

2nd 23

MARINE DRIVE INTERVIEW 10 MAY 04

Attendees: Mr Lee Castleton Subpostmaster  
Mrs Chrissie Train Post Office assistant  
Cath Oglesby RLM  
Lesley J Joyce CM

Cath opened the interview by introducing everyone, explained the reasons for the interview, the roles of those in attendance, read out the charge and said it was LC's opportunity to give any explanations or reasons as to why his contract for services should not be terminated. (LC asked to tape the interview but was informed he could not but could take notes and be copied these notes)

CO then went on to give a summary of events which led to the suspension of LC on 23 March 04 due to an unexplained shortage of £25,758.75.

During the 12 weeks prior to audit LC had several large unexplained losses. LC was suspended as a precautionary measure to try and investigate where the losses were occurring. CO asked LC if he would allow his premises to be used to conduct PO services and he agreed.

LC's thoughts have always been that the Horizon system was to blame for the shortages so the only thing that was changed in the office was the 'people'. All the current staff came out of the office and a temporary Postmaster, Ruth Simpson, was allowed to run the branch, during the 4 weeks that RS was in place the cash accounts showed no large losses.

The system did crash on her and was re-booted but this did not affect the balance. She had problems with the AP card reader but was not allowed to change the kit under the circumstances. No problems occurred while remming in or with Lottery.

When RS finished Greg was appointed as temp Postmaster, again no problems with balances or with any of the above.

CO Went on to discuss actions she had taken:-

Horizon-Asked for a system check twice

1-During the time of large losses——everything okay

2-During RS time “

3-Asked what upgrades had there been since week 39, the HSH said upgrades happened all the time, to different offices and they were unable look at individual offices.

4-All the events on the software system checked back to 1 March 04, no abnormalities.

Chesterfield

1-Contacted them on a number of occasions regarding any outstanding error notices

APS-None up to week 3

Lottery small error on prizes

Girobank

Checked all the weeks up to week 02-no issues

LC Agreed with all of the above. He asked CO what she considered was an acceptable amount for cash account losses.

CO Said it varied for different office's but £20 per week was reasonable. CO opened the discussion to LC to give reasons for the losses.

LC Said that he had not taken any money and that he trusted his staff 100% not to have taken anything. He said that he had asked for 10 bits of information in the letter he sent but only received 1 item. He had asked Fujitsu for help and the NBSC and no one had got back to him, they were not prepared to help. He had spent hours each night with CT looking at the balances. He said that a remote test would not turn up on a software check, he understood there were a lot of problems with Horizon and the system, he had a lot of problems at the office with re-boots etc, so why did this happen if nothing was wrong with the system. No one would tell him what tests were done, I don't know what 'clear desk top' means. I have had a lot of e-mails from Postmasters who have problems with Horizon.

CO Replied that she had only received his letter on the night of wed 5<sup>th</sup> May which was only 2 working days prior to the interview and she was working on getting him the information he requested. She had suggested several things for him to do in the office such as individual balances and the idea that staff could be responsible but he would not take any measures or listen to this point of view. CO then said it would be helpful to go through the individual balances, week by week methodically and look at the suspense accounts. CO clarified LC understanding of how the cash account worked with regards to balances and losses and gains. LC Confirmed he understood.

CO Then goes into detail with balances, error notices, losses etc and the evidence she has with snapshots and declared cash. (Copies of all this information is provided with a list of all the results of the balance)

CO Asked LC to clarify if he made the error notices good but he could not remember. She clarified when the shortages were first put in the c/a. CO stated that not all the information such as snapshots were provided and LC said they were probably in the box.

CO refers LC to some of the cash declarations which have been manually altered or written on, specifically to week 47 and the declaration on 12 Feb 04 which had a figure of aprox £7000 written on the bottom of the cash declaration. Both LC and CT looked but although LC said he thought it was CT writing she was not certain. CO said this was very important as although the c/a for week 46 showed a loss of £8243.10 the following snapshots and declared cash did not evidence this. She explains:-

Snapshot at 17.27 on Fri 13 Feb shows you need £92095.36, cash declaration shows you have £99128.40, a gain of £7033.44.

Sat 14 Feb shows you need £95896.59, cash declaration shows you have £102706.10, a gain of £6809.51.

Mon 16 Feb snapshot shows you need £77958.28, cash declarations show you have £84909.54, a gain of £6951.26

Tuesday 17 Feb snapshot shows you need £68163.08, cash declaration shows you have £84909.54, a gain of £6776.77

HOWEVER The c/a on wed shows the cash is an exact match for the cash required on the balance-Where has this surplus gone?

LC Has no explanation and says it must be something to do with Horizon.  
CO Goes on to give other examples where shortages in subsequent weeks do not then match the snapshot and declaration. (Evidence provided)  
CO and LC then have a long discussion about the discrepancies shown on the snapshot and CO says she will clarify after interview.  
CO asks again where the gains which are evident and which are hand written on the cash declaration could have gone.

LC says he does not know but he has not taken the money.

CO Says that the Horizon system works as a double entry system and everything she has looked at works through. Originally LC had said that the system was doing something when the rem's were put through but the evidence does not show this. She had asked LC to run a snapshot after close of business, input the rem and then run another snapshot to see if figures were altered and asks LC if he had done this.

LC Says that he did not have time to do this, it had been a nightmare, he feels it is a computer problem and no-one has helped him. 5 months is a long time to try and remember what happened and what went on. He mentions other offices that have told him about problems with cheque listings and P&A dockets. He said that no-one had visited from Horizon to look at his problems and balances.

CO Explained that Horizon would not attend his office due to poor balances, they would need evidence of a problem which he was unable to provide, she also mentioned that she had given him advice and spent hours and hours on this case and his cash accounts. She asked LC if he could show her a figure that the Horizon system had changed which did not make sense or could prove his allegations.

LC Said no but he did know an office where it had changed a figure on Girobank although the office did receive corresponding error notices.

CO asked LC to confirm he had not taken the money

LC No. He asks to see the c/a's for weeks 1,2,3,4 which CO provides to him and says he can have copies.

CO asks if there is anything else he wants to add.

LC says he would like the explanation on the discrepancies, which CO agrees to provide.

CO told LC that she was still waiting for a response from Horizon regarding the checks on the software. As soon as they were available she would let him know the outcome.

CO Ends the interview by thanking those in attendance.