

Initial Complaint Review and Mediation Scheme

Post Office Investigation Report

Branch Name:	Winlato	Branch Code:	394329	Case Number:	M056
Applicant Name:	Miss Kym Elizabeth WYLLIE	Status of Case:	Mediation Application	Date of Appointment:	8 February 2003

Executive summary**Background**

The Applicant was appointed as Subpostmaster at Winlato Post Office on 8 February 2003. The branch was audited on 10 September 2014 because the Applicant had declared shortfalls totalling £33,142.96 (including £33,000 settled centrally on 28 July 2010) and the audit revealed a further shortfall of £5,434.93. This led to the Applicant being suspended and the termination of her contract on 21 October 2010.

Issues

The Applicant claims that the shortfalls and the termination of her contract were due to inadequate training and various technical and equipment issues with Horizon, including a 'phantom log on' issue. The Applicant also refers to a lack of an audit trail within Horizon, a lack of support from Post Office, unhelpful communications and a flawed investigative process.

Findings

Post Office's investigation process was fair and the Applicant was provided with adequate opportunity to present her case, including at a conduct meeting with the Contract Advisor, an appeal hearing (whereby more time was granted to gather information), and at an interview with security investigators (as part of a separate investigation) during which she was legally represented.

There is no evidence that the Applicant was not appropriately trained or supported or that Post Office's communications were unhelpful. There is no evidence in the Network Business Support Centre logs (NBSC) of any intervention or ad hoc requests for training save for information on training for a staff member.

The Applicant had hardware issues which resulted in equipment being replaced, including a base unit in June 2008, but there is no evidence that equipment issues contributed to the loss.

Transaction and event logs for the period of the alleged 'phantom log on' (on and around 29 July 2010, which the Applicant claims was because someone had logged on remotely) clearly show that the error referred to by the Applicant was a result of User ID KKY001 remaining logged in on a terminal for a period of 7 days, preventing her from rolling over her stock unit. Therefore there was no phantom log on but simply an operator error by User ID KKY001.

There is evidence of unusual activity, incorrect procedures and multiple cash declarations made at the Applicant's branch. This is contrary to the Applicant's assertions that her branch was well run

and that she followed all procedures including for balancing. Whilst those unusual practices could be down to human error, it appears likely that they could have been used to conceal the losses in branch. The evidence also shows that the Applicant was not carrying out cash variance checks on a regular basis and this is evidence of a lack of adequate controls at the branch.

Post Office also considers that the Applicant's complaints about the audit process are unfounded. The Auditors involved were adequately trained and had sufficient experience to carry out their roles.

Horizon does have an adequate audit trail and that is demonstrated by the clear audit trail that has been used to address the alleged phantom log on as detailed above.

Overall conclusion

There is no evidence to suggest that the losses incurred by the Applicant were caused by any of the issues raised in the Applicant's CQR. Post Office concludes that the shortfalls incurred by the Applicant were either the result of a series of operational errors or deliberate action. Horizon logs show that the Applicant made cash declarations shortly after obtaining snap shots from Horizon which suggests that the Applicant was concealing losses in the branch accounts.

The Applicant's complaint

The Applicant's Case Questionnaire Response (CQR) was accepted via Second Sight on 29 May 2014.

The CQR raises the following issues:

Issue 1 Lack of Training and Support

- The Applicant claims that there was a lack of training on Horizon and a lack of support in respect of the introduction and running of Horizon.

Issue 2 Monetary Discrepancies

- The Applicant claims that a large misbalance of £33,000.00 in July 2010 could not be explained and that she did not receive sufficient support from the NBSC when investigating it.
- The Applicant says she declared £2,000.00 short on 9 September 2010 in good faith but this had increased to a £5,000.00 shortage when the audit was completed on 10 September 2010. This shortage included stamps which the Applicant claims were very rarely used in the branch.

Issue 3 the alleged lack of Proper Audit Trail and equipment issues

- The Applicant claims that there were "inexplicable problems with the technology with respect to balancing and identifying how discrepancies occurred in the first place".
- The Applicant claims that there were on-going problems during her period of tenure with Horizon (particularly terminal 4) and after her precautionary suspension during the tenure of the Temporary Subpostmaster who took over from her. She says these led to the terminal

being removed and replaced.

- The Applicant would like Post Office to consider the possible implications of equipment failure as a contributory factor in the problems encountered at the branch. This includes: 'Phantom Log On'
 - The Applicant claims that a 'phantom log on' prevented her from completing the trading period balance on 28/29 July 2010. In the Applicant's initial application she does acknowledge that she was advised to log on and out of every terminal (which Post Office considers was the correct advice, as further detailed below).

Monthly Postage Labels Report Missing

- Labels produced on Horizon Terminal 4 were missing off weekly report for 4 weeks.

Issue 4 Audit of 10 September 2010 and Related Issues

- The Applicant claims that the audit was procedurally weak. In particular she claims that:
 - It was not conducted by 'trained' Auditors but by a Subpostmaster and a Training Manager.
 - The Applicant claims that the Post Office officers took the keys to her retail premises thus preventing her deriving an income from the retail side of her business.
 - That Post Office assets were not properly accounted for and the Post Office personnel entered her premises without her permission subsequent to the audit.

Issue 5 Flawed Investigative Process

- The Applicant claims that the investigative process conducted by Post Office was flawed. She raises issues with the summary termination by Post Office of the Applicant's contract for services and costs and losses that have flowed from this.

Costs and Losses

The Applicant is seeking the following from the mediation process:

- The costs of purchasing and fitting out Winlaton Post Office branch [REDACTED]
- Reimbursement of Applicant's Professional Advisors' costs (not quantified)
- Compensation for summary termination without cause [REDACTED]
- Consequential loss - [REDACTED]

Case Review Actions		
<i>Summary of the information collated by Post Office</i>		
Information area	Information provided with this response	Information not available for other reason
Customer Account	X	
Correspondence	X	
Network Business Support Centre Logs	X	
Transaction Corrections	X	X*
Horizon Service Desk Logs	X	X**
Record of Audits	X	
Transaction and Event Logs	X	

*Transaction Correction records are not available prior to 2 November 2005 **Records of Horizon Service Desk Logs are only available from 12 September 2007 onwards and therefore there are only partial records covering the duration of the Applicant's tenure.

Customer Account

The current amount outstanding due to Post Office as of September 2014 is £38,518.32

Timeline of Correspondence and Meetings

10 September 2010 audit conducted (Doc 001 refers)

10 September 2010 Letter to Applicant confirmation of suspension of contract (Doc 002 refers)

20 September 2010 Letter to Applicant inviting for interview to consider summary termination of contract for services. (Known as RTU (reasons to urge) interview (Doc 003 refers))

14 October 2010 RTU interview (Doc 004 refers)

21 October 2010 Letter to Applicant following interview advising of decision to summarily terminate contract. (Doc 005 refers)

22 October 2010 Notification from Applicant stating willing to make premises available to a Temporary Subpostmaster (Doc 006 refers)

25 October 2010 Notification from Applicant stating wish to appeal decision to summarily terminate contract. (Doc 007 refers)

17 November 2010 Letter to Applicant notifying of date of appeal. (Doc 008 refers)

26 November 2010 Notification from Applicant that she will attend for appeal interview (date amended from 30 November 2010 to 7 December 2010) (Doc 009 refers)

7 December 2010 Appeal Hearing (Doc 029 refers)

All correspondence sent to the Applicant was clear and provided the required information. Post

Office does not agree that the Applicant's claim that correspondence was unhelpful is correct.

Network Business Support Centre call logs (Doc 010 refers)

During the period of the Applicant's tenure (8/2/2003 -10/9/2010 730 calls were logged. Of these:

- 645 related to transaction or operational enquiries;
- 48 related to issues with Horizon and associated equipment;
- 27 related to contact request with Retail Line Manager (RLM) or later Business Development Manager (BDM);
- 10 related to performance issues at the branch.

The calls made by year are listed below.

2003 (part year) 134 calls recorded	104 Transactional or Operational 14 Requested contact from Retail Line Manager (RLM) 9 Related to performance issues in the branch. 7 Related to issues with Horizon or associated equipment
2004 189 calls recorded	157 Transactional or Operational 11 Requested contact from RLM 1 Related to performance issues in the branch. 20 Related to issues with Horizon or associated equipment.
2005 115 calls recorded	108 Transactional or Operational 1 Requested contact from RLM 6 Related to issues with Horizon or associated equipment.
2006 76 calls recorded	74 Transactional or Operational 2 Related to issues with Horizon or associated equipment.
2007 68 calls recorded	62 Transactional or Operational 5 Related to issues with Horizon or associated equipment. 1 Requested contact from RLM
2008 57 calls recorded	56 Transactional or Operational 1 Related to issues with Horizon or associated equipment.
2009 52 calls recorded	52 Transactional or Operational
2010 (part year) 39 calls recorded	32 Transactional or Operational 7 Related to issues with Horizon or associated equipment.

An analysis of call content can found in the source documents **(Doc 011 refers)**

Transaction Corrections (TCs) (Doc 012 refers)

TCs Applicant

A total of 56 TCs were issued to the Applicant during the period for which records are available, being 3 November 2005 to 10 September 2010:

32 Invoice (amounts to be made good) total value £6,410.03

24 credit (amounts to be withdrawn) total value £ 2,991.42

Net amount £3,418.61 (-)

TCs Subsequent Subpostmaster

The following TCs were issued to the subsequent Subpostmaster during the period from 7 January 2011 to 19 March 2013

7 invoice (amounts to be made good) total value £480.26

2 credit (amounts to be withdrawn) total value £169.00

Net amount £311.26(-)

Horizon Service Desk (HSD) Logs (Doc 013 refers) HSD call analysis (Doc 014 refers)

HSD provides support to Subpostmasters for Horizon hardware and software issues as opposed to NBSC who provided transaction and operational support.

