

<u>R S BILKHU</u>			
<u>Particulars of faults with the Horizon System</u>			
DATE	Description	Amount System required to be made up	Amount personally paid to POL
04/02/04	RB starts at Bowburn and is assisted by PO Trainer J Wilson for two weeks. This training was considered inadequate and inappropriate. The trainer focused on being courteous to customers rather than checking other essential tasks like checking end of day reports. During this week Unusable notes were sent to Leeds Cash Centre. See entry under 31 March 2004. (Another trainer Dave took over for a day to cover JW's absence)	38.24	
12/02/04	During this week we lost £1043.32. This was due to cheques being sent to the wrong processing centre. I was expected to settle this amount personally! After the intervention of the Retail Line Manager (RLM) Lesley Joyce, the money was put into suspense.	1043.32	
18/02/04		715.77	
26/02/04		(496.55)	
03/03/04		911.79	
10/03/04		751.55	
17/03/04		622.53	
24/03/04		308.36	
31/03/04	A 'phone call received from Leeds Cash Centre accusing me of sending £100 less in Unusable notes in W/c 4/02/04. I said I was new to the business but the notes were checked by not just myself but two other trainers independently before despatch. The tone was threatening: 'You will pay!' I asked for video evidence. I was told camera was not working that day! I asked what do you want me to do now? I was told 'Just forget it'! Turns out there was a thief about in Leeds Cash Centre. I found later I was not the only PO with	622.52	

	an alleged unusable note issue.		
07/04/04		935.43	
14/04/04		843.32	
21/04/04		772.26	
28/04/04	Lesley Wilson (RLM) visits to review progress-issues re; balance and training and Leeds Cash Centre are discussed.	907.80	
05/05/04		782.40	
12/05/04		813.85	
19/05/04		754.80	
26/05/04		968.35	
02/06/04	David Round (PO Performance Advisor) attends the Wednesday Balance. He cannot find anything wrong with the way I have been carrying out the balance. Advises to settle the shortage and start with a clean slate. This is done.	434.61	
09/06/04		816.22	816.22
16/06/04		278.64	
13/06/04		135.21	
30/06/04			
07/07/04			
14/07/04		133.05	
21/07/04		812.58	
28/07/04		26.50	
04/08/04			1684.32
18/08/04		236.90	
18/08/04		236.90	
25/08/04		142.41	
01/09/04		1410.30	
08/09/04	On the 10 th 11 th and 13 th September three cheques were fraudulently cashed at Bowburn PO by: [redacted] GRO [redacted]. According to the PO we had accepted a Visa Electron card as a	2278.54	

	cheque guarantee card. I was not told the difference at my training at South Shields and the trainer never told me during the training at the PO. In addition, one of my assistants clearly had no idea. Lesley Joyce (RLM) on one of her visits admitted she did not know the difference between a cheque guarantee card and a Visa electron card.		
15/09/04	On 16 th September I was informed by Joanne from Chesterfield to keep a look out for GRO. I told them I was being informed after the event that GRO had already cashed the cheques.	0.00	
22/09/04		555.99	
28/09/04	On 27 th September I was asked to pay back the £300 cashed by GRO. I contacted various people at Chesterfield and Lloyds Bank and the Police re: this issue. R Needham contacted me on November asking for £300. I told him the matter was in the hands of the Police. On 22 nd November I was told that the £300 would be deducted from my February remuneration.	19.20	
06/10/04		232.83	
13/10/04	I Patterson (Fujitsu Engineer) visits to upgrade the Horizon System. It may be coincidental but after this visit error notices (Charge or Claim) virtually stopped.	319.76	
20/10/04		529.19	
27/10/04		649.20	
03/11/04		640.40	640.00
10/11/04		242.49	
17/11/04		210.33	
24/11/04		397.32	
01/12/04		466.31	
08/12/04		435.35	
15/12/04		605.76	
22/12/04		498.08	
29/12/04	I have now paid a total of £3638.32 to the PO to settle error notices. Taking out the legitimate error notices there is nearly £2000 out there owed to me which has not been accounted for.	93.23	498.08

