
From: Cooper, Tom - UKGI[/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=97888B27D7034E80AB21DE4583305D52-THOMAS.COOP]
Sent: Fri 20/03/2020 3:12:37 PM (UTC)
To: Scott, Joshua - UKGI[]; Watson, Richard - UKGI[]; McInnes, Tim - UKGI[]
Subject: Fwd: Computer Weekly - Wildblood and Murray Article

Josh
Please note this info is subject to a confidentiality clause.

Tom

Sent from my iPhone

Begin forwarded message:

From: Ben Foat <[]>
Date: 20 March 2020 at 14:49:13 GMT
To: "Cooper, Tom - UKGI" <[]> "Watson, Richard - UKGI" <[]>
Cc: Nick Read <[]>, Richard Taylor <[]>, Amanda Jones <[]>, Avene Regan <[]>
Subject: Computer Weekly - Wildblood and Murray Article

Both

You have requested information from the business on the computer weekly team. Amanda and Julie's team have fed into the response below given it was a commercial decision to make these settlements with extenuating circumstances.

In summary:

- Both SPMs have long-running disputes with Post Office but declined to join the group litigation;
- Mr Wildblood's settlement was worth £130,936.34 and comprised a payment of £87,453.34 and write-offs of £43,483
- Mr Murray had two branches (Hope Farm Road and Grove Road). His settlement was in respect of both branches and therefore larger. It was worth a total of £276,937 comprising a £222,159 payment and write-offs of £59,777,
- The claims of both SPMs were both complex and high value. They involved not only shortfall claims but also suspension and termination claims coupled with significant distress issues. Upon investigation, Post Office concluded they were both cases where the relationship should have been handled better.
- To give a flavour of some of the unique features of these cases:
 - Mr Wildblood was someone who should not have passed Post Office's competency tests and his business plan was bound to fail. This was exacerbated by acknowledged poor training and support. Mr Wildblood suffered significant financial hardship and []
[] Mr Wildblood was given financial support by Post Office at a crisis point in

early Summer 2019. This recognised the financial hardship caused by his unpaid period of suspension, but at that stage, given Post Office's appeal of the Common Issues Judgment, was set up as a deferred payment agreement, which would have just added to his longer-term debt to Post Office.

○ Mr Murray's difficulties began when, at Post Office's urging, he took on Hope Farm Road in addition to Grove Road. The former SPM of Hope Farm Road had committed suicide. Post Office failed to inform him of that fact and Mr Murray claims he would never have purchased the second branch had he known the true position. As a result, Mr Murray's claim for lost investment (he invested £80k in both branches) has been looked on more favourably than other such claims. Further, some of the Hope Farm Road shortfalls were incurred while Mr Wildblood was assisting to run the branch (the two are old friends). Mr Murray is a distress case in that he has suffered from financial hardship as well as significant GRO. The fact that he has been abusive and threatening towards Post Office staff means that it was in Post Office's overall best interests to exit the relationship.

Although on the generous side, the settlements reached in these cases are not completely out of kilter with those received by the GLO claimants. The key difference is that the GLO claimants have had to pay their legal and litigation funding costs out of the agreed settlement, leaving the individual claimants with significantly less. It is probable that this is the main driver behind Alan Bates' complaint.

Nor are the settlements "secret" in any conspiratorial sense. The settlement terms simply include standard confidentiality provisions.

Further details on each of the cases are set out below.

Mark Wildblood

Background

- Mark Wildblood was subpostmaster at the Upton branch in the Wirral, Merseyside.
- He was a personal friend of Peter Murray, who appears to have encouraged Mr Wildblood to apply for the role of subpostmaster in the first place.