HSD logs for the period 12 September 2007 to 22 June 2011 were examined. These include the period of tenure of the Temporary Subpostmaster. Post Office no longer holds records of HSD logs for prior to 12 September 2007 and therefore these records are not available for review.

During the Applicant's period in office there were some equipment issues which resulted in engineer visits on site, although some were resolved by HSD instructing the Applicant to perform a reboot. The engineer on visit to site would either repair or swap out the hardware in question. Items replaced during the Applicant's period of tenure included printers, pin pads, a base unit and monitors. The equipment removed from the branch would be returned to be repaired and cleaned and then reused. This is standard practice across the Post Office network.

A call was made to HSD on 5 July 2010, close to the time of the Applicant declared a large discrepancy. The call related to non-polling (polling was the method of transferring data to a central point prior to the introduction of HOL). Records show that this issue was resolved unassisted (by rebooting) and the call was closed on 6 July 2010. There was no cash variance declaration made for stock unit AA on 5 July 2010; stock unit CAC declared a surplus of £14.51; stock unit JAN declared a surplus of £59.56; and stock unit HCH declared a surplus of £288.08.

Terminal 4 was replaced on 14 January 2011 (after the Applicant's period of tenure) due to a corrupt disc and bad blocks showing. The corrupt disc would relate to the disc in the base unit that holds information relating to HOL help and would not affect the functioning of the terminal, although HOL help may not be available which could cause inconvenience. Bad blocks can prevent the counter from functioning depending on which blocks are bad. This can range from 'Blue screen-unable to boot' to products not being available when they should be. This would either make Horizon run slowly or not at all but would not cause discrepancies in the branch accounts.

The Applicant also refers to "end point down" within her CQR, which she says could cause problems sending communications from the terminal to the wider network. If the system shows messages that 'end point is down' the impact of this would be that no Tivoli Endpoint Manager (TEM) processes could be run. TEM application allows the Tivoli (sysman) management software and the counter to communicate with each other. This could not create discrepancies as the terminals would close down.

NBSC call logs show that in mid-2004 there were a number of issues at the branch with regard to maintaining on line services. However HSD logs are no longer available for 2004 and, as stated above, these issues would not have caused discrepancies in the branch accounts

Record of Audits (Doc 015 refers)

10 September 2010

Cash	£4,835.76 (-)
Stock and Postage	£294.09 (-)
Foreign Currency	£279.08 (-)
Cheque Discrepancy	£26.00 (-)
Shortfall held at Finance Service Centre (FSC)	£33,000.00 (-)
Total	£38,434.93 (-)

The £33,000.00 shortfall related to a balancing discrepancy transferred to FSC (settled centrally) on 28 July 2010

Transaction and Event Logs June- September 2010 (Doc 016 refers)

Transaction and Event logs for the period June-September 2010 are shown within Doc 16.

Response to issues raised by Applicant

The responses below make reference to certain technical terms. Some technical terms are explained in document 26 and these responses should therefore be read in conjunction with that document.

Issue 1 Lack of Training and Support.

The Applicant claims that there was a lack of training on Horizon and this includes an allegation of a lack of support provided by Post Office in respect of the introduction and running of Horizon.

Horizon training in general

Records show that the Applicant received one week's classroom tuition at South Shields Counter Training Office during the week commencing 27 January 2003 prior to taking up appointment as Subpostmaster of Winlaton Post Office (not two days as claimed by the Applicant). On appointment the Applicant received 10 days on-site support from 7 February 2003 to 18 February 2003 and one day additional balancing support on 19 February 2003 (Doc 027 refers). The training would have included the use and functions of Horizon transactions, balancing and how to deal with discrepancies.

The training would have been carried out by a Field Support Advisor (FAS). FSAs are part of Post Office's Field Support Team which is responsible for induction and on-going transactional training for all Subpostmasters. The FSAs are multi-skilled advisors who provide support to the network of branches and this includes delivering training, dealing with Subpostmaster queries and auditing.

The standard training package was considered adequate for the role undertaken and the training the Applicant received had more days' onsite training than was included in the standard training package (and therefore had additional training). However, there are no records to indicate why additional training was supplied (ie as to why there were more days' on site training than would usually be the case if classroom training is undertaken). This is usually due to the size of the branch, the complexity of the transactions undertaken and/or the number of staff to be trained.

The Applicant or the on-site FSA would also have been able to request additional training via NBSC had either considered it necessary.

There was other support available to the Applicant at the time through three main channels-

- 1) Operational Instruction Manuals (paper based copies held in branch and updated monthly), Operational Focus weekly updates and guidance on transactions and services and Memo view- messages direct from the Horizon terminal.
- 2) the NBSC (a telephone helpline) and
- 3) Network Line management (RLM).

All of the above were available to the Applicant during her period of tenure.

NBSC logs have been examined for the Applicant's period of tenure. Although there are no records of the Applicant requesting additional training, there is one request made for information about training for a member of staff on 2 June 2004. There are no records of any other requests for training either pre or post HOL introduction. There are no records to indicate if the requested information was supplied to the Applicant but as no further requests were logged it is reasonable to assume that it was.

There were several calls made by the Applicant regarding procedural errors made (9 in the first year and 1 in the second year). Most relate to errors made when completing Post Office card account applications. After reminders and intervention from the branch's Retail Line Manager the

errors ceased.

Horizon Online

The Applicant also refers to the introduction of HOL in her CQR and appears to suggest its introduction may be relevant to the loss uncovered in her branch. The introduction of HOL was a phased programme of software upgrades and Winlaton Post Office was migrated to HOL over the evening/night of 21/22 July 2010.

Records show that a migration officer was present to deliver on site support during the migration procedure on the afternoon/ evening of the 21 July 2010 and was present the following morning to ensure the Applicant and her staff were conversant and confident with the changes in processes. The migration process also included a physical check of cash on hand in the branch. The £33,000 shortfall referred to in the Applicant's CQR was noted by Post Office during this visit.

Prior to the migration a DVD and workbook was supplied to all branches to aid in the transition process. After migration, the paper based Horizon operation manuals were replaced with HOL help, a computerised version of the paper manuals.

Conclusion

Post Office considers that the training delivered was adequate and proportionate for the role the Applicant undertook and the Applicant appears to have had a longer period of training than the standard package. Additionally, other support was available to the Applicant and NBSC call logs show that the Applicant made limited use of this facility. Training materials were provided to the Applicant when HOL was introduced.

Issue 2 Monetary Discrepancies

The Applicant states that in early July 2010 a large discrepancy of £33,000.00 arose in stock unit AA. The Applicant believes the shortfall was unexplained and complains about the support she received in relation to this.

The Applicant declared a shortfall of £2,000.00 on 9 September 2010 but this had increased to £5,000.00 when the audit was completed on 10 September 2010. This shortage included stamps but the Applicant claims stamps were very rarely used in the branch.

The balancing records that are available for the Applicant's period of tenure are limited (Doc 017 refers). The records available show that the following discrepancies were declared:

Date	Loss/Gain	Amount
30 July 2009	Gain	£133.98
27 August 2009	Gain	£790.22
24 September 2009	Gain	£88.73
29 October 2009	Loss	£439.81
26 November 2009	Loss	£94.17
24 December 2009	Loss	£395.86

25 February 2010	Gain	£11.88
25 March 2010	Gain	£391.12
29 April 2010	Gain	£115.91
27 May 2010	Gain	£33.05
24 June 2010	Loss	£162.64
29 July 2010	Loss	£33,142.96
25 August 2010	Loss	£90.35
10 September 2010 (Final account discrepancy)	Loss	£5,434.93

After the Applicant's suspension a Temporary Subpostmaster was appointed to operate the branch from the same premises with the same Horizon terminals and staff.

The Temporary Subpostmaster declared the following discrepancies.

Date	Loss or Gain	Amount
25 November 2010	Gain	£43.54
22 December 2010	Loss	£132.70
26 January 2011	Loss	£2.02
23 February 2011	Gain	£147.63
24 March 2011	Loss	£50.29
27 April 2011	Loss	£60.12
25 May 2011	Loss	£16.68
22 June 2011	Loss	£32.93
27 July 2011	Loss	£287.03
24 August 2011	Gain	£30.03
21 September 2011	Gain	£20.22
26 October 2011	Gain	£8.17
23 November 2011	Loss	£11.83
21 December 2011	Gain	£2.52
25 January 2012	Gain	£1.03
22 February 2012	Gain	£11.19
21 March 2012	Gain	£3.12
Total Gain		£267.45
Total Loss		£593.60
Net Loss		£326.15

Due to the risk of human error, the volume and variety of transactions branches may not reach an exact balance. Apart from the two discrepancies declared on 29 July 2010 and discovered in the audit on 10 September 2010 the balancing results declared by the Applicant are not considered by Post Office to be unusual.

As part of this review Post Office contacted the Temporary Subpostmaster appointed following the Applicant's precautionary suspension. The Temporary Subpostmaster reported no issues with the Horizon equipment and she could not recall any terminals being replaced during her period of

tenure. The Temporary Subpostmaster employed the two members of staff who had previously worked for the Applicant and found no cause for concern over their performance. She did report one occasion on which she could not roll over a stock unit but this was resolved by logging out a user who had been left logged in on the system. This account contradicts the Applicant's claims regarding the Temporary Subpostmaster's tenure.