05/01/05		As 40(Joint)	
12/01/05			
19/01/05			
26/01/05		261.17	
02/02/05			
09/02/05	<p>Incident 1) <u>Friday 11th February 2005 at 09:05 57</u></p> <p>Customer put A&L Card into pin pad and requested £100. Horizon system authorised transaction on screen. Assistant paid money and handed over the receipt. (It has not been our practice to look at the customer's receipt when a balance is requested or after a cash withdrawal).</p> <p>A little later the customer returns and presents the receipt. The receipt shows the transaction has been declined by the customer's card.</p> <p>As the customer has the £100 cash, the card is swiped to settle the account.</p> <p>At 10:21 a balance check for the customer indicates £2147-31. Customer says it should be £2247-31.</p> <p>At 10:23 09 £100 is deposited back into the customer's account by swiping the card. A balance check at 10:23 59 confirms the customers expectation of £2247-31.</p> <p>At 10:29 R Bilkhu (RB) runs of transaction reports and On-line banking reports. These confirm that no money left the customer's account at 09:05 i.e. value Of 0.0 is recorded. The second swipe of the card had registered a withdrawal of £100.</p> <p>At 10:41 RB contacts Helpline on option 3 and explains the above to Lynsey Brook.</p>	208.97	

	<p>A reference number H13804619 is issued.</p> <p>On Monday 14/02/05 Joan from A&L rings and confirms that someone will ring on 15/02/05. Sue Lincoln rings on 15/02/05. An explanation is offered to the effect that once cash is requested, that sum is taken out of the account by the system to prevent a duplicate transaction. Usually the system rights itself in 24 hours.</p> <p>RB was given various other telephone numbers e.g. Helen Hark at Chesterfield on GRO</p> <p>GRO</p> <p>On 18/02/05 the customer came in to collect his benefit and confirmed that he had received a statement and everything appeared to be in order.</p> <p>*** Despite the transaction history, £100 had left the customer's account at 09:05 on 11th February 2005</p> <p>**** Horizon generated receipts and transaction logs available for inspection.</p>		
16/02/05	L Redshaw (Fujitsu Engineer) attends to base station.	187.25	
23/02/05		520.28	
02/03/05		169.03	
10/03/05	<p><u>Incident 2) Tuesday 22/03/05 between 12:00 and 13:00 (Terminal 3)</u></p> <p>Customer requests £60 using his PO Card Account Card. Transaction is authorised as normal on the screen and the Assistant hands over the cash. Customer then asks for a receipt. Assistant then realises that the system had not generated a receipt. She presses 'Receipt' on keyboard but the receipt issued is of a previous transaction (sale of postage stamps).</p> <p>R Bilkhu was on holiday that day but on his return the following day he is made aware of the incident and runs off transaction records. These confirm that this particular transaction</p>	151.91	

	<p>did not take place.</p> <p>RB contacts Malcolm at helpline. Malcolm requests the number of the PO card so the withdrawal can be confirmed. This is obtained [GRO] from the customer and passed over to Malcolm. Malcolm is able to confirm that no money left the customers account on that day.</p> <p>Quizzed by RB as to how often does this sort of thing happen i.e. screen prompt displays 'Transaction Authorised' but in fact it is not registered by the system. 'Not very often' was the answer.</p> <p>Quite separately RB had asked the customer to ring PO Card Account and request a statement. This the customer did and a few days later came in to confirm that no money had left his account and offered his card to settle.</p>		
16/03/05		143.13	
23/03/05		293.69	
30/03/05		348.08	
06/04/05	<p>Contacted a Michelle on Helpline and highlighted Horizon issues. She asked me to insist an engineer be called out and test terminals and pin pads etc. A reference number was given (E 0504060256) and asked to ring NBSC. I did and was told that that was the wrong department. I had spent an hour on the 'phone. Gave up in the end. Nothing happened with Ref no.</p> <p>Incident 3) 7th April 2005 @ 10:25 (Terminal 3)</p>	408.08	

