

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

Initial Complaint Review and Mediation Scheme

Post Office Investigation Report

Branch Name:	Bowburn	Branch Code:	233313	Case Number:	M007
Applicant Name:	Mr Rajinder Singh Bilkhu	Status of Case:	Mediation Application	Date of Appointment:	31 st Jan 2004
Executive summary					
<p>The Applicant, Mr Rajinder Singh Bilkhu (RSB) claims that the shortfall of £25,174.08 (detailed in CQR Nov 2013) at Bowburn Post Office was as a result of issues with Training and Support (including the Helpline and Audit), faults with Horizon and transaction corrections in relation to Lottery Scratch Cards.</p> <p>The Applicant was appointed to Bowburn Post Office on 31st January 2004. Whilst the records of the actual training delivered to the Applicant are no longer retained, due to the training having taken place 10 years ago, the training he would have received at that time would have been between 5 and 10 days (depending on products transacted in branch) classroom training followed by up to 10 days on site training support.</p> <p>There was a support visit (2nd June 2004) from Post Office, four months after the Applicant took up appointment as Subpostmaster, during which he was recorded as saying he had “got slicker” at balancing and accounting.</p> <p>A request for further training was made on 12th June 2004: “New Spmr in post, at time of training branch was extremely busy so Spmr is still unclear about daily & weekly dispatch and balancing procedures.</p> <p>There are two further support visits (Performance Advisor Interventions): 12th Jan 2005 and 28th Jan 2005 that refer to error notices (transaction corrections) and the Applicant’s unhappiness with the amount of losses and his reluctance to make good these discrepancies. Another request for further training on balancing and branch trading was made 24th Nov 2005.</p> <p>An audit of Bowburn Post Office on 10th June 2008 revealed a net shortage of £4025.51 and included a shortage in the Lottery scratchcards of £4342.00. The Applicant raised a dispute with Post Office regarding the scratchcard loss.</p> <p>The Applicant was precautionary suspended in October 2009 after another audit in the branch revealed a discrepancy of £4,562.13; this included £4317.00 loss that the Applicant referred to as a disputed scratchcard loss. This was the scratchcard loss that had been carried from the previous audit in June 2008. The Applicant was on holiday at the time of the audit and was therefore not present on the day. He was subsequently reinstated in November 2009, after he was interviewed by the branch Contract Advisor, Andy Carpenter. The Applicant made good the discrepancy on the day of the interview.</p> <p>The Applicant previously instigated a legal case against Post Office, alleging faults with Horizon but subsequently dropped the case.</p> <p>The Applicant has kept detailed records of calls and letters regarding issues that have occurred in his branch. The Applicant has explored different avenues within Post Office and the Legal System to find a resolution to the issues he claims he has had in the branch.</p> <p>Conclusion</p> <p>Based on the evidence examined as part of the Mediation Scheme investigation, Post Office’s conclusion is that the cause of shortfalls is highly likely to be operational errors in the branch by the Applicant or his staff</p>					

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

(such as mishandling cash, mis-keying transactions into Horizon, etc). In some instances and as detailed in this report, Post Office has been able to identify an error due to it causing a reconciliation discrepancy against some other accounting record. Where this has happened, Post Office has issued a transaction correction to correct that error. However, Post Office is unable to determine the precise nature of some of the branch errors as, by their very nature, these errors happened in branch and were therefore outside of Post Office's knowledge or control. Nevertheless, the fact that the errors have arisen in branch mean that they, and any consequential shortfalls, are the responsibility of the Applicant.

Post Office acknowledges that the Applicant did require/request further training four months after appointment as Subpostmaster and further support was given through intervention visits in 2004 and 2005.

The Applicant has, during his tenure, disputed a number of transactions and/or transaction corrections with Post Office and on investigation these have been found to be user error. The findings from these investigations were communicated to the Applicant, although he was reluctant to accept Post Office's conclusion.

The other issues raised by the Applicant have been investigated and addressed in this report with the conclusion being that Horizon did not cause any discrepancies.

