

POST OFFICE LTD CONFIDENTIAL: INVESTIGATION, LEGAL

1. Theft – Contrary to Section 1 (1) of the Theft Act 1968
2. False Accounting – Contrary to Section 17 (1) of the Theft Act 1968
3. Fraud by false representation (Fraud Act 2006 – Section 2)
4. Fraud by failing to disclose information (Fraud Act 2006 – Section 3)
5. Fraud by abuse of Position (Fraud Act 2006 – Section 4)

Name: Anne NIELD

Rank: Sub Office Assistant Identification Code: 1

Office: Fazakerley FAD Code 214 420

Age: 56 years Date of Birth:

Service: Date Service Commenced:

Personnel Printout: At Appendix: C

Nat Ins No:

Home Address:

Suspended:

To be prosecuted by: Royal Mail Group (including Post Office Ltd)

Designated Prosecution Authority: David Pardoe, Senior Security Manager

Discipline Manager:

Royal Mail Group Ltd
Criminal Law Team

These papers refer to an allegation that Giro deposits had not been credited to a customers account on the day of deposit. Mrs Angela Mary SEFTON and Ms Anne NIELD the identified persons in the pre amble of this report are the persons suspected of suppressing the Giro deposits. Mr Ali ASKAR is the sub postmaster.

The stakeholder notification was prepared and sent to the Stakeholder. I have also spoken with the Stakeholder and advised him of the current situation. The original stakeholder has now left the business and the incumbent stakeholder has been apprised of the situation.

The circumstances surrounding the commencement of this enquiry are briefly as follows.

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Santander contacted this office stating that they had received a customer complaint that Giro deposits had been credited late and a number of deposits were still outstanding. The business customer was the charity Animals in Need.

Santander were asked to supply supporting evidence of the date stamped counterfoils for the outstanding deposits and list of the delayed deposits and the data requested was received on 5 January 2012

On Thursday 5 January 2012 whilst the data was being examined Stephen BRADSHAW received a telephone call from Anne NIELD asking if she could speak with him outside of working hours regarding issues at work. In view of the on going investigation an audit was arranged for the following day Friday 6 January 2012.

Fazakerley is a two counter position branch situated at the end of a parade of shops on the A506 within a council estate in the district of Fazakerley in Liverpool. The Post Office counter can be found to the rear of a newsagents selling, sweets, cigarettes, newspapers and magazine, and grocery store. The branch operates a single stock unit (AA) for counter services and has an ATM machine.

The audit was undertaken at the branch on Friday 6th January 2012 and conducted by Tim GORDON-POUNDER of the Network Support Field team. He was accompanied by his colleague Richard CROSS. The auditors arrived at the branch at approximately 08:15 am and they introduced themselves to Ms Anne NIELD the sub office assistant, who allowed them access to the secure area. The purpose of the audit was to verify financial assets due to Post Office Ltd®.

The result of the audit was a discrepancy surplus of £559.07 there are no undue concerns regarding the result of the audit.

Stephen BRADSHAW and Kevin RYAN of the Post Office Security Team also attended on this day. We introduced ourselves to both Ms NIELD and Mrs SEFTON and explained the reason for the audit. Ms NIELD then handed Stephen BRADSHAW a letter (SB/45) that had been jointly prepared by both Ms NIELD and Mrs SEFTON.

In the letter they admit they had been covering shortages by delaying the processing of business deposit to Santander.

Ms NIELD and Mrs SEFTON were invited to attend a voluntary taped recorded interview under caution and agree to a voluntary search of their home address and any vehicles they owned. They both agreed to the requests and their legal rights were explained to them. They then contacted their solicitor who was unavailable due to court commitments. I spoke with the solicitor (Michael HOGAN) and he advised that he would be representing them and would arrange a conference with them.

A search was undertaken at the home of Mrs SEFTON and the search commenced at 11:55 and concluded at 12:30. No items of any value were identified and no items were seized.

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Details of all bank accounts held by Mrs SEFTON were recorded to assist any financial investigation. A search of Mrs SEFTON's vehicle did not take place as the vehicle was in a garage awaiting MOT. Copies of the search record can be found in Appendix C of this file.