The claim

- In a series of emails in April-May 2019, Mr Wildblood articulated various complaints about POL. The following allegations were made:
 - POL made deductions from his remuneration on the basis of "*discrepancies on a contested computer system*" [see email from Mr Wildblood to Mr Williams at 12:59 on 17/04/2019].
 - POL forced him to make good or settle centrally alleged shortfalls (which he disputed at the time).
 - He was provided with inadequate training.
 - A faulty paystation caused him significant losses.
 - POL provided him with faulty equipment (for example, the branch's lottery terminal was allegedly faulty).
 - POL's security measures were inadequate.
 - POL refused to investigate problems with the branch that he had repeatedly reported and was generally very unresponsive when communicating.

- As a result of the complaints made, Mr Wildblood asserted that he had incurred various categories of consequential losses including, for example:
 - Losses relating to loss of profits at his retail business; and
 - Loss of profits occasioned by his inability to afford a visa for his wife to allow her to enter the UK.
- At the time POL received these emails, Womble Bond Dickinson advised that such correspondence triggered a requirement to notify Freeths, the solicitors for the Claimants in the Group Litigation (pursuant to the terms of the existing Group Litigation Order).
- Freeths were therefore notified of Mr Wildblood's potential claim.

Terms of settlement

- In or around February 2020, POL agreed to settle Mr Wildblood's claim for £130,936.34. This consisted of:
 - POL making a payment of £87,453.34 to Mr Wildblood;
 - POL waiving its rights to seek repayments on a £10,000 advance already made to Mr Wildblood; and
 - POL waiving its rights to recover a sum of £33,483 from Mr Wildblood.

Business rationale for settling

Lack of suitability for the role of subpostmaster

- The business at POL has formed the clear view that Mr Wildblood should have never been offered the position of subpostmaster in the first place, notwithstanding that it appears that he was not provided with adequate training (see below).
- Mr Wildblood appears not to have had the skills or attitude required for the significant demands of running a branch.
- Indeed, it appears that the initial losses at Peter Murray's Hope Farm Road branch were actually sustained during a period in which Wildblood was covering in Murray's absence.

Financial distress

- Mr Wildblood was understood to be in significant financial distress.
- For every day that he continued to operate the Upton branch, he would lose more money (thereby causing further losses to POL).
- Mr Wildblood's failure to pay a utilities bill resulted in the electricity being disconnected.
- Moreover, it is understood that Mr Wildblood was in a lot of personal debt.

Inadequate training

- In correspondence, Mr Wildblood has repeatedly complained that the training he received from POL was inadequate.
- Although POL would have known that he was struggling with the role of subpostmaster, it appears that no attempts were made to remedy this by offering more training.

Media coverage

- Mr Wildblood's case has received some, albeit limited, coverage in the media, including in the Sunday People.

Peter Murray

Background

- Mr Murray was subpostmaster at the Hope Farm Road and Grove Road branches.
- On 1 November 2018, Mr Murray was suspended from both branches as a result of audits which resulted in shortfalls being found at both branches (Hope Farm Road £2,600 short, with £32,710.20 existing debt on account and Grove Road c.£300 short, with no existing debt on account). He was reinstated to both branches in February 2019 and was not remunerated during this period of suspension.
- Following reinstatement, Mr Murray's wife ran the Grove Road branch and a temporary subpostmaster was appointed to operate Hope Farm Road to allow Mr Murray to focus on the retail business. Mr Murray, while initially happy with arrangements, ceased working in the retail section of the shop as he was not allowed by the temporary subpostmaster to operate the Post Office side of the business. He requested that Post Office take over his lease at Hope Farm Road.

The claim

- He wrote to Amanda Jones in May 2019 complaining of treatment by his contracts manager and stating he was "totally unsettled, wanting to be anywhere but [in branch]".
- Mr Murray has made various demands both financial and non-financial, including (i) **GRO**; (ii) **GRO**; (ii) independent financial advice (which was provided); and (iii) that disciplinary proceedings be brought against Post Office employees involved with his case (our review has not shown such action was taken).
- Mr Murray has made a number of complaints linked to the Horizon system including in relation to the ADSL line and Horizon screen freeze issues. He has also complained extensively concerning his treatment by Post Office employees more generally.
- We understand that Mr Murray has not yet signed the settlement agreement due to outstanding issues with his lease. His solicitors are currently trying to address these issues.
- We understand that Mr Murray knows Mr Wildblood in a social capacity and that Mr Wildblood worked in Mr Murray's branch for a period of time at which point some of the losses occurred.