The Applicant's complaint

The Applicant's Case Questionnaire Response (CQR) raises the following areas of complaint, which are addressed in the "Response to issues raised by Applicant" section of this document:

- Training and Support including the Helpline and Audit
- Lack Of Support from Post Office Helpline
- Faults with Horizon
- Transaction Corrections -Lottery Scratch Cards
- Subsequent to the Applicant submitting his initial CQR, he has raised further issues of perceived faults with Horizon and confusing and contradictory information supplied to him by Post Office personnel.

The Applicant seeks the following:

- £635,756.99 for the financial impact which he claims to have suffered.
- The Post Office to issue an apology to the Applicant and his family.
- Removal of the "final warning" status.
- Post Office to assist in the identification of any current or future differences and to establish why such differences occur.

Case Review Actions

Summary of the information collated by Post Office

Information available from Post Office records:

Information area	Information provided with this response	Information not available as beyond retention period	Information not available for other reason
Branch Audit and Training Records	X		

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

NBSC Call Logs	X		
Electronic Filing Cabinet	X		
Horizon Service Desk	X		
Transaction Corrections	X		
Financial Dispute Resolution	X		
Sub Postmaster Contract	X		

Response to issues raised by Applicant		
	Issue raised	Investigation findings
1.	Training and Support including the Helpline and Audit	<p>Training records for the time of the Applicant's appointment are outside of the Post Office retention period. However several records are held on the Post Office Electronic Filing Cabinet (EFC), documenting that several intervention visits took place at the branch from June 2004 – May 2005 (Refer to Docs 001, 002, 003, and 004).</p> <p>The Applicant claims, at this time, there were problems with banking transactions on Horizon. Although the Post Office records are not detailed, the evidence suggests that ad-hoc training visits were requested and delivered. Further training records (Refer to Docs 009,010,011,012 and 013) support this.</p> <p>Operations Manuals were available in branch and a weekly "Counter News" was sent to every branch in the network. These publications provided details on how to process all transactions in branch and included detailed balancing guide. The Network Business Support Centre (NBSC) helpline was also available.</p> <p>The branch contacted NBSC on 238 occasions in the 10 year period from February 2004 to October 2013. The available evidence suggests that calls were transferred correctly and proper advice given. The log of all calls made are enclosed (Refer to Doc 022) with specific calls as follows:</p> <p>2006 – 1 call on the 8th September 2006 relating to a fault with the online banking system (Refer to Doc 017)</p> <p>2008 – 1 call on the 14th February 2008 relating to replaced terminal being stored by Fujitsu (Refer to Doc 018)</p>

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>2010 – 1 call on 14th July 2010 relating to a bill payment and 2 calls on 4th August 2010 regarding National Lottery processes (Refer to Doc 019).</p> <p>2012 – 4 calls in August 2012 regarding system failure and Fujitsu response to fault (Refer to Doc 020).</p> <p>2013 – 1 call in January 2013 blaming Horizon for on-going shortages in branch (Refer to Doc 021).</p> <p>It would be expected that as a Subpostmaster became more experienced in his role, the level of calls to the NBSC would decrease; it appears the opposite in this case as the level has increased.</p> <p>After an audit in June 2008 (Refer to Doc 005), the Applicant was advised that the lottery scratch card figures should be adjusted to state the true amounts held, and any resulting shortage dealt with at the end of the trading period. At the following audit in October 2009 (Refer To Doc 006) the lottery scratch cards shortage was still outstanding. The Applicant was suspended at this time; Section 12, Paragraph 4 – ACCOUNTS of the Subpostmaster's contract (Refer to Doc 035) from the time of the Applicant's appointment is of particular importance to this case. The audit was conducted in line with the audit process manual.</p> <p>The Post Office audit records are available from 2008 (Refer to Doc 08). There is also evidence of a further risk audit being carried out in July 2011 (Refer to Doc 007).</p>
2	Faults with the Horizon system, causing losses in the branch Cash Account	<p>The Applicant claims that issues arose after the Horizon terminal upgrade in October 2004; this period is outside of Post Office's retention period so Post Office is unable to investigate further. (Refer to Doc 016).</p> <p>The Applicant has submitted call logs from the Horizon Service Desk (HSD) from June 2005 –October 2006. In general, the calls relate to issues with on line services and printer problems; all of which have been resolved by Fujitsu.</p> <p>In September 2006, the logs indicate a problem with the "On Line Connection"; this call was open for 21 days and appears to have been caused by a problem with the Asymmetric Digital Subscriber Line (ADSL) that could only be resolved by BT. While both BT and Fujitsu appear to have done everything they could to resolve the issue as soon as possible, it appears to have left the Applicant unable to process any online transactions during this time.</p> <p>However there is no indication that this fault would have caused any discrepancies at the branch.</p> <p>On Thursday 23rd August 2012 at 08:00, the Applicant reported to HSD that Horizon was offline; HSD advised the Applicant to reboot</p>

