

Witness Name: Mrs Catrona Brown
Statement No: WITN0259_01
Exhibits: none
Dated: 22 January 2022

THE POST OFFICE HORIZON INQUIRY

FIRST WITNESS STATEMENT OF MRS CATRONA BROWN

I, MRS CATRONA BROWN WILL SAY as follows:

INTRODUCTION

1. I am grateful to the Chair to be invited to provide a "human impact" statement, concerning the physical, psychological, emotional, reputational and financial consequences to me and my family of being held responsible for shortfalls shown by the Horizon IT system and Post Office Limited's actions toward me and my family. The initial paragraphs below provide a brief summary of my background, and provide context to the detail of the human impact of the Horizon scandal on me and my family. This statement does not reflect a full account of my experiences or those of my family and if necessary or required I will provide further witness statement evidence.
2. I am 53 years old. I am married to Mr Edward Brown, who is also a core participant in the Post Office Horizon IT Inquiry. We have been married for 31 years. We run the newsagents that was once part of our Post Office. We have 3 children.
3. I currently run a newsagents with my husband, three doors down from our old post office. I also work part time as an assistance in our former post office. My sister took over our previous post office and is the subpostmistress. I continue to work as the part time manager assistant of that post office.

4. I wish to highlight at the outset that there continue to be regular shortfalls in the Horizon System today, in particular with the Lotto Machine. For example, the most recent shortfall occurred in August or September 2021. It was in the sum of £500. This shortfall was paid and we are still trying to get it back from the Post Office. There was also a shortfall of £350 in July 2021.
5. I have read the witness statement of Edward Brown, who is my husband, and who was the subpostmaster of the post office in which I was the manager. I confirm that the content of Edward Brown's statement is true.

BACKGROUND

6. After school, I trained as a secretary, and worked as a secretary in a factory. This is where I met my husband Edward. I later worked in a number of jobs involving cash handling, including the National Savings Bank.
7. My brother in law purchase the land upon which there was a post office. This post office was operated from a building, which was like a hut. My brother developed the land and built shops, including premises to house the post office.
8. My husband and I agreed to run the post office on a temporary basis; however we ended up running the post office for 26 years.
9. My husband, Edward Brown was a Subpostmaster of Cardonald Post Office, 2187 Paisley Road, West Cardonald, Glasgow G52 3PF from around February 1989 to in or around May 2015. However, I was the manager and ran the Post Office alongside my husband and I was responsible for managing the post office's computer systems (Horizon), after it was introduced.

TRAINING AND SUPPORT

10. I did received some limited training a while before the Horizon System was introduced, however it was very limited and not good quality.
11. I was present when a trainer came to our branch after the introduction of the Horizon System. The Post Office trainer came to our branch for a couple of days. He appeared unsure as to how the system operated or how to use it.
12. There were other occasions when Post Office trainers would provide training in relation to new products that the Post Office was selling and how to put these through the Horizon System. These were usually a couple of hours in the evening. The training provided was never in-depth.

HELPLINE

13. As I was the person responsible for the Horizon System in the branch, I would normally be the person who called the Helpline when we had problems. However, when large shortfalls arose the Helpline would insisted on speaking to my husband Edward, as he was the subpostmaster.
14. I called the Helpline very often. I found that they understood the Horizon System, but they did not understand the practical application in a branch.
15. This continues to the present day, although it is not as bad. There are still occasions when I call the Helpline, they give advice, and I have to correct them, as if I followed their advice, a shortfall or discrepancy would arise.
16. I have now been operating the Horizon System for some 21 years, so I have learnt how to work it, as well as many of its flaws.