A search was undertaken at the home of Ms NIELD and the search commenced at 12:42 and concluded at 13:15. No items of any value were identified and no items were seized. Details of all bank accounts held by Mrs NIELD were recorded to assist any financial investigation. Ms NIELD stated that she did not own any vehicle. Copies of the search record can be found in Appendix C of this file.

Prior to the interview / search taking place all relevant checks were made concerning the suspect and the suspect's home address. A PORA was completed and a copy can be found in Appendix C of this file.

The solicitors (Hogan Brown) who are acting on behalf of both Mrs SEFTON and Ms NIELD were contacted on 12 and 18 January 2012 and the interview was arranged for 20 January 2012 at Bootle Crown Office.

On 20th January 2012 Stephen BRADSHAW Security Manager attended at Bootle Crown Office The New Strand Bootle L20 4ED accompanied by his colleague, Kevin RYAN, Security Manager. Stephen BRADSHAW and Kevin RYAN introduced themselves to Mrs SEFTON and Ms GIBSON and their identity cards were shown. The reason for the interview was explained to Mrs SEFTON and Ms GIBSON, Mrs SEFTON confirmed that she would attend a voluntary interview under caution.

Interview with Angela Mary SEFTON

At 11.18 Mrs Angela Mary SEFTON was interviewed at Bootle Crown Office The New Strand Bootle L20 4ED. Present throughout the interview was Stephen BRADSHAW and Mr Kevin RYAN, Security Managers. Mrs Angela Mary SEFTON requested the presence of legal representation and form GS001 (Identifying Mark SB/1) was completed, signed and dated by Mrs Angela Mary SEFTON and is associated at Appendix B. Mrs Angela Mary SEFTON declined the offer of having a friend present. Form GS003 (Identifying Mark SB/2) was completed, signed and dated by Mrs Angela Mary SEFTON and is associated in Appendix C.

The interview was taped recorded, covered two tapes and sealed with master tape seals 073505 (SB/46) and 073506 (SB/47). A typed tape summary (SB/48 and SB/49) has since been prepared, a copy of which is now at pages 14 to 24. The working tape is associated in Appendix B of this file. I have retained the Master Tapes. A notebook entry of the interview was made and is associated in Appendix B of this file (Identifying Mark SB/50).

The events of 6 January 2012 were re capped and Mrs SEFTON confirmed that they were a true record of the events and a letter (SB/45) compiled by both Mrs SEFTON and the other clerk Ms Anne NIELD was handed to Stephen BRADSHAW. In this letter they both admitted suppressing Giro deposits from business customers.

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The letter was read out Mrs SEFTON was asked for an explanation.

Mrs SEFTON replied that there was a shortage of approximately £4,000 in 2005; the sub postmaster said to them that he would pay £2,000 and they had to pay the other £2,000 between themselves. She also stated that they had been given a new contract and they had to make good all shortages. She further stated that the other clerk Ms NIELD signed the contract but she did not.

Mrs SEFTON explained that initially they repaid the shortages by drawing money on their credit cards and eventually they ran out of their own funds to repay the shortages.

Mrs SEFTON made admissions that they began to cover the shortages by delaying the processing of Giro business deposits. Mrs SEFTON explained that initially all Giro deposits were being delayed but when customers were issued payment cards and the transaction became a Automated Payment (AP) and ceased being paper based for the transaction, they were left with one customer (Animals in Need) who continued to use the paper slip to make their deposits.

Mrs SEFTON went on to explain that they used the money from the most recent deposit to put the oldest deposits through the Horizon system for the customer to be credited for that particular deposit.

It was explained that 40 deposit slips (SB/4 to SB/43) had been recovered and a summary list (SB/44) had been prepared listing the forty deposit slips.

Mrs SEFTON could not explain how these shortages had increased to this amount from approximately 2006 to the 6 January 2012 when the audit took place.

Mrs SEFTON stated they may have received one transaction correction per week and it was rare for them to receive a credit transaction correction. It was pointed out that if they were making numerous mistakes, then they would be receiving more than one transaction correction per week.

Mrs SEFTON confirmed that they did not contact the helpline and they were frightened to show the shortages. She also explained that they were afraid of the sub postmaster.