HSD logs show that terminal 4 was replaced on 14 January 2011 (4 months after the audit of 10 September 2010 and six months after the Applicant's reported cash shortfall) due to an issue detected at HSD. The branch was contacted and advised of the need to swap base units. There were no reported issues in the branch at that time and the next trading statement completed after the base unit was swapped on 26 January 2011 revealed a shortage of £2.02.

The Applicant reported a discrepancy of £33,142.96 on completion of the trading statement of 29 July 2010. The transaction and event logs for June and July 2010 have been examined as part of this review. In particular the AA stock unit that the Applicant states was the stock unit the discrepancy arose in and was held by her as referred to at the RTU and investigation interviews (Docs 016 023 024 and 025 refer)

Although there is evidence that cash declarations were made daily by the user of AA stock unit a variance check (which details the discrepancy between the amount reported as being on hand by the User and amount Horizon expects to be on hand based on transactions completed since the last balance) was not always performed as part of the process. Although this is not mandatory it is considered good practice and variance checks were completed on some occasions which would indicate that the operator knew how to perform them. There are instances when a balance snapshot has been produced immediately before the cash has been declared. By doing this the user would be able to identify any discrepancy without recording the actual discrepancy revealed on the Horizon data retained. It would also allow the user to identify how much cash was required to make the stock unit appear to be holding the correct amount of cash without completing a physical count.

Examples of the activity described above for the period 1 July 2010 to 20 July 2010 (taken from Doc 016)

Date	Balance Snapshot produced	Cash Declaration Made	Stock Unit	User ID
30/6/2010	11:51:40	11:56:14	CAC	LLA001
30/6/2010	16:34:41	16:35:02	ATM	KWY003
30/6/2010	15:37:32	16:17:35	JAN	KWY003
30/6/2010	16:40:16	16:40:17	HCH	KWY001
1/7/2010	16:32:38	16:40:38	HCH	KWY001
1/7/2010	16:33:25	16:34:24	ATM	KWY003
2/7/2010	16:32:19	16:43:19	ATM	KWY001
2/7/2010	15:52:39	15:54:49	JAN	KWY003
2/7/2010	16:32:53	16:41:31	HCH	KWY001

3/7/2010	11:03:53	11:47:12	JAN	KWY003
3/7/2010	11:39:03	11:58:49	HCH	KWY001
3/7/2010	12:12:38	12:27:31	AA	KWY003
5/7/2010	16:36:24	16:38:48	ATM	KWY003
5/7/2010	16:45:55	16:53:28	HCH	KWY001
5/7/2010	17:06:31	17:13:45	AA	KWY001
6/7/2010	16:26:27	16:30:10	JAN	KWY003
6/7/2010	16:37:50	16:39:02	ATM	KWY003
6/7/2010	16:41:10	17:16:36	AA	KWY001
7/7/2010	16:27:59	16:34:49	JAN	KWY003
7/7/2010	17:28:56	17:29:17	ATM	KWY003
7/7/2010	16:46:49	16:58:26	HCH	KWY001
7/7/2010	17:30:58	17:31:13	AA	KWY003
8/7/2010	15:41:41	16:19:14	JAN	KWY003
8/7/2010	16:21:18	16:32:31	AA	KWY003
8/7/2010	16:38:39	17:02:30	HCH	KWY001
9/7/2010	16:35:16	16:44:25	AA	KWY003
9/7/2010	16:15:57	16:18:18	JAN	KWY003
9/7/2010	16:33:06	16:34:26	ATM	KWY003
9/7/2010	16:34:32	16:53:29	HCH	KWY001
10/7/2010	11:35:14	11:41:29	HCH	KWY001
12/7/2010	16:31:56	16:44:47	AA	KWY003
12/7/2010	16:42:20	16:48:09	HCH	KWY001
13/7/2010	15:58:02	16:19:48	JAN	KWY003
13/7/2010	16:35:50	16:39:23	ATM	KWY003
13/7/2010	16:42:41	16:49:32	AA	KWY003
13/7/2010	16:50:09	16:59:01	HCH	KWY001
14/7/2010	16:23:45	16:25:06	JAN	KWY003
14/7/2010	16:25:06	16:33:50	AA	KWY003
14/7/2010	16:38:03	16:49:16	HCH	KWY001
14/7/2010	16:38:40	16:40:01	ATM	KWY003
15/7/2010	15:45:34	16:50:06	CAC	KWY001
15/7/2010	16:34:39	16:34:56	ATM	KWY003
15/7/2010	16:37:08	16:43:33	HCH	KWY001
16/7/2010	16:35:34	16:35:53	ATM	KWY003
16/7/2010	16:38:13	16:45:06	HCH	KWY001
17/7/2010	11:37:14	11:47:28	HCH	KWY001
19/7/2010	15:53:54	16:07:55	JAN	KWY003
19/7/2010	16:34:22	16:37:14	ATM	KWY003
19/7/2010	16:40:11	17:15:31	HCH	KWY001
19/7/2010	16:52:36	17:05:01	AA	KWY003
20/7/2010	10:49:28	15:34:37	JAN	KWY001

20/7/2010	16:13:24	16:23:41	AA	KWY001
20/7/2010	16:35:03	16:38:17	ATM	KWY001
20/7/2010	16:49:31	16:56:05	HCH	KWY001

Although the branch was operating individual stock units, on the majority of occasions the Applicant declared the cash in all stock units. The Temporary Subpostmaster has advised that when she took control of the branch she had to instruct the staff who had previously worked for the Applicant on how to declare cash and perform a variance check.

In the period examined above there are also two unusual multiple entries and it is possible that these entries were made to achieve a more favourable cash position within a stock unit. They could be due to simple keying errors i.e. an incorrect amount entered but would seem unlikely particularly when the entries for 8 July 2010 are examined.

The entries in the next table were made on 5 July 2010 by User ID KWY003 on JAN stock unit:-

Time	Declare cash	Variance
16:26:40	£2,355.80	110.90 (+)
16:27:22	£2,354.61	109.71(+)
16:29:19	£2,354.61	109.71 (+)
16:29:39	£2,304.61	59.71 (+)

All the entries in the next table were made on 8 July 2010 by User ID KWY001 on HCH stock unit

Time	Declare Cash	Variance
16:56:25	£5,239.89	32,624.79 (-)
16:59:59	£49,019.83	£11,155.17(+)
17:00:53	£39,019.85	£1,155.17
17:02:30	£38,019.85	£155.17 (+)

There are anomalies in the figures reported. On 30 June 2010 at 16:24:22¹ User ID KWY003 (believed to be the Applicant) declared cash on hand in AA stock unit as £11,758.83 and there was no variance check performed. On 1 July 2010 at 16:10:41 cash on hand was declared by user ID KWY003 (also believed to be the Applicant) as £91,458.83 and again no variance check was completed. There were two transactions completed on the AA stock unit between 16:24:22 on 30 June 2010 and 16:10:41 on 1 July 2010:

¹ Transaction and Event Logs do not take account of BST

1) Production of the Postmasters Daily Record (facing sheet) for Green Giro cheques which would have no effect on the cash on hand figure.

2) Cash remittance (money sent to the branch by Post Office's cash centre to enable the branch to supply cash to the customers) of £85,000.00 accepted.

In the absence of any other transactions, the cash on hand figure should have risen by £85,000.00 (remittance) to take account of the cash received. However the difference between the two amounts £11,758.83 declared at 16:24:22 on 30 June 2010 and that declared at 16:10:41 on 1 July 2010 of £91,458.83 is £79,700.00, which is £5,300.00 less than what would be expected. Given the limited data available this could be a simple error but it could also indicate that the cash was previously inflated and now correctly declared.

The following cash declarations were made on stock AA in July 2010:-

Date	Terminal	Time	Amount Declared £	Variance £
1 July 2010	3	16:10:41	91,458.83	None performed
2 July 2010	3	16:03:17	91,458.83	None performed
2 July 2010	3	16:20:36	81,458.83	None performed
3 July 2010	4	12:27:31	53,724.38	43,690.60 (-)
5 July 2010	4	17:13:45	40,826.38	None performed
5 July 2010	4	17:17:12	40,826.38	None performed
6 July 2010	3	17:16:36	39,711.48	None performed
7 July 2010	3	17:13:10	28,089.36	45,859.20 (-)
7 July 2010	3	17:31:13	28,089.36	34,049.20 (-)
7 July 2010	3	18:02:04	28,089.36	34,049.20 (-)
8 July 2010	3	16:32:31	12,265.57	None performed
9 July 2010	3	16:44:25	12,359.86	70.50 (+)
10 July 2010	3	08:52:40	12,459.86	None performed
10 July 2010	3	11:15:12	12,359.86	None performed
12 July 2010	3	16:41:47	10,578.52	None performed
13 July 2010	3	16:49:10	22,346.99	None performed
13 July 2010	3	16:49:32	12,003.99	1485.37(-)
14 July 2010	3	16:33:50	12,410.56	21.20(+)
15 July 2010	3	15:28:11	12,431.56	None performed
16 July 2010	3	16:14:18	14,931.56	None performed
17 July 2010	3	09:47:13	14,931.56	None performed
19 July 2010	3	17:05:01	15,472.86	583.50 (+)
20 July 2010	4	16:23:41	17,670.58	18.78 (-)
22 July 2010	4	16:59:37	17,733.95	44.59 (+)
23 July 2010	4	16:29:34	17,733.95	None performed
24 July 2010	4	11:50:17	17,864.19	None performed
24 July 2010	4	11:50:40	17,864.19	None performed
24 July 2010	4	11:50:48	17,864.19	166.13 (+)