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

	<p>Horizon which resolved the issue and closed the call by 08:23 (Refer to Doc 039).</p> <p>On Friday 24th August 2012 15:15, the Applicant called HSD again to report the same problem (Refer to Doc 040), namely the terminal could not access "online services". The fault could not be resolved over the phone, so an engineer visit was requested. As Monday was a bank holiday, the engineer did not arrive on-site until Tuesday 28th August at 12:00.</p> <p>Fujitsu engineers are trained to follow a set protocol for dealing with faults; in this instance the fault appeared to be with the ADSL connection that enables Horizon to communicate and send information. The connections work by splitting the phone line into two separate channels, one for data (Internet) and one for voice (phone calls), which means you can talk on the phone and be connected to the internet at the same time. The engineer carried out the set protocol test and replaced the ADSL cables in branch. This engineer closed down the call at 13:16. However, the Applicant contacted the HSD again after the engineer had left as he could not log on to the system.</p> <p>The engineer returned to the site at 16:35 and performed a further test on the phone line. When these tests had been carried out the engineer could then determine that the fault was outside of the branch at the BT exchange, the fault was then escalated to BT</p> <p>It appears that the fault was again with the BT exchange. BT resolved the fault by the 31ST August 2012. This is a similar problem to the one previously detailed within this report in 2006. However, as before, there is no indication that this fault would have caused any discrepancies in the branch's accounts.</p> <p>Post Office records show that the Applicant lodged a complaint with the NBSC (Refer to Doc 037), and requested a good will payment as Horizon was not working in his branch for one week. At the time, this was investigated by Laura Darby (Post Office Service Support, IT and Change); the Applicant's request for a good will payment was refused (Refer to Doc 041). Although there was a fault at the branch, this only affected one terminal, and the branch was still able to operate with the other two Horizon terminals.</p> <p>Post Office response to Spot Review One explains the process for recovering transactions on Horizon and Spot Review 10 explains what happens after power or communication failures on Horizon. (Refer to Doc 027).</p> <p>On the 14th July 2010, the Applicant reported a fault to the NBSC regarding an issue with a payment of a Post Office Credit Card; he claims the transaction for £1022.99 settled itself. On this occasion, it appears the Applicant reversed the transaction at the time so suffered no financial loss. However he states he keeps getting</p>
--	--

