

**POST OFFICE *Limited* CONFIDENTIAL**

POLTD-0405/0172

**OFFENCE – Theft and False Accounting**

**Name:** David Charles BLAKEY

**Rank:** Subpostoffice Assistant      **Identification Code:** W1

**Office:** Riby Square SPSO      **FAD Code**

**Age:** 50 years      **Date of Birth:** GRO

**Service:**      **Date Service Commenced:**

**Personnel Printout:**      **At Appendix:** Not P.O.Ltd employee

**Nat Ins No:**

**Home Address:** GRO

**Suspended/Contract for Services Suspended:** 13<sup>th</sup> May 2004

**Prosecution Authority:** Tony Utting

**Discipline Manager:** Jayne Kaye - RLM

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**Name:** Gillian BLAKEY

**Rank:** Subpostmaster      **Identification Code:** W1

**Office:** Riby Square SPSO      **FAD Code:** 202/311

**Age:**      **Date of Birth:**

**Service:**      **Date Service Commenced:**

**Personnel Printout:**      **At Appendix:** C

**Nat Ins No:**

**Home Address:** GRO

**Suspended/Contract for Services Suspended:** 13<sup>th</sup> May 2004

**Prosecution Authority:** Royal Mail Group Legal Services

**Discipline Manager:** Tony Utting

25<sup>th</sup> May 2004**Legal Services,**

The circumstances leading to the naming of the offender/suspect offender detailed in the preceding pre ambles are briefly as follows.

On 13<sup>th</sup> May 2004 members of the audit team attended Riby Square SPSO Grimsby FAD Code: 202/311. As can be seen from the report of Glen Morris, Lead Post Office Inspector, now associated at Appendix , the audit team gained entry to the office at Approximately 0820 hours. At this time Gillian Blakey, the Subpostmaster and person named in the second preamble to this report, was asked to produce all cash stock and vouchers proper to the audit.

As the audit team were awaiting the opening of the office safe, David Blakey, Gillian Blakey's husband, and offender named in the first preamble to this report attended the office and spoke to all three members of the audit team. At this time he informed them that there would be a shortage of cash in the Post Office of some £60,000. He said that this was due to cash going missing from the office over the last few months.

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Glen Morris then asked Mr Blakey to write and sign a brief statement outlining what he had just told them. A copy of this statement is now associated at Appendix . The members of the audit team then contacted their management, relayed the information of the morning to that point and continued with the audit.

The same morning I received a telephone apprising me of the situation and, along with Helen Dickinson of this Department, I attended the office.

On arrival I spoke to Glen Morris and asked if the situation had altered in any way, he told me that it hadn't but they were close to reaching a final audit figure for the office, which indeed showed a shortage in the cash on hand figure in the region of £64,000. At this time Mr Morris handed to me the statement written that morning by David Blakey.

After I had examined previous weeks cash accounts and contacted the Recall department in order to establish the targeted overnight cash holdings from the office, I invited David Blakey to interview.

As such, along with Helen Dickinson of this department, I interviewed David Blakey, the same day, in an office at Riby Square Subpostoffice, under the terms of the Police and Criminal Evidence Act 1984 Codes of Practice. The interview was recorded on tapes bearing the seal numbers 059898 and 059899. Working copies of these tapes are now associated at Appendix , along with a copy of form CS001 and CS001A. A typed summary of the content of this interview has been prepared and is now enclosed at page to , of this file.

As can be seen, David Blakey states that he works as an engineer for a local firm. He has worked there since around the time he took redundancy from Kimberly Clark, where, on leaving, he received a £30,000 severance package. Each day, after he has finished work, he attends Riby Square Subpostoffice, and completes most of the end of day cut off procedures for the office. He inputs all of the daily figures for the office on to the Horizon system, and each Wednesday completes the office balance and subsequently produces and signs the weekly cash account.

He states that this has been the situation at the office for the last seven years or so, His wife, or indeed any other member of staff, does not perform any of the accounting procedures at the office, other than the occasional reconciliation of products such as car taxes or fishing licences.