17. Very many shortfalls occurred over the years we ran the post office using the Horizon System. Many were between £50 – £200. These we would often just pay into the system, and not report to the Helpline.
18. However, we would report any shortfalls over approximately £500. There were many such shortfalls.
19. When we reported the larger shortfalls, these were then reported to a manager at the Post Office and an Area Manager would attend the branch.
20. The Post Office area manager would attend, and do a cursory review and to discuss the shortfall. The area manager would suggest increasing security, and to ask us to keep a closer eye on our staff. Indeed, on one occasion the Post Office Area Manager suggested that the Post Office could supply 'marked money' into our system, to identify who might be taking the money.
21. The Area Manager would always instruct us to pay the shortfall from our own funds. We had no alternative but to pay the money.
22. As a result of the advice received from our Area Manager, we became very suspicious of our staff and installed CCTV looking directly down on the counter serving positions.
23. My husband, Edward Brown, would often stay up very late in the night reviewing the CCTV footage, to identify who was stealing the money. However, there was no evidence whatsoever, that any member of staff was stealing.
24. My own sister worked with us in the post office. I confided in her about the shortfalls and the security measures we were taking.
25. My sister became very distressed, and had trouble sleeping. She would constantly reassure me that she was not stealing money from the post office. I knew that she would not, but it still upset her and me.

26. I now feel very bad that we suspected our staff and monitored them so closely. I used to look at them if they had new clothes or on one occasion, when a staff member had bought a new dog. I now know that they were not taking money from the post office; it was the system that was at fault. I regret deeply that I treated my staff with suspicion.

SHORTFALLS

27. In this section, I set out in very brief detail my experience of shortfalls arising from deficiencies in the Horizon IT System, and Post Office Limited's actions as a result. This is only a brief introduction to those matters, in order to provide necessary context for the explanation of the human impact, which follows.
28. As detailed in the statement of Edward Brown, the shortfalls in the system started from the date of our very first balance using the Horizon System, and then continue throughout our time operating the post office.
29. It is hard to estimate the full extent of the monies we put into the accounts to make up for the shortfalls; but it was certainly between £75,000 and £80,000.
30. The shortfall would vary in size from perhaps £50 to as much as £2,000. The largest shortfall we had was in the region of £25,000.
31. The shortfalls would sometimes not arise for a while, but would then arise very regularly.
32. At one stage, very large shortfalls were arising very regularly. In one period of approximately 8 – 12 weeks, we experienced a whole series of very large shortfalls amounting to some £12,000.
33. This was a terrible period. We reported all of these shortfalls to the Helpline. We did this to protect ourselves as well as to seek help.

34. An Area Manager would attend to discuss this and how it might have occurred. I have set out above, how the Area Manager would tell us that he thought it was theft by staff and suggest security measures.
35. The Area Manager would then discuss whether we would pay the money there and then, or if we would be put on a payment plan; with the money being deducted from our Post Office remuneration.
36. The sums of money that the system was reporting that were missing were so large that we were in a desperate situation. We did not have the money to pay the shortfalls. As such, we had to take out a series of loans to pay the shortfalls. We also started to have to pay for everything for us and our children (food and clothing) on credit cards, as we simply had no money.
37. We also had to borrow money from my sister, and Edward's brother.
38. Things got so bad, that we simply had no money for food. We would therefore go to visit family members along with our children at dinnertime, as if we were arriving by chance. However, we hoped that they would make a place of us at their table, and feed us.
39. Sometimes I would ask my mother or another relative to look after my children, as we knew that they would feed the children before we picked them up.
40. Edward and I were very often reduced to eating Cornflakes for dinner, or maybe toast and beans.
41. I remember one occasion when my husband was so hungry and feeling so hopeless, that he opened a tin of beans and ate them with a spoon cold. I became angry at him, because he did not even take the time to heat them up.
42. There we were, two people who were running a busy post office, but we did not have money to feed our children, and we were eating cornflakes and beans.
43. We hid our poverty from our family, because we were so ashamed.