26 July 2010	4	16:48:47	17,893.51	None performed
26 July 2010	4	16:48:58	17,864.19	18059.64 (+)
27 July 2010	4	16:07:48	15,864.19	18059.64 (+)
27 July 2010	4	16:09:49	15,864.19	None performed
27 July 2010	4	16:10:09	15,864.19	18059.84 (+)
28 July 2010	3	17:36:32	16,300.34	None performed
28 July 2010	3	17:36:53	16,300.34	None performed
28 July 2010	3	17:44:58	16,300.34	18,265.60 (+)
28 July 2010	3	17:47:39	16300.34	None performed
28 July 2010	3	17:47:57	Nil	17893.51 (-)
28 July 2010	3	17:58:25	16300.34	None performed
29 July 2010	3	16:25:49	16175.99	None performed
29 July 2010	3	16:25:58	16175.99	124.35(-)
31 July 2010	3	11:12:26	16175.99	None performed
31 July 2010	3	11:46:55	53472.50	None performed
31 July 2010	3	11:47:05	53472.50	5722.16 (+)

In Summary

It is evident that there was only 19 cash variance checks performed on AA stock unit during July 2010. Many days are missed and multiple checks are made on other days. There was also a substantial amount of cash stated to be held within the AA stock unit on 1 and 2 July 2010.

Transaction logs also show that between 16:10:41 on 1 July 2010 (time and date of cash declaration see above) and 16:03:17 on 2 July 2010 (time and date of cash declaration see above) there was a transfer of £10,500.00 but the cash declared on each occasion was the same. This would suggest that cash declarations were not being accurately completed.

The Applicant cites that postage stamps were reported as missing and as postage stamps were very rarely used this casts doubt on the audit result.

Stock and stamps are categorised as 1p to £5, definitive postage stamps are classed as postage stamps and other stock items (e.g. stamp books) are classed as volume stock.

The actual discrepancy reported for 1p to £5 postage (i.e. postage stamps) at the audit on 10 September 2010 was a surplus of £70.99. For the purposes of the audit report this has been added to the shortage reported in the volume stock and recorded as one shortage figure of £294.09 in stock. (Doc 015 refers)

The discrepancies in the volume stock were as follows:

Product	Amount	Product	Amount
1 st class stamps	£38.95 (+)	Air Letter Pkts	£3.99 (-)
1 st class large stamps	£2.64 (+)	Stamp Books 4 x 1st Large	£7.92 (-)
Xmas Air Letters	£1.58 (+)	Stamp Books 4 x 2nd Large	£293.76(-)

Recorded Signed For 1 st Class Stamps	£18.40 (-)	First Day Envelopes	£16.80(-)
2 nd Class Stamps	£8.64(-)	Lest We Forget Presentation Packs	£32.70 (-)
2 nd Class Lrg Stamps	£2.04(-)	Darwin Presentation Packs	£24.00(-)

These amounts were verified with the Applicant on the day of the audit. All cash and stock was subsequently defunded from the branch and would have been subject to a further verification upon receipt in the cash and stock centres. Any discrepancies found would have been processed via the late account process

Subsequent to the audit on 10 September 2010 which revealed a shortage of £38,434.93 there were no corresponding errors found to explain the shortfall.

Conclusion

The Applicant was not carrying out cash variance checks on a regular basis which, if carried out, would have enabled her to identify and investigate losses. Rather, the Applicant printed snapshots and then made cash declarations shortly afterwards which suggests that she was aware of losses and made false declarations to conceal them.

Issue 3 the alleged lack of a Proper Audit Trail and equipment issues

The Applicant claims that there were “inexplicable problems with the technology and audit trail of Horizon in respect of balancing and identifying how discrepancies occurred in the first place”.

There are a number of tools on Horizon that can assist Subpostmasters with tracing or identifying discrepancies. For example, transaction logs can be run which show the transactions that have taken place and these logs can be searched using parameters such as product type, user and time of the transaction. Event logs also provide information about user activity and a balance snapshot shows what Horizon believes is the state of the branch accounts at that point in time.

Therefore Subpostmasters can ascertain what transactions have taken place in branch and the amount that has been recorded against that transaction. Pre Horizon Online (pre 2010) Horizon reports were available in branches for 42 days. Now these reports are available in branch for 60 days.

Support and assistance was also available and accessed by the Applicant’s husband, from FSC and the Contracts Team.

The Applicant claims that there were on-going problems with Horizon (particularly terminal 4 in her branch) including during the period after her precautionary suspension when the branch was run by a Temporary Subpostmaster, which led to terminal 4 being removed and replaced.

Post Office’s response in relation to this issue is set out under Issue 2 above. In short, terminal 4 was replaced due to an issue that was not capable of causing discrepancies in the branch accounts.

The Applicant says she would like Post Office to consider the possible implications of the following issues as a contributory factor in the problems encountered at the branch.

"Phantom Log On"

The Applicant claims that a phantom log on prevented her from completing the trading period balance on 29 July 2010 (Post Office records show that the issue she refers to was 28 and 29 July 2010 but there was no "phantom log on" as explained below).

Examination of the event logs for July 2010 reveal that there were 22 unsuccessful attempts made to "roll" stock unit HCH from trading period 4 to trading period 5 on the 28/29 July 2010. Eleven attempts on 28 July 2010 and eleven further attempts on 29 July 2010 before user ID KWY001 was able to roll stock unit HCH successfully at 07:54:51 on 29 July 2010 (Doc 016 refers).

On each occasion that the stock unit HCH failed the same error message was displayed by Horizon as "balance of SU HCH failed. Another user is signed on / awaiting recovery." The Applicant claims this as evidence of a phantom log on and says she believes that this was being conducted remotely.

Records show that on 22 July 2010 User ID KWY001 (presumed to be the Applicant) logged on to Horizon terminal 1 at 07:19:12 at which point a password change was enforced. Once completed user ID KWY001 successfully logged on and the User ID was attached to HCH stock unit at 07:23:12.

At 07:29:38 User ID KWY001 declared cash in HCH but crucially did not log out on terminal 1.

At 07:31:18 user ID KWY001 attempts to log onto terminal 4. An error message advising the user that there is *a concurrent log in has been detected for user KWY001 awaiting user response* to continue or cancel is ignored and the continue icon pressed at 07:31:28 as detailed in the event logs and counter 1 is marked as failed at the same time as KWY001 logs on. There is no log out recorded at this point on terminal 4. (Doc 016 refers)

The effect of the above is that KWY001 would have been simultaneously logged in to terminals 1 and 4.

At 07:32:54 User ID KWY001 attempts to log onto terminal 3. An error message advising the user that *a concurrent log on has been detected for user KWY001 awaiting user response* to continue or cancel is ignored, the continue icon was selected at 07:33:42 and User ID KWY001 is logged on and counter 4 is marked as failed (07:33:42). User KWY001 logs out for terminal 3 at 07:34:03

At 07:37:54 User KWY001 logs onto terminal 4 at 07:37:54 and serves all day. At 17:00:52 user ID KWY001 is logged off this action corrects the earlier failure noted on terminal 4. However, the same user ID remained logged in to terminal 1.

On 28 July 2010 at 07:39:20 user ID KWY001 logs on terminal 4 the user remains on terminal 4 all day serving and successfully 'rolls' stock unit ZZZ at 08:28:15. At this point there is one remaining stock unit to balance and 'roll' which is HCH. As all other stock units had been successfully 'rolled'

On 28 and 29 July 2010 there are 22 attempts to balance and 'roll' stock unit HCH as follows; all attempts are made on terminal 4:

28 July 2010		29 July 2010	
17:22:27	17:52:07	07:14:18	07:38:28
17:22:42	17:55:20	07:18:19	07:43:38
17:24:32	17:55:32	07:20:35	07:44:26
17:24:40	17:59:50	07:27:58	07:47:31
17:26:02	18:00:58	07:30:04	07:49:50
17:27:14		07:30:41	

On 28 July 2010 there are no recorded telephone calls requesting assistance with balancing made to NBSC or HSD. There is one call to NBSC made at 09:30:04 re postage reports (see monthly postage labels below).

On 29 July 2010 at 07:13:40 User ID KWY001 logged onto terminal 4 at 07:13:40 there are then eleven unsuccessful attempts to 'roll' stock unit HCH (as listed above). At 07:47:01 User KWY001 moved to terminal 1 and logged on. At 07:49:57 User ID logged off at terminal 1 which cleared the failed session from 22 July 2010 and corrected the failure to log out of terminal 1 from 22 July 2010. At 07:50:25 user ID KWY001 logged on at terminal 4 and was able to successfully 'roll' HCH stock unit at 07:54:51.

Accordingly, the reason that the Applicant was seeing a message on terminal 4 saying she was already logged on was she had remained logged on to terminal 1 since 22 July 2010. Once she logged out of terminal 1 she was able to roll over.

Two calls related to this issue are recorded by NBSC both on 29 July 2010.

Call 108:23:43 from the Applicant was reported as "trying to balance keeps getting a recovered session". There is no record of the advice given by NBSC other than they referred to their knowledge base (the knowledge base is a reference system used by NBSC operators to ensure they offer the correct advice to Subpostmasters).