Mrs SEFTON denied stealing any money belonging to Post Office Ltd and also denied inflating the cash to achieve a balance. She further explained that whatever the amount they were short in the accounts, they would simply use the money from the Giro deposit to make good the shortfall. Then at a later date use another Giro deposit to put through the oldest Giro deposit they were holding.

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Mrs SEFTON confirmed that she had been a sub office assistant for approximately 20 years and worked for the previous sub postmaster before the present sub postmaster Ali ASKAR was appointed in 1999.

Mrs Sefton explained that both her and Ms NIELD were terrified of the sub postmaster and went on to detail her current **GRO**

Mrs SEFTON was informed that she may have rendered herself liable to prosecution and was given the second caution. She was also given the opportunity to clarify anything that she had said during the interview or add anything, but declined the offer.

The interview was concluded at 12:22 and master tape seals 073505 and 073506 were completed and signed.

Mrs SEFTON was asked when the money could be repaid and replied that if she could she would but at present has substantial debts.

Mrs SEFTON gave permission for Authority for Bank Disclosure of Information and completed form GS045 and a copy can be found in **Appendix C** of this file.

Forms NPA01 and GS033 have been completed and copies can be found in **Appendix C** of this file.

Interview with Anne NIELD

At 13:01 Ms Anne NIELD was interviewed at Bootle Crown Office The New Strand Bootle L20 4ED. Present throughout the interview were Stephen BRADSHAW and Mr Kevin RYAN, Security Managers. Ms Anne NIELD requested the presence of legal representation and form GS001 (Identifying Mark SB/53) was completed, signed and dated by Ms Anne NIELD and is associated at **Appendix B**. Mrs Anne NIELD declined the offer of having a friend present. Form GS003 (Identifying Mark SB/54) was completed, signed and dated by Ms Anne NIELD and is associated in **Appendix C**.

The interview was taped recorded, covered one tape and sealed with master tape seal 073507 (SB/55). A typed tape summary (SB/56) has since been prepared, a copy of which is now at pages 25 to 37. The working tape is associated in **Appendix B** of this file. I have retained the Master Tapes. A notebook entry of the interview was made and is associated in **Appendix B** of this file (Identifying Mark SB/57).

The events of 5th and 6th January 2012 were re capped and Ms NIELD confirmed that they were a true record of the events and a letter (SB/45) compiled by both Ms NIELD and the other clerk Mr Angela Mary SEFTON was handed to Stephen BRADSHAW. In this letter they both admitted suppressing Giro deposits from business customers.

Ms NIELD was asked for an explanation regarding the telephone call to Stephen BRADSHAW on 5th January 2012. She replied that they couldn't carry on and clarified this by saying holding

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back the Giro deposits. She further stated that they had got way over their heads and it was affecting them. She also said that she was too scared to tell the sub postmaster (Ali Askar) because he was very intimidating and he had also visited her home address.

The letter (SB/45) was read and Ms NIELD confirmed that Angela SEFTON had written the letter but it was written on behalf of both of them.

Ms NIELD went on to explain what she meant by holding back they Giro's and stated that the deposit was not entered onto the Horizon system. She further stated that it commenced in 2005 or a few months after that because they had run out of money to make good the shortages.

Ms NIELD made admissions that they began to cover the shortages by delaying the processing of Giro business deposits. Ms NIELD explained that it use to be a lot more deposits but now it's a different way of paying in and now it was only the one customer (Animals in Need) who comes in with a payment book.

Ms NIELD explained the difference between the swipe card and a paying in book.

In essence the swipe card credits the account straight away and they receive a printed Horizon receipt and the paying in book is date stamped, given back and the transaction has to be manually entered on the Horizon system.

Ms NIELD made admissions that the money from the Giro deposits were used to make good shortages and went on to explain that they used the money from the most recent deposit to put the oldest deposits through the Horizon system for the customer to be credited for that particular deposit.

Ms NIELD the explained that when a transaction correction was received, she would settle the transaction correction to cash. She did this because she thought it was the best thing to do. She further explained that they were short most weeks and she was too scared to tell the sub postmaster and they just carried on using their own money then the money from the Giro deposits to make good these shortages.

Ms NIELD denied stealing any money belonging to Post Office Ltd and also denied inflating the cash to achieve a balance. She explained they would simply use the money from the Giro deposit to make good the shortfall. Then at a later date use another Giro deposit to put through the oldest Giro deposit they were holding.