44. The shortfalls were so serious and so regular, that this caused enormous tension between myself and Edward.
45. Because I was the manager and operated the Horizon System, Edward naturally blamed me for the shortfalls. He assumed that the Horizon System was not flawed. We knew the staff were not stealing, as we were monitoring them on CCTV, so he thought I must be making mistakes that caused the shortfalls.
46. Edward would question me as to what transactions I had conducted and we would argue about this. We would often go home not speaking to each other.
47. Edward would always apologise afterwards, but then another shortfall would arise and the questioning and arguments would start again.
48. The situation got so bad that I took my son and moved in to my mother's house. After a few nights, Edward came and asked me to come home.
49. As I say the shortfalls occurred from the as soon as Horizon was installed and occurred regularly. There were particular periods that were simply terrible.
50. The worst example was when we received an error notice from the Post Office saying that we were short by some £25,000 in relation to a remittance of cash.
51. We were sure that we had remitted the cash correctly and that our system had balanced. However, the Post Office maintained that we were short by some £25,000.
52. We simply did not know what to do; we just did not have money like that.
53. The Area Manager came to see us. We told him that we had remitted the money. We showed him our records. However, the Area Manager advised us that we must have made a mistake and that we must pay the money back.

54. We had no way of refuse to pay. We were terrified of having the subpostmaster contract terminated by the Post Office. If this happened, we would lose our livelihood, however we would also be shamed in the community.
55. My husband and his family have always lived locally; as such losing the post office in these circumstances would have so shameful for us. We would have had to leave the area.
56. We had no choice; we had to pay the Post Office. We took out a £10,000 loan and agreed a repayment plan with the Post Office for the remaining £15,000.

AUDIT AND INVESTIGATION

57. We were audited by the Post Office approximately once every one to two years.
58. We did not have problems with the auditors, as we had always paid all shortfalls that arose.

TERMINATION

59. My husband was not suspended or disciplined by the Post Office. This is because we always paid the shortfalls that arose.
60. The Post Office announced the Network Transformations Scheme. We had worked in the post office for some 26 years, and we had nothing to show for it.
61. The only money we had came from a separate business that Edward had developed in which he had two private hire cars. We had nothing from the post office for over a quarter of a century's work
62. Although, the post office was our business and livelihood, we simply could not live with the fear of shortfalls. We therefore applied to the Network Transformation

Scheme and accepted a leaver's payment on which we had to pay a very large amount of tax.

63. We used the money we received to purchase a small newsagents three doors down from our old post office.
64. In the five years that we have operated this busy newsagent shop, we have never experienced a discrepancy in our accounts of more than £21.06. This £21 shortfall occurred on Saturday the 11 December 2021, when a customer walked out before his bankcard had cleared.
65. We use a computerised till and pay point system in our newsagent, a little bit like a Horizon terminal.
66. This is the difference. In five years of running our newsagents, the worst 'shortfall' we experienced was £21. In the 26 years of running the post office, we experienced countless shortfalls running to hundreds and to thousands of pounds routinely.
67. It was only after leaving the post office that I came to realise that the cause of the constant shortfalls was not us, but the Post Office's Horizon System.

HUMAN IMPACT

68. As I say, it was only after we stopped running the post office that we realised that the Post Office Horizon System was the cause of all or our troubles.
69. It may seem odd, given how much we paid the Post Office in shortfalls, but we genuinely believed that the thousands of pounds that were going missing were somehow our fault or that our staff were stealing. That is because we trusted the Post Office and our Area Managers, who would come to our branch to discuss the shortfalls when we reported them.

70. At the suggestion of our Area Manager, we installed a sophisticated CCTV system over all of our counters and Edward reviewed the footage constantly to check if any of the staff were stealing. None of them were.
71. As I was responsible for the Horizon System, Edward blamed me for the losses and shortfalls. This led to terrible tensions in our marriage, where we would not even speak to each other, and to the extent that I left to live with my mother for a while.
72. I estimate that we paid the Post Office, or had deducted from the remuneration, between £75,000 - £85,000 to make up for supposed shortfalls.
73. We paid so much money, that we had not money for food for our children or us.
74. I have described how we used to deliberately arrive at the homes of relatives at dinnertime with our children, in the hope that they would make space at the table for us and feed us. The shame of having to do that still burns me.
75. I have describe how Edward and I would eat cornflakes for dinner or beans on toast. As I gave this statement, I cried as I remembered becoming angry with Edward for eating cold beans from the can, because he was so hungry and he felt so hopeless.
76. When the shortfalls were occurring, I would stay up late each night wondering what I had done wrong. I spent countless hours seeking to balance the accounts over and over again. As I say, over the years we paid or had deducted between £75,000 and £85,000.
77. This does not take account of the fact that we had to take our loans and max out credit cards to pay the shortfalls, and pay the interest on those over years.
78. We had to go cap in hand to my sister and my brother in law, begging for urgent loans to pay shortfalls.
79. We reported the shortfalls we were experiencing again and again to the Post Office. These shortfalls were often very large.