Mr Blakey confirms events of the morning and states that he received his regular morning telephone call from his wife to say that she had arrived at the Subpostoffice without incident, however she had told him during the telephone call that the auditors were in attendance. Mr Blakey says that he immediately left work and attended the Subpostoffice to his wife's surprise. Mr Blakey then told his wife of the impending shortage in the cash, before approaching the audit team and informing them of the same.

Mr Blakey admits submitting false accounts, stating that he has done so since week 2 (09/04/03), of the financial year 2003/2004. He further admits that each submitted account

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from then until the previous days account (Week 7, 12/5/04), has been false. Mr Blakey submitted these false accounts as he states that he had been aware that money had been going missing from the office for some time and he was not able to replace it.

Mr Blakey however, denies stealing any cash, saying that he just covered up the shortages, which he was discovering in the declared cash when he balanced. He claims that he did not inform his wife of the shortages, as he feared for her health. Further to this he did not inform the Post Office of the losses being suffered at the office nor did he investigate the losses with other members the office staff.

Mr Blakey states that he was making in roads with his bank to obtain a loan to pay this money back, however, so far, no loan application had been lodged with the bank, and the bank had released no cash to Mr Blakey.

Mr Blakey states himself that his story in relation to the thefts is hard to believe, but he maintains that it is the truth.

Mr Blakey states that the only members of staff present throughout the extent of the losses were himself, his wife, assistants Debbie Oxted and Samantha Callaghan, and the recently retired assistant Pat Bown.

At the end of the interview I informed Mr Blakey that he may have rendered himself liable to prosecution, and that, in order to progress the case and identify a perpetrator for the theft of the cash, it was my intention to interview his wife, and if thought necessary, other members of staff.

I invited Gillian Blakey to interview and, as such, along with Helen Dickinson of this department I spoke to her immediately after interviewing her husband. The interview was conducted under the terms of the Police and Criminal Evidence Act 1984 Codes of Practice. It was recorded on a tape bearing the seal number 059887. I have not transcribed this tape as of yet, instead I have prepared a document summarising the key points which I have associated at Appendix , along with a copy of form CS 001. If, in the future, it is felt a tape summary for this interview should be produced, I will be happy to oblige at that time.

As can be seen Mrs Blakey confirms that she is the Subpostmaster at Riby Square. She states that her husband David performs all of the accounting aspects for the office, both daily and weekly, indeed she claims that she would have difficulty in producing a weekly cash account as she has only done it once, that being during her training period on the Horizon System. She confirms the story of that morning in relation to the auditors attending and Mr Blakey's arrival at the office. She claims that today is the first that she knows of any shortages at the office and felt that, prior to the confession today of her husband, the office was being run well.

Gillian Blakey denies the theft of cash and finds it hard to believe that her husband could have stolen the money as she feels that she would have noticed a £60,000 increase in his and their lifestyle. Mrs Blakey states that the staff always leave their handbags in the back

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of the Subpostoffice and that nothing leads her to believe that anyone else at the office could have stolen the money.

In relation to their home life, Mrs Blakey confirmed that her husband was made redundant from Kimberley Clark and received a £30,000 payment. She states that he handles all of their home finances, and she doesn't see the bills as they come in. They live with David's mother who also sometimes works behind the private business side of the shop.

At the end of the interview I informed Mrs Blakey that she may have rendered herself liable to prosecution.

After the interviews I apprised Jayne Kaye Retail Line Manager of the situation and she suspended the contract of Ms Blakey and arranged transfer of the office to an interim Subpostmaster. At this time I told her that through information given to me I requested that two members of staff, Debbie Oxtan and Samantha Callaghan, not be allowed behind the Subpostoffice counter until I had spoken to them.

At this time the audit had been completed and as can be seen from his report, Glen Morris calculated the final declared shortage for the office as £64,435.24.