Terms of settlement

- Post Office made a settlement offer to Mr Murray on 30 January 2020 amounting to in effect an offer of £276,937.46.
- Post Office offered to waive its right to seek repayment of the £22,000 deferred payment agreements, to write off £37,777.92 in respect of shortfalls at the branches and to pay £222,159.54 by way of settlement.
- This financial offer was broken down in the settlement offer letter as follows:
 - £13,282 in respect of the remuneration which was withheld during the period of suspension from 1 November 2018 to 28 February 2019 at Hope Farm Road branch;
 - £15,005 in respect of the remuneration which was withheld during the period of suspension from 1 November 2018 to 20 February 2019 at Grove Road branch;

- £20,000 to compensate the initial investment in Hope Farm Road branch;
- £60,000 to compensate the initial investment in Grove Road branch;
- £40,400 in respect of the period of 12 months' remuneration in lieu of notice at Hope Farm Road;
- £48,900 in respect of the period of 12 months' remuneration in lieu of notice at Grove Road;
- £24,119.29 in respect of amounts deducted from remuneration and payments made to Post Office in relation to Hope Farm Road; and
- £453.25 will be repaid in respect of amounts deducted from remuneration and payments made to Post Office in relation to Grove Road.

Business rationale for settling

- From our review of the documents, it appears that there were a number of drivers justifying the settlement amount. These include (i) [GRO] issues allegedly linked to the complaint; (ii) personal issues [GRO] allegedly linked to the situation; (iii) allegations concerning a cover up of a former subpostmaster's suicide by Post Office; (iv) threats made against Post Office employees; and (v) a reasonable degree of negative media coverage.
- [GRO]
- He complained of having [GRO] in December 2018 which Mr Murray alleged was asserted [GRO] to be "absolutely stress-related".
- In his email to Neil Davey of 11 October 2019, Mr Murray reported a recent conversation as having "increased [his] angst and upset to maximum levels" and that he "finished the call smashing things of [his] desk and sobbing in a mess on the floor". He reported feeling he is "permanently right on the edge of a nervous breakdown". In an email to Neil Davey of 28 October 2019, Mr Murray similarly stated that he felt "so depressed and helpless".

Wider personal issues

[GRO]

Former subpostmaster's suicide

- Mr Murray blamed Post Office for not informing him that Martin Griffiths, the previous operator of Hope Farm Road branch, committed suicide, and says he would not have taken on the branch had he known this. He alleged in an email to Andy Duckworth of 17 September 2019 that Post Office was "involved in the cover up of his death by paying off his family".

Threats against Post Office employees

- Mr Murray has made allegations about, and threats to kill against, Post Office staff and had referred to "taking someone out". In an email to Neil Davey of 28 October 2019, Mr Murray similarly stated that: "You have ruined my life. I am close to thinking how to seek revenge, such is the stress of your continuing failure to do anything about Hope Farm Road."

Media coverage

- In May 2010, Nick Wallis published a series of blog posts on Peter Murray (see "The Post Office claim I owe them £35,000, despite never showing or telling me what I have done wrong." ([here](#)), "Post Office Ltd see fit and well to treat me like this, pending an 'investigation' which appears not to be taking place."([here](#)), "What kind of games are you playing with human beings' lives?" ([here](#)) and "Pete Murray Part 4: "You'd better get yourself a lawyer"" ([here](#)))
- The story was reported in the Liverpool Echo – "Dad 'hounded' for £65,000 by Post Office after computer fault suffered stroke" ([here](#)).
- The story was also reported in Australian press - "UK man wrongly charged thousands due to Post Office software 'error'" ([here](#)).

Do let me know if you require anything further.

Kind regards
Ben



Ben Foat

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