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

	<p>issues like this (Refer to Doc 023).</p> <p>At the time, the NBSC and HSD tried to resolve the issue. The Applicant asserts that the HSD offered as an explanation that the Horizon screen could be "settling itself". This may not have been the best terminology to use as it may have related to an old issue around screen calibration.</p> <p>On the 31st July, the Applicant contacted Andy Carpenter (Contracts Advisor Post Office) regarding this issue, seemingly convinced that transactions were settling themselves.</p> <p>The transaction was investigated and it was concluded that user error was the cause of the problem. (Refer to Doc 023) On the 31st August 2010, Andy Winn (Branch Analyst Post Office) wrote to the Applicant explaining that:</p> <p>"The interrogation of the events logs by our IT supplier has indicated that the transaction at 11.06 was settled by choosing the "cash" button. This would explain why the transaction completed before the customers debit card was even inserted. The required debit card transaction was then completed at 11.07 and the "cash" transaction correctly reversed at 11.33."</p> <p>The letter also recorded the investigation's finding that the transaction did not "settle itself" but had been "processed correctly". (Refer to Doc 024).</p> <p>The Applicant makes further claims in his CQR regarding bank giro/cheques/postage labels/stamps and phone cards. He also claims to have settled £10,862.97 in cash shortages between February 2004 and January 2006, and continues to have to settle shortages.</p> <p>The Applicant, however, has provided no explanation or reason regarding why the losses suffered in the branch (which appear from the CQR to be an aggregation of a number of irregular, lower value losses rather than any single, large loss) were attributable to problems with Horizon, and the transaction documents for any shortages incurred between February 2004 and January 2006 are no longer available as they are now outside normal document retention periods.</p> <p>There is a record of a complaint the Applicant made to the NBSC in April 2007. The Applicant claimed a software problem with E-Top transactions. However the explanation given and highlighted at the time (Refer to Doc 038) is the most likely explanation. The Applicant claimed that Horizon was producing E-Top vouchers without having to swipe an E-Top card through the system and this proved a fault with Horizon. This is incorrect as Icons are available on Horizon that enables vouchers to be printed without the use of</p>
--	--

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>a swipe card.</p> <p>Again Post Office records are not detailed, but the issue was passed on at the time to the Applicant's Business Development Manager (BDM) Rachael Oyston.</p> <p>The Applicant claims that a base station was removed from his branch in February 2009 and stored by Fujitsu; several documents held on the Post Office Electronic Filing Cabinet (EFC) and submitted by the Applicant support this claim.</p> <p>Andy Dunks (Security Operations Post Office Account Fujitsu) has confirmed that the base unit is being stored in their secure room in Bracknell (Refer to Doc 025 A and B). No investigation has been carried out on the terminal but system wide tests on Horizon found no systemic issues (Refer to Doc 026).</p> <p>Also held on the EFC is correspondence between the Applicant and Post Office Financial Dispute Resolution team in relation to Transaction Corrections, which were issued to the branch and concluded that losses at the branch were not caused by the Horizon system.</p> <p>The branch losses at Bowburn therefore appear to be the result of human action.</p>
3	Transaction Process –Namely National Lottery Scratchcards	<p>It appears that the Applicant has sent several letters of complaint to Post Office regarding issues with Transaction Corrections issued against his branch for incorrect accounting for National Lottery transactions. The matter was investigated fully by Andy Winn (Branch Analyst Post Office) at the time and his findings were passed on to the Applicant</p> <p>Andy confirms in his letter to the Applicant, dated October 2008 (Refer to Doc 015), that the Post Office Lottery Team carried out a full investigation and the transaction corrections issued proved valid. Andy goes on to state that "as far as Post Office Ltd is concerned this matter is at an end". On balance, Andy's letter to the Applicant did highlight that there was a delay in Post Office contacting the Applicant to inform him of the error. This was due to a change in Post Office internal accounting systems.</p> <p>Post Office's response to Spot Review 22 explains the processes for activating and REMMING in lottery scratch cards. (Refer to Doc 028)</p>
4	The Post Office to issue an Apology to the Applicant and Remove the "final warning" status.	<p>In October 2009, the Applicant was precautionary suspended by Andrew Carpenter (Contracts Advisor Post Office), and was reinstated in November 2009 by Andrew, on a final opportunity to improve his performance as Subpostmaster of Bowburn Post Office (Refer to Doc 029). The Applicant accepted this warning at the time and agreed to improve his performance (Refer to Doc</p>

