IN THE HIGH COURT OF JUSTICE

QUEENS BENCH DIVISION

BETWEEN:-

Claim No: HQ05X02706

POST OFFICE LIMITED

-and-

Claimant/Part 20 Defendant

LEE CASTLETON

Defendant/Part 20 Claimant

SECOND WITNESS STATEMENT OF GREGORY JOHN BOOTH

I, GREGORY JOHN BOOTH, of | GRO | **WILL SAY AS FOLLOWS:**

1. I am currently the Manager of the Newby Post Office branch, 401 Scalby Road, Scarborough. From 21 April 2004 to 28 May 2004 (just over 5 weeks) I was the temporary subpostmaster at 14 South Marine Drive, Bridlington YO15 3DB (**the Marine Drive branch**).

2. I make this Witness Statement from facts within my own knowledge unless otherwise stated. References to page numbers in this Witness statement are to page numbers of Exhibit "GJB2" to this Witness Statement.

3. In my first witness statement I stated that whilst I was the temporary subpostmaster at the Marine Drive branch, I remembered that there were no problems other than the usual minor run of the mill problems you tend to experience with computers from time to time. In particular, there were no instances of transactions being entered on the system and being lost. That remains correct.

4. However, I should add that whilst working at the Newby Post Office and since making my first statement, I have experienced just one occasion where the computer froze and did not record a transaction that was partially completed at the time. This happened on Wednesday 25 October 2006.

5. Every time that a new customer is served there is a new "session." Each customer's transactions are recorded in a "stack." For each session:

    (a) the quantity and product type is entered on the computer. This is repeated as necessary for each transaction;

    (b) the total net cost is shown on the screen;

    (c) you press a button showing the total net cost and a menu appears showing the possible methods of payment. You can select one or more methods of payment and enter the amount to be paid by each method, or select a "fast cash" option which means that entire session's

transactions are to be paid for in cash.   Once this process is completed, this settles the transactions and the stack is cleared; and

(d)   when the stack is cleared, the session is complete and all the transactions in that session are recorded on to the database.

6.   If the machine freezes before the transactions are settled and the stack is cleared, the information is generally not recorded because the transactions have not been completed.

7.   At about 1.15pm on Wednesday 25 October 2006, a customer wished to purchase a postage label for £1.27.   I entered the relevant details on to the computer, printed out the postage label and had taken payment.   The computer froze before the session was settled and I had cleared the stack.   This meant that the information was not recorded.   When I rebooted the system, I noticed that the computer did not appear to show the transaction at all.   I was not initially sure of the best way to correct this, so I did not at the time re-enter the details on to the computer.   This meant that the Newby branch had a small gain of £1.27.

8.   As far as I am aware, every Post Office branch is issued with the Horizon System User Guide (**the Guide**).   This is a voluminous reference guide which explains how to use Horizon (and deals with issues such as administration, balancing and transactions).   At pages 1 to 33 are an extract from the Guide that give guidance on what to do in the event of a system failure.   I note that:

TB6A, p1140 - 1141

(a)   Transactions, Serve Customer (Part three), System Failure & recovery, subsection 10 (pages 1 to 2) sets out the procedure for completing transactions that were processed during a customer session prior to it being settled.   It states that you should check to see whether another workstation is available and complete the transaction on the other workstation.   Alternatively, it suggests that the transaction is completed manually and that the user should complete the recovery procedure when the Horizon System is restored.   (Office Administration, Subsection 14 describes the recovery procedure, pages 18 to 22).

TB6A - p831 - 835

(b)   Office Administration, System Failure, Subsection 13 headed "Identifying lost transactions following a system failure" (page 17) states that:

TB6A, p830

"If the Horizon system fails for any reason transaction information may be lost. This could either be information about a transaction that was in progress at the time of the failure or information about transactions what were completed and which has become corrupted as a result of the system failure.

As soon as the system is restored you must identify any lost transactions so that they can be recovered correctly.

The system will prompt you for recovery of lost Automated Payments Transactions...However, you will have to identify and recovery lost EPOSS and OBCS transactions yourself using the procedure below."

("EPOSS" stands for Electronic Point Of Sale Service, which is an application that enables Postmasters to conduct general retail trade at the counter and sell products on behalf of their

clients. OBCS stands for Order Book Control System. This was a computerised stop notice system linked to Horizon which ceased following the demise of pension books in around May or June 2005).

Broadly speaking, the Guide then states that a summary should be produced so that the user can compare and reconcile this against the actual dockets concerned. Stock should be adjusted to reflect the actual stock position and the user should enter on to the Horizon system any transactions that have not been recorded because of the system failure.

(c) There are separate sections of the Guide dealing with the entering payment and receipt transactions in bulk on the Horizon system after failure (pages 3 to 6) and the recovery of APS transactions (pages 23 to 33). The procedure is slightly different for Automated Payments System (**APS**) transactions than to the procedure described above. This is because the Guide explains that when you log on after a system failure, the AP Recovery screen is displayed with a message which prompts you to recover outstanding APS transactions.

8. It is clear from the Guide that where the system fails part way through the type of transaction I was performing, the system would not record it and that accordingly, I should have simply re-entered the details of the transaction in accordance with the instructions in the Guide.

I believe that the facts stated in this witness statement are true.

Signed ...... **GRO**

GREGORY JOHN BOOTH

Date............ 8/11/06

Filed on behalf of the: Claimant/Part 20 Defendan
Witness: G J Bootl
Statement: :
Exhibit:GJB:
Date made:8.11.200(

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SECOND WITNESS STATEMENT OF GREGORY JOHN BOOTH

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