On Tuesday 18<sup>th</sup> May 2004, along with Helen Dickinson, I spoke to both Debbie Oxtan and Samantha Callaghan, separately at each of their homes. Copies of forms CS003 now associated at Appendix .

Both ladies spoke confidently and were shocked to discover the amount of cash missing from the office, both denied theft, and were at a loss to explain the reason for the shortage. Both ladies confirmed that David Blakey came in to the office each afternoon and entered all of the daily cash figures onto Horizon. He also balanced the Subpostoffice account each week.

Ms Oxtan said that she ran the office whilst Mr and Mrs Blakey had a recent holiday in Cyprus, but she did not complete a cash account as it had been arranged for the office to have authority to submit a two-week cash account, which Mr Blakey completed on his return.

After I had seen the ladies I contacted Jayne Kaye and informed her that, at this stage I was prepared to give them the benefit of any doubt which existed in relation to their honesty and integrity, and as such, I had no objections to their working at the office under the interim Subpostmaster.

At this stage, although having seen these ladies, I am yet to take a witness statement from either as I feel that I will be in a better position to take a full statement detailing any relevant points raised and necessary, upon receipt back of this file after consideration by Legal Services.

Again with Helen Dickinson of this Department, on Monday 24<sup>th</sup> May 2004 I travelled to

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Grimsby and interviewed Shirley Blakey, David Blakey's mother, and sometime assistant in the private side of the shop, and also Pat Bown, former Subpostoffice assistant.

Shirley Blakey is 69 years old and helps to run the private side of the Blakeys business, which consists of confectionery and cigarette sales. The private side of the office also is where customers access the Subpostoffices National Lottery products. As the bulk stock of cigarettes and National Lottery scratch cards are kept in the safe, Shirley Blakey would have had access to the area behind the Subpostoffice counter. She understood my reasons for speaking to her but denied theft. She accepts that her son has covered up the shortage in the account but finds it hard to believe that anyone could have stolen the money.

Pat Bown, is 65 years old and, excluding a six-month period, has worked at Riby Square Subpostoffice for some years, indeed working for the previous Subpostmaster before the Blakeys took over the Subpostoffice 8 years ago. She retired from the office on 23<sup>rd</sup> April 2004.

Mrs Bown confirmed that David Blakey attended the office each day and completed both the daily and weekly Post office accounting procedures. She stated that she remembered that she thought it unusual that Mr Blakey required that at the end of each day the daily cash be entered on to a sheet of paper. He then entered these figures on to the Horizon System personally.

Mrs Bown considered Mr Blakey to be the boss, although she knew Mrs Blakey was actually the Subpostmaster, however Mrs Bown states that both of the Blakey's would speak to staff if they felt an error had been made.

Mrs Bown says that she was shocked to hear of the amount of money involved in the case and denied its theft.

These papers are submitted for the present position to be seen and noted, and for a decision to be made in regard to prosecution.

Whilst Mr Blakey fully admits the false accounting aspect of the case, he vehemently denies stealing the cash. This said it must be noted that he was the person who had full access to the cash and the means to cover up its shortage. If any other staff member had stolen the cash I cannot believe that Mr Blakey would have remained silent, other than perhaps if he knew it was a family member. That said, I believe that the day of the audit was the first that Mrs Blakey knew of any criminal activity originating from the office.

One possibility I feel is that David Blakey has stolen the money and used it to fund activities that his family knows nothing of, and to that end I have made inquiries with the local information officer at Grimsby Police Station in order to establish if anything is known of any lifestyle choices Mr Blakey may have made.

To further the case I am in the process of making inquiries with the Royal Bank of Scotland, to establish the Blakeys financial position, and if David Blakey had approached them for a loan. Also I have completed data protection dispensation forms and sent them

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to Kimberly – Clark, Mr Blakeys former employers in order to establish if he did indeed received a £30,000 redundancy payment as stated, or if his leaving of the company was for other reasons.

The loss to the Post Office in this case stands at £64, 435.24.

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