat-Amory(Con), I have sent him an introductory email. I believe that if you contact him you will find the same concerns as those expressed by David Jones.

I have also asked the Post Office for more information, to back up their claim for over 42K. But they refused and they told me, that they didnt know where it came from. They just continue with their threats of legal action.

Thank you for your continuing interest and concern.

Mr David Bristow

GRO ice

HEFFERNAN, Virginia

From: MARSHALL, James
Sent: 19 November 2009 16:23
To: HEFFERNAN, Virginia
Subject: FW: Possible Post Office injustices

From: CllrKennett([redacted] GRO)
Sent: 04 April 2009 17:21
To: ARBUTHNOT, James
Subject: Possible Post Office injustices

Dear James,

As promised when we talked in Long Sutton on Friday, I can confirm that the magazine preparing the report on possible failings in the 'Horizon' computer programme used by the Post Office is Computer Weekly. The reporter working on it is Rebecca Thomson and her contact details are [redacted] GRO and [redacted] GRO

She hopes her article will be printed in either April or May. Part of the hold-up has been that when they send points to the Post Office for checking and comment they are met with either long delays or blustering or threatening responses, some of which suggest that by printing the story they would be damaging the magazine's credibility, which they think may mean that the Post Office will generally rubbish the article and everyone connected with it.

Rebecca has details on eleven cases and is intending to feature seven. An FOI request has established that there have been 250 cases where the Post Office has summarily terminated a local franchise. Anecdotally, this has often happened where a local Postmaster has asked questions about the computer system. The Post Office swiftly removes all records, as it entitled to do under a rather one sided contract, so there is no evidence and reconstructing a paper trail is nigh impossible.

Again anecdotally, what often happens is that when discrepancies start to arise the Postmaster makes up the difference with his own money but perhaps watches his records more in future. When it happens on a larger scale then he/she declines to keep putting in money and starts complaining. If he complains too loudly or too specifically then the Post Office cancels the franchise contract and removes all records.

Some overworked and careless Postmasters make the mistake of pressing the 'Enter' key when starting the computer in a morning since the system will not open if it is not pressed. They may press it to be able to serve the customer standing in front of them, meaning to sort things out later, but pressing it constitutes agreement that the cash in the till is what the computer screen says. If it is not then they can be prosecuted for False Accounting.

People careless enough to get themselves into this position are then offered a deal: plead guilty to False Accounting, refrain from raising any awkward questions in Court, sign a 'gagging order' and pay whatever the computer says is missing and the Post Office will not oppose a light sentence. Protest your innocence or try to defend yourself in any way and the Post Office will press charges of Theft and push for a "deterrent" prison sentence. It is a brave person who takes that risk.

Jo Hamilton is comparatively lucky in that people in [redacted] GRO knew she was innocent and also that a lawyer resident handled her case on a pro bono basis. The Post Office case was that she had £37,000 in her till and stole it but it was an obvious management failure on their part to imagine that that such a small operation could have accumulated such a large sum of cash in the till, even if she had pressed 'Enter'. The PO 'Help Line' was worse than useless and one occasion the keys they instructed her to press increased the apparent cash discrepancy; they were unable to correct that so left her 'owing' even more. I happened frequently to be sending letters to the US which required a specially printed stamp. If the machine did not print Jo would hit the print key again but I now suspect that it probably charged her twice. Everyone in the village knew that it was a question of sloppy record keeping rather than anything else and over 100 people sent written testimonials to the Court. The vicar went into the witness box, not to plead mitigation but to affirm Jo's character.

07/12/2009

This issue is no longer about Jo and **GRO**. That is water under the bridge and no one really believes there is any chance of "clearing her name" or the village getting its Post Office back. What is of greater importance is that so many suspiciously similar cases are coming to light and the possibility that a State institution is perpetuating injustice on a large scale and wrecking many lives rather than admit that it might have made mistakes.

No one would expect you to take a position on an issue in the absence of firm evidence but if, after talking to Computer Weekly, you think you might be able to help get more facts then that would be much appreciated by residents. If you would like more local background information then I can provide contacts of people closer to the issue than I am.

Best regards,

John

07/12/2009

HEFFERNAN, Virginia

From: ARBUTHNOT, James
Sent: 24 November 2009 16:41
To: HEFFERNAN, Virginia
Subject: FW: Post Office threats!!

From: David Bristow [GRO]
Sent: 24 November 2009 16:05
To: ARBUTHNOT, James
Subject: RE: Post Office threats!!

Dear Mr Arbuthnot,

Firstly I would like to thank you for your interest, concerns and actions relating to my problems with the Post Office, their threats and allegations. I am very grateful.

I would like to bring to your attention the article below that appeared on the "Computer Weekly" website on Monday 23rd Nov. It appears that an independent IT company have found defects with the Horizon system but the Post Office seem unwilling to help.

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COMPUTER WEEKLY

Post Office theft case deferred over IT questions

Rebecca Thomson
Monday 23 November 2009 02:21

A sub-postmistress accused of theft from the Post Office has had her case postponed until next year to allow experts time to investigate the accounting IT system at her branch.