Call 2 08:40:48 from the Applicant was reported as "group A, meant to balance yesterday saying stock unit cannot roll over attached user session not done or not logged in. No recovered sessions There is no one else logged in spoke to Horizon said he has come across this before said need to take people off the system nothing on suspended session report. Tried all units and all the same group A meant to balance". Response is recorded as referred to HSD.

The HSD logs examined for the 29 July 2010 show two recorded calls made on that day. The first at 08:27:42 it is recorded as inappropriate help desk and should not have been referred by NBSC. The Applicant agreed to call NBSC back. The call was closed at 08:30:45

The second later related call was made at 08:41:59, the call log was annotated inappropriate helpdesk and the advice given is to talk to NBSC. The call was closed at 09:34:06.

The Applicant states in her CQR that the first call to NBSC was escalated to the second line. The NBSC call logs do not reflect this.

Whilst it is not clear exactly what advice was given to the Applicant when she sought assistance on 29th July 2010, it is clear that the Applicant felt she was not assisted by the advice delivered. The advice to “try logging in and out” (as referred to in Appendix 6 of the CQR although in the CQR the Applicant also states the NBSC “provided no assistance whatsoever”) was the correct advice. In the Applicant’s initial complaint on page 3 the Applicant states “advised to login and out of every terminal in the office and ensure all users are logged out”. When this advice was followed the issue was resolved and Post Office therefore believes that the Applicant was given adequate support.

Appendix 6 of the Applicant’s CQR refers to a visit made to the branch by a Field Change Advisor (FCA). An FCA’s role is to maintain provision of post office services at branches when issues such as suspensions and resignations occur. They will also provide as in this instance support such as rolling over branches when required. The Applicant claims that the FCA who attended after her suspension had to telephone for assistance with Horizon. Records show that a FCA did attend the branch on 26 October 2010 to ‘roll’ the branch into the current or next appropriate Trading Period in readiness in case branch should reopen. The telephone call the Applicant refers to was to obtain a one shot password from HSD to enable the FCA to access Horizon to perform the task he required. This is not, therefore, evidence of a failing of Horizon.

As part of this review the temporary Subpostmaster who was in post 2 November 2011 to 30 March 2012 was asked verbally on 30 June 2014, if she had experienced any issue with “phantom” logging on issues. The former temporary Subpostmaster stated that she had no issues or concerns with Horizon during her period of tenure.

Conclusion on “phantom log on” issue

Post Office findings are that there were no phantom users or anyone accessing Winlato’s Horizon terminals remotely undertaking transactions. The User who was attached to terminal 1 was user ID KWY001 who is believed to be the Applicant and the problem arose because user ID KWY001 failed to log off successfully on terminal 1 on 22 July 2010. Had the correct procedures been followed and a correct log out performed on 22 July 2010 the issue which delayed the HCH stock unit ‘rolling’ on 28/ 29 July 2010 would not have arisen.

This also counters the Applicant’s assertion that remote access was being gained to Horizon and creating shortfalls at the branch. In any event, a failure to roll over would not cause losses.

Monthly Postage Labels Report Missing

The Applicant also states that labels produced on Horizon Terminal 4 were missing off the weekly report for 4 weeks.

The Applicant has not supplied any evidence of this within the CQR submission. A call was made to NBSC on 28 July 2010 at 09:30:04 (Doc 10 refers) and although the log refers to postage stamps, it is considered that the call concerned postage labels. The log states “user is not showing

on the office weekly report for postage stamps.” There is no response recorded other than the knowledge base was used to provide the advice given.

It is believed that the Applicant is referring to the weekly report of postage labels which would include rejected labels. The report is produced to enable a Subpostmaster to reconcile rejected labels and, whilst not being able to perform this task may have been inconvenient, it could not create any discrepancies in the branch provided no postage label fraud was taking place. The purpose of this report and the reconciliation undertaken by the Subpostmaster is to highlight to them any high volumes of spoilt labels being processed by their staff which could be potential staff fraud.

If, as the Applicant suggests, this created a loss of £1,700.00 then when the items were returned as the Applicant states then at that point a £1,700.00 surplus should have been created. In reality this was not the situation: the report in question is only used for reconciliation purposes and could not therefore make any difference to monetary value of stock held in branch. However it should be also be noted that if the £1,700.00 of postage labels had not been accounted for via Horizon as the Applicant appears to be suggesting this would have created a surplus in the branch as the payment of the labels would have been taken at the time of the transaction.

Appendix 9 of the Applicant’s CQR refers to cash discrepancies reported by Subpostmasters being a “significant driver” to replacing Horizon with HOL. In 2010, Post Office rolled out HOL as part of its Horizon Next Generation programme (often referred to as HNG-X) to provide a simplified network based on the centralised processing of data. The main changes were “behind the scenes” along with a new “user interface” and principally affected the way each terminal communicates transaction data to the central Post Office data centres. The programme was several years in planning and was an improvement rather than a major change. The roll out was completed in September 2010. This was a planned improvement and not due to reports by Subpostmasters.

Conclusions

Horizon does offer an adequate audit trail and this is supported by the fact that there is an audit trail which has been used to respond to the “phantom log on” issue referred to by the Applicant (as detailed above).

The issue cited by the Applicant relating to stamps could not cause a loss in the branch accounts.

Issue 4 Audit and Related Issues

The Applicant claims that:

- the audit was procedurally weak and was not conducted by 'Auditors' but a Subpostmaster and a Training Manager;
- the Post Office officers took the keys to her retail premises thus preventing her deriving an income from the retail side of her business; and
- Post Office assets were not properly accounted for and the Post Office personnel

subsequent to the audit entered her premises without her permission.

The Applicant claims that the audit was procedurally weak and was not conducted by Auditors but by a Subpostmaster and a Training Manager.

The purpose of audits undertaken is to verify Post Office assets and confirm compliance with a range of business processes, procedures and regulatory requirements.

The audit on 10 September 2010 was conducted after the Applicant's Contracts Advisor became aware of the Applicant having reported via NBSC a large cash discrepancy on 9 July 2010. On 29 July 2010 on completion of the trading statement (a verification of the branch accounts completed by the Applicant or branch staff) a shortfall of £33,142.96 was transferred to FSC, the Post Office's accounting headquarters. The effect of this action would be to bring the branch back into balance, however the Applicant's personal account in FSC would hold the sum due to allow time for the Applicant to make further investigations or for a transaction correction to be issued to correct an error made.

On 2 September 2010 records show that an amount of £142.96 was made good by cheque. This reduced the amount held at FSC in relation to the settled centrally amount to £33,000.00. (Doc 018 refers)

The Applicant states in her CQR that she was aware on 9 September 2010 that there was a £2,000.00 shortfall which she intended to look for the following day. There are no records of the shortfall being reported to NBSC on that day.

Audit Result 10 September 2010

Cash	4835.76(-)
Cheques on hand	26.00 (-)
Stock	365.08 (-)
Postage	70.99 (+)
Foreign Currency	279.08(-)
Shortfall held at FSC	33,000.00 (-)
Total	38434.93 (-)

For the purposes of the audit report, the postage stamp surplus of £70.99 and stock shortage of £365.08 were netted off to £294.09(-) (Doc 015 refers)

Both auditors on the day were experienced and trained FSAs. The FSA role is referenced in factfile included as part of this submission. Both FSAs would have received training on conducting audits, are subject to Line Manager control and audits performed are periodically assessed under a quality review programme and feedback given. Post Office therefore considers that they were appropriate personnel to conduct an audit.

The FSA the Applicant refers to as being a Subpostmaster is an employee of Post Office in the capacity of an FSA. The FSA is also a Subpostmaster, but does not operate his Post Office branch

on a daily basis due to his employment with Post Office. It is not uncommon for Subpostmasters to have other distinct roles in which they are employed by Post Office. The fact that one FSA was also a Subpostmaster and the other had been a training manager previously is not relevant to their ability to conduct the audit.

At the commencement of the audit a TC for £20.00 was received in the branch. This had been issued by FSC via Horizon the previous day. There was a corresponding amount held in the branch suspense account. Records show that the auditors obtained permission from the Applicant to process the TC and redeem the £20.00 from the suspense account. By redeeming the corresponding amount no cash discrepancy would be generated. (Docs 001 and 026 refers)

Apart from these issues the Applicant does not explain her term 'procedurally weak' so Post Office is unable to comment further other than to say that all audits undertaken by Post Office follow strict external guidelines and are themselves subject to periodic external audits.

The Applicant states that the Post Office officers took the keys to her retail premises thus preventing her deriving an income from the retail side of the business.

Post Office branch keys are retained as part of the audit process when Post Office assets are left on site. As part of this review the auditor who retained the keys on the day was contacted on the 8 and 9 June 2014. It has been confirmed that the retail keys were retained. The auditor on the day asked the Applicant if she required the retail keys. The Applicant replied that as most customers only came into the shop to use the Post Office, there was no point in her opening up the retail and therefore did not require the keys. Hence the retail and Post Office keys were kept together.

The Applicant claims that Post Office assets were not properly accounted for and that Post Office personnel subsequent to the audit entered her premises without her permission.

Whilst conducting the audit on 10 September 2010, a cash remittance for the branch was delivered. The remittance was accepted and signed for by members of the audit team. As this cash did not form part of the audit findings for that day it was secured in the safe. On completion of the audit the auditors secured the cash in the safe but did not enter it on Horizon. Arrangements were made, subsequently, to return to the office to accept the cash into Horizon to maintain cash management records as the branch had not reopened with a Temporary Subpostmaster.