	<p>Horizon Screen displaying normal Serve Customer icons. Customer puts card into pin pad. The screen immediately changed over to page 2 of the Smart post screen.</p> <p><u>Incident 4) 13th April 2005</u></p> <p>At about 17:40. Lucy from Horizon rang to inform RB that one terminal had not been transmitting transactions for some hours. She requested if the terminal could be shutdown and rebooted. RB told her that he was in the middle of balancing and was not prepared to interrupt the system.</p> <p>Discrepancy (shortage) in balance of £95.00. Reported to the Helpdesk at 18:45</p> <p>*** During the last stages of the balance on 13/04/05, the Gateway screen froze. Rang the helpline at 19:30 and held the phone (listening to music) until 20:10. Gave up and went home.</p>		
14/04/05	<p><u>Incident 5)</u> Continuing from Incident 4. Arrived back at the PO at 07:00 to reboot and rollover. Rang the helpline at 08:00 and spoke to Sheila at 08:10. Explained the screen freezing during balance etc. Also asked her to relay a message to the Retail Manager or their equivalent. Sheila wanted to connect me to Service Support. I told her there was no point as I had already spoken to them and nothing had been done.</p> <p>Jeanette rang from Horizon-a lengthy discussion followed. I explained the issues and expressed my frustration that no one was willing to help. Jeanette confirmed:</p> <ul style="list-style-type: none"> a) that as the role of the RLM had disappeared no one else was available b) but more alarmingly that there were 'hundreds of issues with on-line 	503.21	

	<p><u>banking.</u></p> <ul style="list-style-type: none"> Denise from Area Office rang later that day to confirm that there was no one available to help. <p><u>Incident 6) 15th April 2005 (Terminal 3)</u></p> <p>At 14:43 Operator pressed Smart icon on Serve Customer screen, screen flipped over to 'Transaction Settlement'</p> <p><u>Incident 7) 18th April 2005 (Terminal 3)</u></p> <p>At 13:05 Operator in middle of a Transcash transaction. Screen flipped over to 'Ask Customer to Insert Card'</p> <p><u>Incident 8) 19th April 2005 (Terminal 3)</u></p> <p>At 16:50 Customer put card in pin pad and entered number. Message on screen 'Error occurred on pin pad transaction not declined'.</p>		
20/04/05	<p><u>Incident 9) 21st April 2005</u></p> <p>At 11:25 Lynne from NBSC rang and confirmed that the £60 withdrawl (re incident on 22/03/05) had not taken place. Explained to her that I knew that but what was she prepared to do? She confirmed that she could not do anything and that I should make a formal complaint against Horizon. This was done Ref: H13931345.</p>	536.75	

<p><u>Incident 10) 22nd April 2005 (Terminal 3)</u></p> <p>At 12:06 Message on screen: 'Going into standby' for no apparent reason. System switched off and had to be rebooted using Memory Card. At 12:24, message on screen 'Insert memory card'. After putting the card back in again and typing in the code, nothing happened. Rang helpline on Option 2 and spoke to Rob.Said he would arrange for an engineer to come out. Switched off by itself again at 13:05 and had to be rebooted. In addition, the smartcard reader on Gateway (Terminal 2) developed a fault.</p> <p><u>Incident 11) 25th April 2005 (Terminal 3)</u></p> <p>Customer (Mr SH Thomson Card [GRO]) inserted card in Pin Pad and entered his number. Number did not register. Tried on other Pin Pad worked OK and transaction carried out successfully.</p> <p>RB rang Horizon at 13:05. Spoke to Tony. Tony suggested a Pin Pad test be carried out. This was done and was unsuccessful. Tony then arranged for an engineer to come out.</p> <p>In addition Terminal 1 kept coming up with 'Disaster Recovery' messages and several times both of the screen kept logging off by themselves.</p> <p>The engineer arrived and serviced the Pin Pad. In addition he also changed the keypad on the Gateway terminal.</p> <p><u>12) 26th April 2005 13:40 (Terminal 3)</u></p> <p>During a postage transaction the system printed a receipt without giving the option of 'Print Label' or 'Sell Stamps'.</p>		
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27/04/05	<p><u>Incident 13) 3rd May 2005 (Terminal 3) (S Owens serving)</u></p> <p>Mr & Mrs Plews came in at 15:30 to withdraw cash using their PO Cards. Mrs Plews's transaction carried out successfully. Mr Plews put card into pin pad and requested £100. He put his pin number in as instructed by S Owens. Transaction authorised on screen BUT the screen returned to Serve Customer screen i.e. did not allow S Owens to make payment and clear the stack. S Owens asked Mr Plews if he had removed his card. 'I haven't touched the card yet' he said. We could have easily handed out £100. The receipt issued was that of the previous transaction-that of Mrs Plews.</p> <p><u>3rd May 2005</u></p> <p>Alison, Area Support Manager (Darlington) rang re: my request for shortages to be put into Suspense Account. She reminded me of my 'contractual obligations' of making good any shortages. I reminded her about the PO's responsibilities as well. It became quite clear from the conversation that Alison did not have a complete picture of my problems. She terminated the call by saying she would have to come back to me.</p> <p><u>I never heard from Alison again until 17th February 2006. She asked if she could help. I responded that the matter was now with my solicitors.</u></p>	738.20	
04/05/05	<p><u>Incident 15) 4th May 2005 (Terminal 3)</u></p> <p>At 11:10 Operator pressed Smartpost icon and entered weight of an item on screen. Screen flipped over into Transaction settlement.</p>	580.57	