80. I now know that other subpostmasters were also experiencing shortfalls like these all around the country, and that they were also reporting these shortfalls to the Post Office. The Post Office must have known that there was a problem with the Horizon System.
81. Apart from our newsagents, I still work part time at our old post office, which was not closed under the Network Transformation Scheme.
82. Because of my experience, the subpostmaster relies on me heavily in relation to the Horizon System and Post Office procedures.
83. I can say, as a matter of fact, that shortfalls continue to occur, in particular with the Lotto Machine.
84. For example, the most recent shortfall occurred in August or September 2021. It was in the sum of £500. This shortfall was paid by the subpostmaster, and we are still trying to get it back from the Post Office. There was also a shortfall of £350 in July 2021, which we refused to pay. I know why these shortfalls are occurring and I have tried to explain this to the Post Office, but they still will not listen.
85. My husband was a participant in the mediation scheme. I cannot confirm exactly how much he was awarded however, I believe he received approximately £1,200. He was also party to the Group Litigation against Post Office Ltd, as such he is excluded from the Historic Shortfall Scheme. The compensation we received from the Group Litigation came nowhere near meeting the losses we suffered, let alone the distress, worry and hunger we endured.
86. However, being involved in that litigation opened our eyes, to the true cause of our troubles. We discovered that the Horizon System was deeply flawed.
87. This makes me very angry.

88. I now believe that the Post Office knew from the start (when they installed the Horizon System in our branch) twenty years ago, that their system was flawed, and they never told us or fixed it.
89. If we had known that the system was flawed, we would have been able to insist that the Post Office properly investigate the constant large shortfalls we were experiencing, instead of accepting the Post Offices statements that the fault lay with us or our staff.
90. I lost years blaming myself for the shortfalls, with my husband questioning my competence.
91. Night after night, I would be up pouring over the transactions trying to find out where the shortfalls were coming from, as Edward crouched over the CCTV footage looking for a dishonest member of staff who did not exist.
92. We will not get back the 16 years of worry we had when using the Horizon system, or the many nights when we knocked on a relative's door, pretending to be popping around to visit, when we were actually looking for food for us and our children, as we did not have money to buy food.
93. We will not get back the dignity we lost, going cap in hand to family for money to pay for the shortfalls, nor will I be able to uncry the tears I shed when I felt that I was to blame.

CONCLUSION

94. My husband and I actually consider ourselves lucky. We were able to beg and borrow the money to pay the Post Office for these imaginary shortfalls, other subpostmasters could not. We went to the verge of bankruptcy, other subpostmasters were pushed over the edge and lost everything.

- 96. I would like the Inquiry to get the records of the calls from subpostmaster to the Helpline showing how many calls were being received from subpostmasters reporting shortfalls, and what if anything the Post Office did about those cries for help.
- 97. I would like to know where all the money paid by us and other subpostmasters for so called shortfalls to the Post Office went.
- 98. I would like to know how something like this Horizon scandal could be allowed to happen, was allowed to continue to happen for twenty years, and why no one has been held to account.
- 99. The Post Office and Government continue to drag their feet in dealing with this scandal. Subpostmasters whose lives were ruined by the Post Office must be properly and fairly compensated, and this must be done now, and not at some distant time in the future.
- 100. However, subpostmasters and their families also need to have a full explanation as to how and why this scandal was allowed to happen, and to have those responsible publicly held to account.

Statement of Truth

I believe that the facts stated in this Witness Statement are true.

Signed **GRO** Dated 22/1/22

Catrona Brown