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>030).</p> <p>Andrew Carpenter who issued the “final warning” to the Applicant (Refer to Doc 034), believes the warning was a proportionate response and properly given and sees no reason why this should be removed.</p> <p>Post Office has apologised to the Applicant on several occasions regarding minor misunderstandings within his previous correspondence.</p>
5	Post Office to assist in the identification of any current or future differences and to establish why such differences occur	<p>Investigations have highlighted that on each occasion when the Applicant has asked for assistance regarding issues with National Lottery and Bill Payments, a full investigation has been carried out by the Branch Analyst Team and an explanation supplied to the Applicant.</p> <p>In 2005, Rachael Oyston was the Area Intervention Manager for the Applicant’s branch. The role was reactive and involved visiting branches, who had either raised issues themselves via the NBSC which required a visit, or visiting on behalf of different teams within Post Office who escalated issues such as rolling losses, suspense account, audit follow up and post appointment visits. Post Office records available on the EFC for this time are not detailed; however Rachael has provided her recollection of events (Refer to Doc 036).</p> <p>In June 2008, the Applicant contacted the Chief Executive of the Royal Mail Group, Adam Crozier; several of the letters from that time are held on the Post Office EFC (the Applicant has also submitted copies of the letters with his case questionnaire; refer To Doc M007_CQR_Tab3).</p> <p>In the Applicant’s first letter to Mr Crozier (Refer To Doc 031) he raises similar issues to the ones he has raised again in his Case Questionnaire Response, namely;</p> <ul style="list-style-type: none"> • Unidentified Shortages In Branch Cash Account • Horizon Equipment Issues • Problems with Post Office Personal and Helpdesk • Lottery Scratch cards <p>It should be noted, the Applicant claims in his June 2008 letter, that since the Horizon Terminal was replaced in February 2008 he has had no further issues or losses at the branch.</p> <p>At the time these issues were investigated by Michele Graves, Flag Case Manager for Post Office. Michele wrote to the Applicant (Refer to Doc 032) and outlined Post Office’s response to the Applicant’s issues.</p>

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>The Applicant, disappointed with Michele's response, sent a reply (Refer to Doc 033).</p> <p>The case was then passed to Philippa Wright, National Consultation Manager for Post Office, and Philippa investigated. Her response is not held on Post Office EFC; however, the Applicant has submitted a copy (Refer To Doc M007_CQR_Tab3). Philippa again outlined the Post Office position to the issues raised and corrected information, previously provided by Michele, regarding National Lottery retention periods and the storage of the Horizon system base unit by Fujitsu. Philippa apologised for the misunderstanding and went on to add :</p> <p><i>"Having looked again at all the information provided, I do feel that we have explained our position on the matter and do not see any benefit to covering old ground. We therefore consider this matter closed and all other issues related to it now closed and not subject to further discussion"</i></p> <p>The Applicant submitted a further letter to Philippa on the 27th August 2008; he did not request any further investigation but wished to have his comments held for future reference. Philippa replied on the 2nd September 2008 confirming that his comments had been noted and confirmed these would be retained on file.</p> <p>The Applicant has not put forward any evidence to suggest that Horizon caused any discrepancy within his branch; the most likely explanation is either human action. The Applicant was advised by Post Office Flag Case team and by Rachael Oyston (Area Intervention Manager) to move to single stocks (Refer to Docs 032 and 036); this would have made it easier to locate any future discrepancy in the branch, but the Applicant failed to follow this advice.</p> <p>The Applicant could also produce transaction and event logs from Horizon in branch that could have assisted him to locate errors.</p>
6	Subsequent to the Applicant submitting his initial Case Questionnaire Response (CQR), he has supplied the Post Office with further issues, regarding his perceived faults with the Horizon system, and confusing and contradictory information supplied to him by Post Office Personal.	<p>The Applicant contacted NBSC (Refer to Doc 043) on the 21st November 2013; the Applicant reported losses of £600 and £525.39 over the previous two weeks. The Applicant refused to accept advice or help from the NBSC and asked for Andy Carpenter to contact him. Post Office records (Refer to Doc 042) show that Andy contacted the Applicant and arranged additional training for the branch. The training was allocated to David Brown, Field Support Advisor (FSA). David attended the branch on two occasions; 29th November 2013 and 4th December 2013. David's full report is available (Refer to Doc 042). In summary, David's report advises the Applicant, once again, to change the branch to single stock units. To do this, the Applicant would need to have provided lockable drawers to secure each individual stock unit during working hours; the Applicant did not wish to spend any</p>