Seema Misra, postmistress at the West Byfleet Post Office in Surrey, is accused of one count of theft of £74,000. She claims the IT system may have caused the account deficit, which she then attempted to cover up. She has admitted four counts of false accounting.

Her barrister, Keith Hadrill, raised concerns in Guildford Crown Court on Friday about the Horizon system.

Misra first appeared in Guildford Crown Court earlier this year, when the case was deferred for the first time after she raised her concerns by showing the judge a copy of Computer Weekly's article on sub-postmasters and the problems they had encountered.

In that time an IT expert has inspected her system and produced a report alleging defects. The Post Office has dismissed the report as "hearsay" and called it a "hypothetical theory". The defence says it requires more information from the company so it can investigate further.

Hadrill said he asked for access to a failing Post Office branch, but said the Post Office has not responded to the request so far. He said the defence has identified certain failing branches, but said the sub-postmasters and postmistresses were reluctant to allow them access because they would be breaching their contracts.

"We have also asked for a history of complaints to show it is not an individual problem," he said. "The Post Office says the report is hearsay - it may not be once they have reviewed their files."

Hadrill said the records on what went on with the computer system in West Byfleet have not been disclosed, but Warwick Tatford, prosecuting, said the volume of raw data was "enormous". Judge Christopher Critchlow allowed extra time for the final expert report to be produced, moving the case date to March next year. He asked, "This Horizon system is one which has caused enormous problems for the Post Office - technical problems?" Tatford replied, "We don't agree with that at all. I have looked through two cases which are the subject of two of the complaints in that [Computer Weekly] article. There were no problems identified in those cases. Both defendants pleaded guilty." Critchlow said the Post Office must respond to requests for information within 14 days. Tatford said the Post Office does not anticipate employing an IT expert, but that witnesses from IT company Fujitsu and "Post Office investigators who can deal with these matters" would be speaking in court.

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Thank you again for everything.

Mr David Bristow.

03 November 2009

Rt Hon Lord Peter Mandelson
Secretary of State
Department for Business, Innovation & Skills
1 Victoria Street
London
SW1H 0ET

Post Office Horizon system: possible errors leading to postmaster being accused of fraud

I enclose two emails which I have received from a constituent Mr David Bristow of GRO
GRO I note the Parliamentary Question raised by Brooks
Newmark MP on 12 October and the reply dated 13 October from Alan Cook, Managing Director of
Post Office Ltd.

Nonetheless there does appear to be a significant number of postmasters and postmistresses
accused of fraud who claim that the Horizon system is responsible, including at least two in my
constituency.

Given the level of impact this has on the personal lives of these postmasters and postmistresses
and their families, often involving bankruptcy and certainly significant financial hardship, I should
be most grateful if you would let me have your comments on what can be done to investigate the
matter.

HEFFERNAN, Virginia

From: ARBUTHNOT, James
Sent: 27 October 2009 15:52
To: HEFFERNAN, Virginia
Subject: FW: Post Office threats!!

From: David Bristow [mailto:**GRO**]
Sent: 27 October 2009 15:38
To: ARBUTHNOT, James
Subject: RE: Post Office threats!!

Dear Mr Arbuthnot,

Today I received another threatening letter from the Post Office this time saying it is the last letter before action.

I now believe I know where the problem might be. I have discovered how to send transactions through the Horizon system which will appear on an Alliance and Leicester bank account but will appear as Zero on the Horizon system.

I,m sure you will also find this interesting I found it on Mr Newmark MP,s website.

Mr Bristow

12 October 2009 : Parliamentary Question
Post Office Horizon System

Mr. Newmark: To ask the Minister of State, Department for Business, Innovation and Skills whether he has received reports of errors in the Post Office Horizon system which have led to Postmasters or Postmistresses being falsely accused of fraud; and if he will make a statement. [291675]

Mr. McFadden: The Department has received no such reports. Any issues relating to the Horizon system are operational matters for Post Office Ltd. I have therefore asked Alan Cook, managing director of Post Office Ltd., to respond directly to the hon. Member and a copy of his reply will be placed in the House Libraries.

From: David Bristow [mailto:**GRO**]
Sent: 08 October 2009 12:38
To: ARBUTHNOT, James
Subject: Post Office threats!!

Dear Mr Arbuthnot,

My name is David Bristow, I run the **GRO** Post Office in the High St. Until 6 months ago I was the Sub postmaster, with a contract to operate the post office.

Post Office Ltd have however taken my contract away, and are demanding I pay them £42,000 +, or they will commence legal proceedings.

My predicament is very similar to many postmasters/mistresses around the country. You may be aware of the similar case of **GRO** at the **GRO** Post Office.

This morning your colleague Mr David Jones MP phoned me about this matter. One of his constituents has been subjected to the same problem.

He intends to request a public inquiry in the house of commons, concerning the Post Office and the Horizon system.
He ask me to make you aware of my problem.
My solicitor from Tanner and Taylor will also be writing to you.

I would be very grateful to you for any attention that you can give this matter and support you can give me and Mr Jones MP(Con).

yours sincerely,

David Bristow

Tel GRO