Ms NIELD confirmed that they did not contact they helpline or anybody else for help in locating the source of these losses.

Ms NIELD was asked what she hoped to achieve and replied to clear the losses and start afresh but it never happened. She was too scared to tell anybody.

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Ms NIELD confirmed that she had been a sub office assistant for approximately 20 years and was the Officer in Charge for the present sub postmaster Ali ASKAR who was appointed in 1999.

Ms NIELD was informed that she may have rendered herself liable to prosecution and was given the second caution. She was also given the opportunity to clarify anything that she had said during the interview or add anything, but declined the offer.

The interview was concluded at 13:44 and master tape seals 073507 was completed and signed.

After the interview Ms NIELD stated that [REDACTED] **GRO**
[REDACTED] **GRO** Her solicitor said that they wanted to make us aware of this but did not wish for it to be said on tape.

Ms NIELD was asked when the money could be repaid and replied that if she could she would but at present has substantial debts.

Ms NIELD gave permission for Authority for Bank Disclosure of Information and completed form GS045 and a copy can be found in Appendix C of this file.

Forms NPA01 and GS033 have been completed and copies can be found in Appendix C of this file.

To summarise:

- The delayed Giro deposits amounted to £34115.50 (the cash element of the deposits).
- The offences occurred in the period of 2006 to 6th January 2012.
- Mrs SEFTON and Ms NIELD both admitted delaying the processing of Giro deposits.
- Mrs SEFTON and Ms NIELD both denied stealing money from Post Office Ltd.
- Mrs SEFTON and Ms NIELD both denied inflating the cash on hand to achieve a Branch Trading Statement.
- Mrs SEFTON and Ms NIELD are both unable at this present time to make any repayments due to their current debt.
- Mrs SEFTON and Ms NIELD both fully co-operated throughout the interview.

Business and Procedural weakness'

During the course of this investigation I have not identified any failings in any security procedures other than the fact that for whatever reason they chose to suppress Giro deposits to cover shortages rather than highlight the discrepancies to the Sub postmaster.

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In Conclusion

Mrs SEFTON [REDACTED] GRO
[REDACTED] GRO She has been a sub office assistant at Fazakerley Post Office branch for approximately 20 years.

Both Mrs SEFTON and Ms NIELD made full admissions that they delayed the processing of Giro deposits belonging to a business customer (Animals in Need) and these deposits were delayed because this customer is the only one who used a paying in book.

They both stated that in 2005 they had to repay a £2,000 shortage and also make good all other shortages. Initially they were able to do this but from 2006 the shortages for whatever reason spiralled out of control and they were unable to make good the shortages and in the beginning they used all the cash from a number of deposits from customers but with customers changing onto an Automated Payment card, this dwindled to the one customer.

They are currently unable to repayment any of the outstanding amount due to their current debt level.

Bank authority forms (GS045) were completed by Mrs SEFTON and Ms NIELD.

An abridged version of this report has not been produced for the discipline manager as both Mrs SEFTON and Ms NIELD are employees of the sub postmaster.

The evidence based on the 40 Giro deposits found and full admissions made at interview would appear to support the fact that Mrs SEFTON and Ms NIELD have committed a criminal offence.

At this stage I have no reason to question the reliability of any likely witnesses, should statements subsequently need to be obtained in this case.

At this present time further enquiries outstanding are copies of transaction corrections to be obtained from Chesterfield and the sub postmaster to be contacted regarding the procedure for making good losses at the branch.

Copies of all documents or exhibits mentioned in this report can be found contained within the appropriate Appendix of this file, the originals are held at this office. This report in addition to the summary tape transcripts have been sent electronically to the Post Office Security Team Casework Management Team via the generic address on 01 February 2012.

These papers are now submitted for the present position to be noted and for consideration as to whether the evidence is sufficient to support a prosecution. No doubt the file will be returned in due course with the next appropriate course of action to be taken.

Please feel free to contact me should you require any further information or clarification on any of the points raised in this report.

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GRO

Stephen Bradshaw
Security Manager
Post Office Ltd Security Team
01 February 2012



Mobile

GRO



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