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>money on doing this. David's second visit on the 4th December 2013 also highlights that when balancing, the Applicant was using the Declare Stock function on Horizon; David states in his report "that this is not normal practice and I have seen it cause problems in the past". David advised the Applicant of the correct way to balance and sent him hand-outs to fully explain the correct process. On balance, what the Applicant was doing was not incorrect; it is just a more complicated process than what it needed to be.</p> <p>The Applicant contacted NBSC (Refer to Doc 043) on the 20th December 2013 not the 9th January 2014 that he states in his CQR, the two calls logged on the 9th January 2014 relate to the issue with the Co-Op cheque and his reporting of a loss of £86.05 for the balance period. The Applicant logged a call on the 20th December 2013 claiming that Horizon is unable to assist in identifying error's at his branch, because when he tries to print a Transaction Log he get the following error message (MSG70904- too much data to process). Fujitsu have advised that the reason for this error message is that there is a limit of 1000 lines of data returned by transaction log searches. A search for all the transactions for a single day, or several days, may hit this limit, especially at branches with several counters. The Applicant needs to specify additional Transaction Log criteria to reduce the amount of data returned. Possibilities include:</p> <ul style="list-style-type: none"> • Date From / To • Time From / To • Node Id (counter number) • Stock Unit • User • Product (this displays a list of all products from which the user can select the one they want by name) <p>NBSC advised the Applicant to follow this process, Neil Pape (NBSC Operator) recalls advising the Applicant, "to search using criteria such as stock user, user etc. that would break down the day's transactions and allow the report to be printed".</p> <p>Post Office Management Information Reporting System (Credence) confirms (Refer to Doc 050) that the Applicant has recorded the following losses since November 2013:</p> <p>27th November 2013- £402.79</p> <p>27th December 2013-£993.04</p> <p>29th January 2014- £339.06</p> <p>The Subpostmaster contract (Refer to Doc 035) Section 12; paragraph 12- LOSSES, provides that the Applicant is responsible</p>	
--	--	--	--

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

	<p>for all losses within the branch. As previously mentioned within this report, the Applicant was advised on several occasions to convert to single stocks but he refused to follow this advice. Post Office has not instigated an investigation into the losses at this time – if the applicant converts to single stock this should help to identify and resolve the user issues.</p> <p>On the 27th January 2014, the Applicant contacted NBSC regarding an issue with incorrect number of postage labels being printed in the branch. Post Office Management Information Reporting System (Credence)(Refer to Doc 044) shows that at 12:49 on the 27th January 2014, the branch did indeed process seven postage labels at £1.10 each by user IGA002; the Applicant's user ID is RBI002. No other transactions are made on the 27th January 2014 for this amount so it would be reasonable to assume that this is the transaction the Applicant is alleging there was an issue with. NBSC advised the Applicant that the user must have said yes to all seven labels printing successfully. Postage Labels are of no monetary value until they have been processed through Horizon; once a label has been produced it then becomes of value and is added to the customer basket for settlement. After every label is printed, Horizon prompts the user to confirm the label has printed successfully (Refer to Doc 049). If the user selects YES, then Horizon will add the value of that label to the basket. If a postage label does not print correctly or does not print at all, the user can select NO. Horizon will automatically reject the postage label, and generate a 'Rejected' postage label transaction. The user will then be returned to the Post Mails screen where they can insert another label and print the postage label again. Three transactions will appear in the basket; two will have positive values (one for the production of the correctly printed label, and one for the incorrectly printed label), and the third will have a negative value (for the rejected postage label). The positive value for the incorrectly printed label and the negative value for the rejected label will cancel each other out, and as a result only the amount of the correctly printed label will be charged. It's impossible to say exactly what happened in the branch on the 27th January 2014; however the most likely explanation is that one of the labels did not print, but the Applicant has selected YES when prompted</p> <p>Co-op Bank business cheques are issued by Co-op Bank business customers for encashment in selected Post Office branches. A Post Office branch can only be nominated as an office of encashment for Co-op Bank business cheques by the Co-op Bank Head Office. Co-op Bank customers are advised to contact their Head Office to request that a Post Office branch of their choice be added. All Co-op Bank business cheques presented must bear a Post Office Branch Code (this may be printed on the cheque or hand-written) and may only be cashed at the nominated Post</p>
--	---

