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**POST OFFICE RESPONSE TO CRR ON M071**

**Second Sight**  
By email only

**09<sup>th</sup> December 2014**

Ref: M071

Dear Sirs

**Post Office's Response to Second Sight's draft Case Review Report on case M071**

This letter sets out Post Office's response to Second Sight's draft Case Review Report dated 30 October 2014 for application M071 (**the CRR**).

The appendix to this letter has Post Office's line-by-line comments on the CRR.

In summary, given the Applicant's admission of guilt and conviction for theft, together with the fact that the available evidence is completely at odds with the Applicant's claims, Post Office agrees with the CRR's conclusion that this case should not be mediated.

If you have any questions about this response, please do not hesitate to contact me.

Yours faithfully

**GRO**

**Angela Van Den Bogerd**

Head of Partnerships  
Post Office Limited

[www.postoffice.co.uk](http://www.postoffice.co.uk)



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**Appendix**

**Line by line comments**

Paragraph in Draft CRR	Post Office comment
1.5(f)	<p>Paragraph 1.5(f) of the CRR notes that the Applicant has claimed consequential losses "<i>which may be raised if the case progresses to mediation</i>". As stated in the CRR, it is outside the scope of the Scheme and Second Sight's role for it to assess or comment on any consequential losses claimed by an Applicant. However, in the interests of transparency, Post Office notes that it does not consider the losses claimed by the Applicant to be recoverable under any circumstances.</p> <p>The relationship between Subpostmasters and Post Office is governed by a contract. Post Office has considered the circumstances of this case very carefully and on the basis of the information provided by the Applicant, in its own investigation and in the CRR, does not consider that it has in acted in breach of contract or caused the Applicant the harm now claimed as consequential loss, not least given the unequivocal admission of theft by the Applicant.</p>
1.9 – 1.10	<p>The Applicant admitted to theft and false accounting during his interview under caution. When faced with the charge of theft in criminal proceedings, the Applicant pleaded guilty. A plea of guilty to a charge entails a complete admission to the offence. Nothing in the Post Office investigation or the draft CRR presents a challenge to this position.</p> <p>The plea was voluntarily entered after the Applicant had the opportunity to take legal advice. Post Office is not responsible for any advice that the Applicant may or may not have received. If the Applicant considers that he was wrongly advised, then that is a matter to be addressed with his lawyer.</p>
1.11	<p>Post Office does not agree that the sum of £41,000 was accepted in full and final settlement as stated at paragraph 1.11 of the CRR.</p> <p>Other than the Applicant's unsubstantiated claims, there is no evidence that the sum of £41,000 was ever repaid by the Applicant. There is no evidence that Post Office accepted any sum in full and final settlement of the losses suffered. There is insufficient evidence available to establish what the result of the civil recovery proceedings were or to what extent sums remain outstanding to Post Office.</p>
3.3	<p>At no stage during any of the audits carried out at the branch, or in any recorded calls to NBSC, or in the criminal proceedings did the Applicant claim that Horizon was to blame.</p> <p>In addition, Horizon was introduced on 11 July 2000, but there is evidence that the Applicant admitted to the shortfall building up since 1998 which undermines his claim that the differences started to occur a few weeks after Horizon was introduced.</p>



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5.2 5.10	<p>The Applicant's false accounting meant that the branch's cash declarations were incorrect as more cash was stated to be in the branch than there actually was.</p> <p>As a result, it was impossible for Post Office, and will have been very difficult if not impossible for staff in the branch, to have identified the days on which there was a cash shortfall and / or the amount of the shortfall.</p> <p>A consequence of not accurately recording a cash shortfall on any given day was to deprive the Applicant of the ability to immediately review that day's transactions for errors by branch staff that could have been the cause of the shortfall. Had a review been undertaken on each day where there was a shortage of cash, it is possible that some errors could have been identified and remedied at the time as the day's trading would have been fresh in the Applicant's mind.</p>
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