The auditors did return to the branch the following Monday to record the remittance received during the audit into Horizon. This avoided a surplus being declared or the cash needing to be remitted at the next balance. Had the auditors not taken this action then a transaction correction would have been issued to correct the error made which would have brought the balance back into surplus (and have had no impact on the Applicant). However, Post Office does recognise that the premises should not have been accessed without the authorisation of the Applicant.

The Applicant stated during her RTU that the audit shortfall revealed on 10 September 2010 could relate to an outward remittance doubling when scanned. Records show that on 9 September 2010 an outward remittance was prepared for £4,110.00. If Horizon had doubled this amount

and only £2,000.00 was intended to be despatched then this would have created a surplus not a shortfall as the Applicant claims. Horizon would deduct the remittance value of £4,110.00 from the cash on hand total assuming it was sent and therefore require £2,000.00 less to balance the branch. (i.e. half the amount). This would then generate a TC from FSC which on acceptance would bring the branch back into balance. (Doc 026 refers). There was no TC issued relating to this issue.

In any event, the Applicant was present during the audit and checked the auditors' figures (Doc 001 refers).

Conclusion

Post Office's view is that the audit was properly conducted by experienced and trained FSAs. Further it should be noted that the Applicant checked and agreed with the auditors' figures on the day.

Issue 5 Flawed Investigative Process

The Applicant claims that the investigative process conducted by Post Office was flawed. The Applicant claims that there were issues with the summary termination by Post Office of the Applicant's contract for services and costs and losses that have flowed from this.

The Applicant was suspended on 10 September 2010 following the audit which revealed a shortfall of £38,434.93. A letter was sent to the Applicant on the day to advise of the precautionary suspension and indicating that agreement had been given for the use of the premises to provide service for customers. This was to be provided by a temporary Subpostmaster if one could be sourced.

There were two separate processes: a conduct investigation and a security investigation and these are dealt with under separate headings.

Conduct investigation

The Applicant was invited to a meeting to provide her with an opportunity to present reasons why her contract for services should not be terminated, (as described above this is known as an RTU) by letter on 20 September 2010.

The RTU was held on 14 October 2010 (Doc 4 refers). The meeting was held at Durham Crown Office and present were the Contracts Advisor, the Applicant and a representative from the National Federation of Subpostmasters. (NFSP). The Applicant had a full opportunity to state her case at that meeting.

At point 55 in the CQR the Applicant states that she found the support and guidance offered by the NFSP unhelpful and negative. As an external body Post Office is unable to comment on the actions of the NFSP or its representatives.

At the interview the Applicant agreed (page 3 point 30) that the Contracts Advisor had precautionary suspended her by telephone on the day of the audit. This is contrary to the claim

made by the Applicant in her CQR (page 13 point 120) that she was notified of her suspension by the Auditor.

A letter was sent to the Applicant on 21 October 2010 stating that, after full consideration, the decision was to summarily terminate the Applicant's contract for services with effect from 21 October 2010. The rationale was that the Applicant had failed to manage the branch to the satisfaction of the Post Office resulting in an unexplained shortage identified at audit of £5,434.93 in addition to an unexplained shortage of £33,000.00 which had previously been settled centrally making a total shortage of £38,434.93.

The Applicant's CQR does not set out what further investigation she believes Post Office should have undertaken in this stage of the process.

The Applicant notified Post Office that she wished to appeal in a letter dated 25 October 2010 and an appeal hearing was arranged for 30 November 2010.

The appeal hearing took place after a slight delay on 7 December 2010. It was conducted by an Appeals Manager who was experienced (having conducted appeals for over 13 years) and therefore competent to perform that role. The meeting was concluded and subsequently the Appeals Manager endeavoured to locate some documents that the Applicant had requested. In particular balance snapshots for 30 June, 1 and 2 July 2010. After a search, a letter was sent to the Applicant stating that all reasonable efforts had been made to locate the requested paperwork and therefore to proceed on the basis that they were not available. The letter further requested that the Applicant provided a written submission which could be treated as an addendum to the appeal hearing of the 7 December 2010. The addendum should explain how the information regarding the three days' data that Post Office could not supply would have added to the Applicant's appeal.

Following the Applicant's precautionary suspension on 10 September 2010, the Applicant was provided with available paperwork to enable her to perform the checks that she wished to complete. It is regretted that some of the paperwork requested namely balance snapshots for 30 June, 1 and 2 July 2010, could not be located despite checks being made.

However, it should be noted that event logs available for the 30 June, 1 and 2 July 2010 indicate that no balance snapshots were produced in branch for the AA stock unit on 30 June, 1 or 2 July 2010. (Doc 016 refers) Records do show that balance snapshots were produced on 30 June 2010 for stock units CAC, ATMx3, JAN and HCH. On 1 July 2010 balance snapshots were produced for stock units CAC, HCH and ATM and on 2 July 2010 for CAC, ATMx2, JAN and HCH. It is unclear from the CQR exactly which balance snapshots the Applicant required but, given the discrepancy was reported to have originated in stock unit AA, then the likelihood is that the snapshots of most interest to the Applicant would have been for that unit. However events logs show that they did not exist (Doc 016 refers).

A written statement dated 25 February 2011 was received from the Applicant, which was taken into account by the Appeals Manager.

Subsequently the Appeals Manager wrote to the Applicant and advised that the appeal had been rejected. The Appeals Manager outlined that he had focused on the losses in the branch which were significant and the transfer of ATM cash to a stock unit without following correct accounting procedures. The conclusion was that the "failure to manage Winlton Post Office branch to the satisfaction of Post Office Ltd led to an unexplained shortage of £5,434.93 and an unexplained shortage settled centrally of £33,000.00 in total £38,434.93. This being in accordance with section 1 paragraph 5 and section 12 paragraph 5". (CQR Appendix 8 refers)

It is Post Office's view that the appeal hearing was properly conducted and the decision to reject the appeal was independent and unbiased.

Security investigation

Separately, a security investigation was also conducted following the audit on 10 September 2010 with a view to considering whether there was any suspicion of criminal conduct on the Applicant's part.

An interview was arranged for 7 October 2010 but the Applicant requested that this was postponed whilst she took legal advice.

A visit was made to the branch by two security managers on 12 October 2010 with the Applicant in attendance to remove required documents from the branch. These included branch trading statements, Horizon reports including final balances and cash declaration.

The Applicant was subsequently contacted several times in an attempt to arrange an interview date. Point 162 in the CQR states that the Applicant was advised by telephone on 13 January 2011 by the security manager that there was "pressure on him from London to push the case forward". As part of this review the experienced security manager was contacted by telephone on 30 June 2014. Although he cannot recall the specific conversation with the Applicant he stated that it was very likely that he did inform the Applicant that the case should be progressed but that he would not have been under any pressure from London or anywhere else to progress the case. It is important that interviews are conducted as soon as practical after an event so that any information supplied and events recalled are as fresh in the memory as possible. The telephone call was made four months after the audit at the branch, which led to the precautionary suspension of the Applicant and six months after the discrepancy of £33,142.96 was first declared, thus the security manager in the interest of being fair to all parties would have been keen to conduct the interview as swiftly as possible.

On 30 March 2011 security managers conducted a taped and under caution interview with the Applicant. The interview was conducted under the terms of the Police and Criminal Evidence Act 1984 and a copy of the code was provided and the Applicant was advised that she was entitled to read it. The right to legal representation and the right to speak to a Solicitor were explained and recorded. (Docs 023-025 refer)

In addition to the security managers and the Applicant, also present during the interview was the Applicant's Solicitor.

The security managers who interviewed the Applicant had 6 and 10 years' experience respectively of carrying out security investigations and Post Office therefore believes they had sufficient experience and were competent to perform their roles.

The Applicant stated that she had no knowledge of how the losses occurred and believed a mistake would be found. At the end of June the Applicant confirmed that she received a letter advising her of her migration date to HOL. The Applicant could not recall if the letter advised her that as part of the migration process a cash check would be performed but she stated that she was aware the check would be undertaken. The Applicant also stated that she was aware that she was liable for losses. The Applicant denied theft and false accounting and cast doubt on the integrity of Horizon blaming it for the error. She said she thought the shortage could be in the £1 coins because she had received a lot of these. As she had to go out on the evening of the shortage she decided to declare what she thought was there and, because she thought she knew where the problem was; she would come in early the next morning to double check it. That was on the 9th September; the day before the audit and so, on the day of the audit she had not had the opportunity to check the figures for error. As for the ATM stock unit shortage, she said was short of notes in the office and so had taken notes from the ATM to use across the counter. The Applicant denied having reintroduced cash during the HOL migration process.

During the course of her interview the Applicant was asked to provide details of all of her bank accounts and to permit investigators access thereto. Subsequent inquiries revealed that she failed to identify all of her accounts.

Following the Security Investigation the Applicant was charged with two offences of theft. She appeared before the Newcastle Magistrates Court on 12th June 2012. The Applicant then proceeded through the criminal justice system, appearing at the Newcastle Crown Court on the 19th September 2012. Trials were fixed for the 17th December 2012, 4th March 2013, both of which were postponed for reasons of disclosure and relating to HOL.

In June 2010 the Applicant received a letter from POL informing her that the office was shortly to be migrated to HOL. On the 9th July 2010 and prior to migration, the Applicant reported a substantial shortage in TP 4. On the date appointed of migration the HOL Advisor attended to confirm the cash on hand figure with the previous evening's balance. He reported that, whilst he was physically counting the cash the Applicant reintroduced cash he had already counted in the hope that he would inadvertently 'double-count' the re-introduced cash. On 10th September 2010 an audit was conducted; this revealed a further deficit which the Applicant explaining that she *"....must have declared the wrong figures."*

A perusal of the NSBC logs going back to 2011 and dealing with calls from the Winlaton Post Office reveals that calls relating to Horizon defects only appear *after* receipt of the Horizon migration letter. Thereafter such calls became increasingly common.