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

	<p>Office branch.</p> <p>If a Co-op Bank business cheque presented does not bear a Post Office Branch Code, branches are advised to:</p> <ul style="list-style-type: none">• Refuse payment and return the cheque to the customer• Advise the customer to contact the person/organisation that issued the cheque. <p>The maximum value of an individual Co-op Bank cheque must not exceed £500. A total of four cheques may be cashed in one day.</p> <p>If a customer presents a Co-op Bank cheque in excess of £500, branches are advised</p> <ul style="list-style-type: none">• Not to cash the cheque• Return the cheque to the customer• Advise them to contact the person or organisation that issued the cheque. <p>The Applicant claims in his submission that the cheque presented to him for £161.54 in October 2013 had no branch code printed on the cheque, so he refused the transaction.</p> <p>At some point, a complaint was raised by a Co-Op customer that the branch was refusing the encashment facility and the branch was contacted by Kevin Jarosz from the NBSC, on the 9th January 2014. NBSC call logs (Refer to Doc 045) suggest that the Applicant was refusing to accept the cheques as the branch code was hand written on the cheque rather than printed. Kevin correctly explained that the cheque could be accepted if the branch code was hand written. Kevin went on to navigate the Applicant to the correct page on Horizon Help that explained how to complete the transaction. Horizon Help is an integral facility within Horizon which allows individuals to find and also print Post Office instructions on products and services, which can be accessed whilst serving a customer. The Applicant was still not happy on how to process the transaction and advised he would contact NBSC the next time for them to talk him through the transaction. On the 13th January 2014, the Applicant contacted the NBSC and claims he was advised not to cash the cheque unless the branch code is printed on the cheque. NBSC call logs (Refer To Doc 045) show that this call H18250380 is logged as "WANTING TO PAY A CHEQUE INTO A CO OP ACCOUNT". It appears in this instance the Applicant and the NBSC Operator were at cross purposes; further investigation has confirmed this (Refer to Doc 046). Michala Millington (Post Office Client Advisor) contacted the branch on the 23rd January 2014, after another complaint from a customer being refused the service; during this call it came to light that there had been some confusion between the NBSC and the Applicant as to which process to follow. Michala instructed the NBSC to contact</p>
--	---

