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## Initial Complaint Review and Mediation Scheme

## Issues analysis

<b>Case Ref</b>	M113	<b>Applicant</b>	Doreen McQuilliam
<b>BD Lawyer</b>	Andy Pheasant	<b>Date of analysis</b>	24/07/2014

## Key Issue

In Old Colwyn branch there was a loss of £40,000. The Applicant says that this was caused by:

- i. Problems associated with the ATM at the branch;
- ii. Horizon terminal freezing and needing to be recalibrated;
- iii. Lack of training;
- iv. Inadequate support.

Is the Applicant correct or, if not, what was the cause of the loss?

## Issues to investigate

	Issue raised	Suggested points to investigate
1	ATM	<p>The Applicant states that problems began to occur following the installation of an ATM at the branch in or around June/July 2007. Their training was inadequate and there were problems with rejected notes.</p> <ul style="list-style-type: none"> <li>- Who installed the ATM?</li> <li>- What training was provided?</li> <li>- Who provided the training?</li> <li>- Who is responsible for providing further training in relation to the use of the ATM? (ie is it Post Office or the ATM operator)</li> <li>- Were there any further training requests in relation to the use and operation of the ATM?</li> <li>- The training was provided to the Applicant's husband as she was on relief work. Should the training have been provided to the Applicant's husband? Should training have also been provided to the Applicant directly?</li> <li>- What calls to the Helpline were made concerning the ATM?</li> <li>- What advice was provided by Bank of Ireland?</li> <li>- What problems were reported to Post Office?</li> <li>- What was the response?</li> <li>- Were any engineers instructed to inspect the ATM? If not, why?</li> </ul> <p>The Applicant highlights that there were a large amount of rejected notes (£35,000).</p> <ul style="list-style-type: none"> <li>- Please explain why notes are rejected.</li> <li>- Why was there such a large value of rejected notes?</li> <li>- What was the cause of this problem?</li> <li>- Were Post Office made aware of the large number of rejected notes?</li> </ul> <p>The Applicant admits to using these rejected notes within</p>

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		<p>the ATM and within the branch when cash supplies were low.</p> <ul style="list-style-type: none"> <li>- Is the Applicant permitted to do this?</li> <li>- What is the correct procedure for dealing with rejected notes?</li> <li>- How would the Applicant have been aware of the correct procedure?</li> <li>- Were Post Office aware that the Applicant (or her husband) were going to do this?</li> <li>- What calls were made to the Helpline in relation to the use of rejected notes? In particular, were any calls made in October 2008 (including calls relating to cash shortages)?</li> </ul> <p>General queries / areas to consider.</p> <ul style="list-style-type: none"> <li>- The Applicant says that up to £60,000 cash was removed from the ATM within a few days. Is this considered to be a reasonable amount to be removed in this time period?</li> <li>- Was there the possibility of theft taking place from the ATM? Please consult with the securities team about a known engineer who had been committing thefts.</li> </ul>
2	Inadequate cash supplies	<p>The Applicant says that they requested cash on a regular basis.</p> <ul style="list-style-type: none"> <li>- How often was the branch supplied with cash?</li> <li>- What amounts were these?</li> <li>- Was the branch considered to have a high need for cash?</li> <li>- Did the Applicant make request for more cash?</li> <li>- What is the procedure for requesting more or increasing the regular cash deliveries?</li> <li>- Could the lack of cash deliveries have caused the loss?</li> </ul>
3	Lack of training	<p>The Applicant makes a general allegation that the training was inadequate.</p> <ul style="list-style-type: none"> <li>- Is the Applicant's training record available?</li> <li>- What training did the Applicant receive?</li> <li>- Was this in accordance with Post Office requirements and guidelines?</li> <li>- What requests were made for additional training?</li> </ul>
4	Inadequate support	<p>The Applicant makes general references to contacting the Helpline for assistance.</p> <ul style="list-style-type: none"> <li>- What calls were made to the Helpline?</li> <li>- What did they relate to?</li> <li>- What advice was provided in relation to the ATM; rejected notes; requests for additional cash; and foreign currency?</li> <li>- Was advice consistent with Post Office policy and procedures?</li> <li>- If calls were frequent could Post Office have intervened to assist at an earlier stage?</li> <li>- Was there any contact with the Applicant's regional manager or other managerial support?</li> </ul>

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5	Sharing passwords	<p>The Applicant says that Post Office claim other people used the Applicant's password.</p> <ul style="list-style-type: none"> <li>- What is Post Office policy on password sharing?</li> <li>- How is this made clear or communicated to subpostmasters?</li> <li>- Were all of the staff working at the branch approved and authorised to be working in the branch?</li> <li>- Did any of them have their own user codes and passwords?</li> <li>- Did this factor in a decision to terminate the Applicant's contract?</li> <li>- Is there any evidence to show Post Office were aware this was happening?</li> </ul>
6	Foreign Currency issues	<p>The Applicant refers to numerous occasions when Horizon recorded foreign currency incorrectly.</p> <ul style="list-style-type: none"> <li>- Is there any record of this occurring?</li> <li>- Was this reported to the Post Office by the Applicant?</li> <li>- Could this have caused a loss?</li> </ul>
7	Hardware problems / Horizon breaking down	<p>The Applicant makes reference to Horizon terminals freezing and breaking down.</p> <ul style="list-style-type: none"> <li>- What records are there of problems with the terminal?</li> <li>- What calls were made to the Helpline in relation to hardware problems?</li> <li>- Did this result in any engineers having to attend?</li> <li>- If yes, what was the outcome?</li> <li>- Were repairs undertaken to any other hardware?</li> <li>- Could the problem with the terminal have caused the loss?</li> </ul>
8	Losses and audit	<p>In 2008 there was an audit of the branch which showed a shortfall of £40,000.</p> <ul style="list-style-type: none"> <li>- Why was the decision taken to audit the branch?</li> <li>- The Applicant says the loss was initially £48,000 but this was reduced to £40,000. What is the explanation for this reduction?</li> <li>- What did the losses relate to?</li> <li>- What do you consider was the cause of the loss?</li> <li>- What Transaction Corrections were issued?</li> <li>- Were there any losses connected to the Applicant or the Post Offices in which she worked prior to 2000.</li> <li>- Was the Applicant's long service with the Post Office and the fact that she had been used as a relief/emergency cover taken into account during the investigation process?</li> <li>- Were there any discrepancies associated with the Applicant's Conway Road branch? Specifically, any similarities with the losses suffered at the Old Colwyn branch?</li> </ul>
9	Helen Rose Report	<p>The Applicant makes reference to the Helen Rose Report. The report does not appear to be relevant to the Applicant's case and has been included as a standard request. In light of this we would suggest not responding to the request and dealing with the substantive issues.</p>

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