Other Action relating to branch following suspension

Following the Applicant's precautionary suspension on 10 September 2010 Post Office attempted to appoint a temporary Subpostmaster. The Applicant agreed to the use of her premises to

operate the service. The terms for the use of the premises are a matter between the temporary and the suspended Subpostmaster. Difficulties in reaching an agreement over rent and utility payments delayed the branch reopening. The delay resulted in the branch being defunded (cash and stock removed) on 24 September 2010. On 2 November 2010 a temporary Subpostmaster was appointed and the branch reopened. (Docs 006, 021 and 022 refer)

The Applicant submitted a letter dated 11 February 2012 to the National Consultation team as she was unhappy with the Post Office's plan which was under consultation at that time to move the Post Office to the Spar Shop and that she had not been advised. (Doc 028 refers)

When a Subpostmaster's contract is terminated they are asked to indicate their intentions regarding the premises they occupy. In this case the Applicant failed to respond to that letter. Consequently the Post Office advertised the vacancy for a Subpostmaster on a 'near' i.e. within reasonable distance of the current site. It is acknowledged by Post Office that the Applicant had made her premises available to a temporary Subpostmaster to maintain customer service. Had the Applicant indicated that the premises were on the market then it would have advertised the vacancy 'at or near'. Thus her failure to notify Post Office that the premises were up for sale led to Post Office exploring other sites. It is acknowledged that the Applicant did state at her RTU interview that the branch had been up for sale for two years.

It is usual practice to notify a Subpostmaster whose contract has been terminated when a new Subpostmaster had been appointed. Records show that attempts were made to contact the Applicant but Post Office was unable to do so prior to the consultation process commencing. (Doc 019 refers).

Conclusion

There is no evidence that any investigation process conducted was flawed. Whilst it is regrettable that not all the documents the Applicant requested could be made available to her, Post Office does not consider the missing documents to be of material importance. Additionally, it is possible that the reason the documents in question could not be obtained is that the Applicant had not created them in the first place.

Transaction logs were shown to the Applicant at her security investigation detailing transactions undertaken and there were no transactions for the value of £30,000.00 so if the loss had related to errors made it would have had to be multiple transactions involved. There were no significant transaction corrections received as would have been expected if genuine errors had been made. The Applicant had access to transaction logs in branch for 42 days and therefore would have been able to check for issues at the time of the alleged shortfall of £33,000.00.

Overall, Post Office considers that the Applicant was provided with sufficient opportunity and relevant documents to state her case and it is also relevant to note that she had legal representation during the security investigation. Post Office believes its procedures were fair and adequate. (Doc 030 refers)

Additional Issues/Findings

Disparities

The Applicant gave different explanations in relation to the audit shortage at various stages:

- In the RTU interview the Applicant stated (page 11, Doc 4) that the shortage could be related to £1 coins or a remittance out that the Applicant has completed or something within “the system”.
- On the day of the audit the Applicant advised the auditors that the discrepancy was due to her declaring the wrong figures.
- The Applicant also stated during the RTU that the ATM stock unit shortage of £2,600.00 was due to her taking cash from the ATM to serve customers as the branch was running low on cash prior to the expected cash delivery the following day but that she failed to account for the transfer via Horizon. If this had occurred then the Applicant is quite correct that the ATM stock unit would reveal a £2,600.00 shortage when subject to physical check (cash declared as on hand but transferred to the AA stock unit). However when the AA stock unit was subject to physical check this stock unit would be £2,600.00 in surplus (cash physically on hand but not transferred). This was not the case when the audit was conducted on 10 September 2010.
- Examination of the audit papers completed on 10 September 2010 indicate that in addition to the ATM stock unit at the audit there were £5,855.00 of notes on hand in the branch, this would suggest that there was no need to transfer any cash from the ATM as the Applicant cites. During the security interview (tape 1 Doc 023) the Applicant stated that she had created a ZZZ stock unit for use when completing the trading statement balance. She said this stock unit was to hold the final loss or gain in the branch prior to settlement. This stock unit would not usually have held any cash or stock. To perform its functions this stock unit must be the last unit to be ‘rolled’ when the trading statement balance is performed. This is common practice in a branch of this size. On the 28 July 2014 the ZZZ stock unit was ‘rolled’ at 08:28:15 whilst stock unit HCH was not ‘rolled’ until the following day. The Applicant stated at security interview (tape 2 Doc 024) that she did not perform spot checks in the staff stock units unless there was a loss reported, as “you have to have some trust”. However in the RTU interview page 18 point 347 the Applicant stated that she did these on a weekly basis. In the Applicant’s CQR point 67 the Applicant further states that she did surprise checks

Financial Position

The Applicant stated during her security interview (Tape 1 Doc 023) that she was experiencing some financial difficulties. The credit cards held by the Applicant had reached their limits, borrowing £15,000.00 cash on them and making reduced payments on them. The Applicant was also being supported financially by her partner and her parents. The Applicant also confirmed that her parents had been providing financial support over a number of years with several thousands of pounds.

The Temporary Subpostmaster stated that on appointment there were posters in the branch advising customers that they could only withdraw certain amounts of cash and that the assistants

were not allowed to declare their own cash. Additionally, the Applicant's staff informed the Temporary Subpostmaster that the Applicant would regularly borrow cash from the ATM to top up the counter positions.

The Applicant should not have needed to use ATM cash to provide additional funds to operate her branch. Cash holdings are monitored using the cash declarations made by the branch to determine how much cash is required on a week to week basis. Should the need arise due to an unexpected occurrence (i.e. a branch in the area closing due to unforeseen circumstances) then a special cash delivery could have been requested. The fact that the Applicant was required to access the ATM cash to service the branch suggests that the cash on hand was not being accurately declared.

Additional Findings

In her CQR (page 4 and 5) the Applicant refers to dates to be noted in respect of terminal 4: 6 October 2010, 24 November 2010 and 14 January 2011. As part of this review Post Office contacted the Temporary Subpostmaster who operated the branch after the Applicant's tenure and the Temporary Subpostmaster advised that there were no issues with any of the Horizon terminals whilst she operated the branch (whilst terminal 4 was replaced as stated above the Temporary Subpostmaster did not recall this and may not have seen it has a Horizon issue).

Points raised in CQR not already addressed above.

Point 18

The Applicant states that she was not advised to seek legal advice at her interview with Post Office.

Post Office is not obliged to provide such advice to prospective Subpostmasters.

Point 36

The Applicant states that there was no training delivered on the settle centrally function.

Whilst Post Office does not have records of the exact training provided, the settle centrally function would be explained as part of the standard training package. As part of the training package, hand outs are left with Subpostmasters including a balancing guide. A step by step work aid to take the Subpostmaster through the balancing process. The following is an extract from the current hand-out and one very similar would have been supplied to the Applicant during the classroom course. The on-site trainer would use the hand-out to coach the Applicant through the balancing process.

At the End of Trading Period the discrepancy settlement screen appears on the last stock to Roll Over into next TP. Horizon will ask how you are going to settle the discrepancy, i.e. Cash, Cheque or provide you with an option to settle the discrepancy centrally if over £150. If this option is selected, then you will receive a statement from our accounting team in Chesterfield which provides you with the additional option of paying by credit or debit card. If the discrepancy is due to a known specific error made at the branch, then contact NBSC with the details to enable further

accounting investigations to be made and appropriate accounting corrections to be issued.

You do not need to 'make good' after each weekly balance, but you MUST make good at the end of your Trading Period.

Point 38

The Applicant states that the Contract Advisor only became known to her personally once Post Office decided to take issue with her.

The Contract Advisor's role is to deal with contractual matters and as such it does not involve regular contact with or visits to any branch. The appointment of new Subpostmasters i.e. Interviews and conducting interviews after precautionary suspension (RTU's) are their primary responsibilities. The contact point for branches experiencing balancing, procedural and transactional issues would be the NBSC. It is not normal practice for a Subpostmaster to have contact details for Contract Advisors as they would not routinely require them. There are no records of the Applicant attempting to make contact with her Contract Advisor prior to 10 September 2010.

The Applicant did have the support of a retail line manager (RLM) whose primary function was to promote sales within the branch but would have been a contact point for many issues. There is evidence that the Applicant did have contact with her RLM as NBSC logs show requests made for the RLM to contact the branch. Whilst records do not give specific information about the reason for the contact request, there are indications that matters such as late arrival of the branch's cash delivery were raised.(Doc 010 refers)

Points 44, 76 and 77

Point 44 of the Applicant's CQR states that she followed the instruction on the screen and settled the £33,142.96 loss centrally (to FSC) on 29 July 2010 and heard nothing more until the audit on the 10 September 2010. Contained within the CQR at appendix 3 is a request for payment statement from Post Office dated 2 August 2010, which details the loss transferred and requests payment be made by 12 August 2010. The Applicant responded to this letter on 5 August 2010 (appendix 4). At appendix 13 there is a further request for payment issued by Post Office dated 24 August 2010. In addition, appendix 13 contains a letter from the Applicant related to the loss dated 1 September 2010 requesting more time to investigate. Therefore the assertion that the Applicant heard nothing further about the loss settled centrally until the audit which led to her suspension is not correct.