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

		<p>the Applicant to explain the correct process (Refer to Doc 047). Sharon Jamasb (NSBC operator) contacted the Applicant on the 23rd January 2014 and made it clear to him that handwritten cheques could be accepted (Refer to Doc 048). Sharon has informed this investigation it was the Applicant that jumped onto the subject about lack of training at the NBSC. Sharon did not get drawn into any conversation with the Applicant and did not comment herself on any issues regarding training at the NBSC.</p> <p>Michala has also informed this investigation (Refer to 047), that in actual fact, it appears that it was the customer who is actually mistaken in these instances as he is attending the branch with the cheques to cash without a printed or handwritten branch code on.</p> <p>It appears that there may have been some confusion has gone on between the Applicant and the NBSC regarding this issue, with at times both parties talking at cross purposes. In the Applicant's CQR, it could be easily miss- read when the Applicant states "The cheque was crossed and did not have our branch code printed on it"; this could mean one of either the cheques had no branch code on it, or the cheque did have the branch code, but it was handwritten rather than printed.</p> <p>On balance, the Applicant did not suffer any financial loss as a result of this misunderstanding and the correct information is readily available on the Horizon Help facility.</p>
<p>Documents being provided to Second Sight</p> <p><i>List documents (if any)</i></p> <ul style="list-style-type: none"> • M007_POL_Intervention Visit June 2004_PT_001 • M007_POL_Intervention Visit Jan 2005_PT_002 • M007_POL_2nd Intervention Visit Jan 2005_PT_003 • M007_POL_Intervention Visit May 2005_PT_004 • M007_POL_Audit Report June 08_PT_005 • M007_POL_Audit Report Oct 09_PT_006 • M007_POL_Audit Report July 2011_PT_007 • M007_POL_Scheduling Team email_PT_008 • M007_POL_Ad-Hoc training record Feb 04_PT_009 • M007_POL_Ad-Hoc Training Report_PT_010 • M007_POL_Ad-Hoc Training Request Nov 05_PT_011 • M007_POL_Email Dave Ogleby_PT_012 		

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

- *M007_POL_Training Request and Report_PT_013*
- *M007_POL_Email From Camelot re training_PT_014*
- *M007_POL_Letter from A Winn re Lotto 08_PT_015*
- *M007_POL_ARQs out with retention_PT_016*
- *M007_POL_NBSC CALL LOGS 2006_PT_017*
- *M007_POL_NBSC CALL LOGS 2008_PT_018*
- *M007_POL_NBSC CALL LOGS 2010_PT_019*
- *M007_POL_NBSC call Logs 2012_PT_020*
- *M007_POL_NBSC CALL LOGS 2013_PT_021*
- *M007_POL_ALL NBSC CALL LOGS 04-13_PT_022*
- *M007_POL_Emails Horizon 233313 Bowburn_PT_023*
- *M007_POL_Letter from A Winn AUG 2010_PT_024*
- *M007_POL_Horizon Terminal PIC_PT_025 A*
- *M007_POL_Horizon Terminal PIC_PT_025 B*
- *M007_POL_Post_Office_statement_on_findings_of_intrin_report_into_Horizon_computer_system_PT_026*
- *M007_POL_Spot Review 10_PT_027*
- *M007_POL_Spot Review 22_PT_028*
- *M007_POL_Reinstatement Letter_PT_029*
- *M007_POL_Reinstatement Accept_PT_030*
- *M007_POL_Letter to A Crozier June 08_PT_031*
- *M007_POL_Response to A Crozier Letter June 08_PT_032*
- *M007_POL_Reply From Mr Bilkhu_PT_033*
- *M007_POL_Offical Warning_PT_034*
- *M007_POL_Sub Pm Contract_PT_035*
- *M007_POL_Email Rachel Oston_PT_036*
- *M007_POL_NBSC Call Logs Aug 12_PT_037*
- *M007_POL_Email Re E-Top_PT_038*
- *M007_POL_HSD Call Logs 23rd Aug 12_PT_039*
- *M007_POL_HSD Call Logs 24th Aug 12_PT_040*
- *M007_POL_Email Re Aug 12 Goodwill Payment_PT_041*

COMMERCIALLY SENSITIVE AND PREPARED IN CONNECTION WITH MEDIATION

- *M007_POL_November 2013 Intervention_PT_042*
- *M007_POL_NBSC Call Logs Oct 13-Feb14_PT_043*
- *M007_POL_Credence Report 27.01.14_PT_044*
- *M007_POL_NBSC Call Logs Re Co-Op_PT_045*
- *M007_POL_Email Rob Carter_PT_046*
- *M007_POL_Email Michala Millington_PT_047*
- *M007_POL_Email Sharon Jamasb_PT_048*
- *M007_POL_Reject Label Prompt_PT_049*
- *M007_POL_Security_non_sales_events.xls Nov-Jan_PT_050*