The Applicant also refers to these documents on page 9 Point 76 of her CQR where she refers incorrectly to the request for payment as a "transaction error correction". Transaction corrections are issued electronically via Horizon so the Applicant is mistaken with this title. The Applicant refers to being shocked by the receipt of this document, however the amount relates to the shortfall that she settled centrally on the 29 July 2010 which was four days prior to the date of the request for payment. Further the Applicant stated at her RTU interview on 14 October 2010 following correspondence she received from FSC they were "actually quite helpful with me".

Post Office's view is that the documentation was suitable and there is no indication that the Applicant did not understand the documentation sent in either her letters of 5 August 2010 or 1 September 2010 which were in response to requests for payment of the outstanding sum due made by FSC.

Point 54

The Applicant states in her CQR point 54 that NBSC was limited in its support, particularly after it reduced its operating hours from 9pm to 6pm. As part of this review the NBSC Relationship Manager stated that NBSC since introduction in 1999 has always closed daily at 6pm with the exception of Wednesday when it originally closed at 10.00pm but, after the introduction of branch trading which meant that not all branches were balancing every week and the consequent lower call demand, the decision was taken to close at 8pm on Wednesday.

Transaction and event logs were examined from June 2010 to September 2010.

In June 2010 there were no occasions when Horizon is accessed by the Applicant outside NBSC opening times.

In July 2010 there were six occasions when Horizon is accessed by the Applicant outside NBSC opening times. 5 July, 6 July, 8 July, 19 July, 22 July and 26 July. The NBSC call logs were examined to establish if any calls were made the following morning on any of these dates. Three calls were made: 6 July at 10:46:15 9 July at 13:21:05 and 23 July at 13:18:28. That these calls were not made early the following morning would suggest that they would most likely have not been made the previous evening had NBSC been open to receive the call.

In August 2010 there was one occasion when Horizon was accessed by the Applicant outside NBSC opening times on 2 August. There were no calls made to NBSC on 3 August 2010.

In September 2010 there was one occasion when Horizon was accessed by the Applicant outside of normal NBSC opening hours on 2 September. There was one call recorded the following day at 11:36:13.

Point 64 The Applicant states that she "often ended up staying until 8pm or later to check everything with a slow computer".

Examination of the transaction and event logs for the period June –September 2010 have been examined. The latest time at which Horizon is accessed during each month of the period examined is listed below.

Month	Time	Time with BST adjustment
June 10	18:21:47	19:21:47
July 10	18:14:17	19:14:17
August 10	17:34:38	18:34:38
September 10	17:18:27	18:18:27

Whilst this is only a 3 month sample it does cover the period of transition to HOL when it would be expected that balancing would take a little longer due to the unfamiliar process. Post Office suggests therefore that this sample period does reflect the normal balancing practices and there is no evidence of the Applicant staying at the branch until 8pm as she cites. However Post Office is unable to determine how soon the Applicant left the branch after Horizon was last accessed.

Points 69 and 72

At point 69 the Applicant states that the £33,142.96 shortfall first appeared around early July, possibly the first or second. No cash variance checks were performed on the AA stock unit on either 1 or 2 July 2010 although cash was declared by User ID KWY003 on both days. A cash variance of £43,690.20 (-) was declared on 3 July 2010 by User ID KWY001 on the AA stock unit. At point 72 of the CQR the Applicant states that she immediately called NBSC. Records show that the first call recorded at NBSC related to this issue as on 6 July 2010 by the Applicant at 09:46:15.

In June 2010 only two cash variance checks were performed in the AA stock unit, on 23 June 2010 the variance check revealed a shortfall of £1,251.47 and on 24 June 2010 a surplus of £1,080.00 was reported.

Point 78

The Applicant states that she contacted FSC and was advised that FSC would look into the reported £33,000.00 shortfall.

At the Applicant's request FSC allowed additional time for the Applicant to make further checks, however the onus is on the Subpostmaster to perform checks in branch not FSC, as accounting records are retained in the branch. Post Office has mechanisms in place via its settlement process with clients to check documentation submitted by the branch. Had any errors been located a transaction correction would have been issued to the branch to correct the error made. Post Office can confirm that TCs were not issued or were not due to be issued.

Point 82

The Applicant states that no auditors came to the branch after the reported shortfall of £33,142.96.

It would not be considered necessary for auditors to attend the branch. However, the later audit was prompted by Post Office becoming aware of this shortfall. The £33,142.96 discrepancy became known to the Applicant by 3 July 2010. The audit of the branch took place on 10 September 2010 this allowed the Applicant over two months to investigate the discrepancy outstanding.

Point 87

The Applicant states she initially had misgivings about HOL because it all ran from one 4-plug extension which included the modem for the online system. The HOL migration process did not involve any major installation works within the branch. Post Office does not consider this relevant as any power failure would have resulted in Horizon becoming non-operational and this is not

logged. (see point 88 below)

Point 88

The Applicant further asserts that "if the extension were to fuse, I would image there would have been terminal problems". There is no evidence in any call logs examined that the four way gang extension ever fused. It is noted that the Applicant makes use of the word 'if' and therefore Post Office do not believe it has any relevance or bearing on this complaint.

Point 116

The Applicant states that the last "standard retail audit" at the branch was in March 2004 and there had been an interval of 6 years between audits until the audit in September 2010. The audit on 10 September 2010 was as a result of the discrepancy settled centrally on 29 July 2010 and followed on from suspicions raised by the migration officer following his visits on 21 and 22 July 2010. (Doc 020 refers) There was no standard time elapse between audits in order to maintain the element of surprise required for a snap check.

Point 117

The Applicant questions why the branch had gone six years without an audit. This is not an unduly long period of time.

Point 119

The Applicant asserts that on the day of the audit, one of the audit team referred to a problem with Horizon. As part of this review the experienced FSA who conducted the audit has been contacted and does not recall making the statement. She also states that she does not believe that she would have made a statement to this effect. The FSA who delivers training as well as conducting audits is fully conversant with the workings of Horizon and has no issues whatsoever with operating the system.

Point 164

The Applicant requests all transaction and event data for 30 June 2010, 1 and 2 July 2010. Transaction and event logs for the period requested are included with this review (Doc 16 refers).

Point 169

Transaction data is transmitted from branch terminals to central Post Office data centres where it is securely stored using digital tamper seals. Although Post Office can access this data (which is not unusual as Post Office has an obvious need to be able to review transaction data at a branch level) it cannot edit this data.

Where Post Office needs to correct an error in branch, this is done by way of a transaction correction. The effect of the transaction correction is to send another transaction into the branch accounts, not to edit previous transaction data. The transaction correction is notified to the branch through Horizon and must be accepted by the branch before it has any effect on the

branch's overall accounting position. Having reviewed the data for this branch, Post Office concludes that the "phantom log on" cited by the Applicant was in fact due to the Applicant already being logged on to Horizon as explained above

Documents being provided to Second Sight

List documents (if any)

M056_POL_001_Extra Audit Report_JB	Extra Audit Report dated 10 September 2010
M056_POL_002_Confirmation of suspension_JB	Confirmation of suspension letter dated 10 September 2010
M056_POL_003_Invite to RTU_JB	Letter of invitation to RTU dated 20 September 2010
M056_POL_004_RTU interview notes_JB	Interview notes from RTU of 14 October 2010
M056_POL_005_Decision Letter_JB	Decision Letter to Applicant dated 21 October 2010
M056_POL_006_Premises available_JB	Letter re availability of premises 22 October 2010
M056_POL_007_Appeal request from Applicant_JB	Letter from Applicant to request appeal 25 October 2010
M056_POL_008_Letter of acknowledgment re appeal_JB	Letter to Applicant acknowledging request for appeal
M056_POL_009_Notification of appeal date_JB	Letter to Applicant re date of appeal 17 November 2011
M056_POL_010_NBSC call logs_JB	NBSC call logs 8 February 2003-10 September 2010
M056_POL_011_NBSC call log analysis_JB	NBSC call log analysis
M056_POL_012_Transaction Corrections_JB	Transaction corrections issued 3 November 2005-19 March 2013 (to include subsequent Subpostmasters)

M056_POL_013_HSD Logs_JB	HSD logs 12 September 2007 to 20 June 2010
M056_POL_014_HSD analysis_JB	HSD log analysis
M056_POL_015_Audit Report_JB	Audit Report from 10 September 2010
M056_POL_016_Transaction and Event Logs_JB	Transaction and Event Logs June –September 2010
M056_POL_017_Balancing Records_JB	Balancing records 30 July 2009 to 10 September 2010
M056_POL_018_Customer Account _JB	Customer Account
M056_POL_019_Email change re premises_JB	Email change re premises
M056_POL_020_Migration officer letter_JB	Migration officer letter
M056_POL_021_Temporary Subpostmaster_JB	Email re problems to secure a Temporary Subpostmaster
M056_POL_022_Defund Notification_JB	Email chain re branch defund following Applicant's suspension
M056_POL_023_Tape 1_JB	Record of taped interview 1 30 March 2011
M056_POL_024_Tape2_JB	Record of taped interview 2 30 March 2011
M056_POL_025_Tape 3_JB	Record of taped interview 3 30 March 2011
M056_POL_026_Explanation of terms_JB	Explanation of terms used in report
M056_POL_027_Training Records_JB	Record of on-site training
M056_POL_028 Applicants letter 11022012_JB	Letter from Applicant re transfer of branch
M056_POL_029_Appeal Notes_JB	Notes of Appeal Hearing on 7 December 2010.
M056_POL_030_Appeals Manager letter to Applicant_JB	Letter to Applicant to confirm paperwork supplied.