	<p><u>Incident 16) 6th May 2005 (Terminal2)</u></p> <p>Message on screen (after a postage stamp had been successfully printed) 'Printer error occurred'</p> <p>D Smith (Fujitsu Engineer) turned up to change keyboard. I did not report a problem with t and changing it did not make any difference.</p>		
11/05/05	<p><u>Incident 17) 12th May 2005 (Terminal 3)</u></p> <p>At 08:50 Message on screen 'Continue recovery' for no apparent reason. No other terminal affected.</p> <p><u>Incident 18) 16th May 2005 to 18th May 2005 (Terminal2)</u></p> <p>Problems with printer throughout the day –rejecting labels, then printing blank receipts. Reported to Horizon on Option 2. As instructed cleaned out printers. Worked for a few times and then the same problems restarted. Swapped over printer from Terminal 1. Same problems.</p> <p>Fujitsu engineer sent by Horizon. Engineer brought with him a new printer but when the problem was explained his view was that it was not a printer problem but more likely a software(smart post) issue. He did not replace the printer. Rang the Helpline again. Another engineer sent out but a misunderstanding with the time. Various Ref no: E0505160366; E0505160438 and E0505170341.</p> <p>**** Received a letter from Linda Rodwell (Customer Relations Officer) based in Barnsley in response to my 'phone call to NBSC on 20th April 2005 re: losses.</p>	708.03	

	<p>Ref: HI3931345. She said an Area Intervention Manager will investigate. Unfortunately her letter arrived after the AIM had already been. The AIM (Rachel Oysten) attitude and conduct was despicable and a formal complaint was lodged via the NFSP on 15th May 2005. A letter to Linda Rodwell with a copy of the complaint was sent on 22nd May 2005. Linda Rodwell replied on 15th June 2005 to say that Lesley Joyce will investigate and reply to my concerns. To date I have not heard from Linda Rodwell or Lesley Joyce.</p>		
18/05/05	G Wilson(Fujitsu Engineer) turned up to change printers.	541.57	
25/05/05	<p><u>Incident 19) 26th May 2005</u></p> <p>Rang Helpline @ 08:55 to report cash shortage following the balance and again seeking help. Ref: H14000199. Darren rang @ 13:10 to say there was no help available.</p> <p><u>Incident 20) 3rd June 2005</u></p> <p>Rang Helpline to report the issue re: Telewest cards. Told Christine that I had never received the RS1 forms for sending these cards back. She admitted that there had been a 'problem'. Ref: H1408383.</p> <p><u>20) 16th June 2005</u></p> <p>Rang Helpilne and reported the cash shortage issue. Ref H14046942. Emma returned the call and again just gave me the options available viz. close the PO etc.</p> <p>The cash shortage has continued since this time and I regularly have to ask for extra on Wednesdays to ensure I stay open!</p>	925.02	

	<p>21) <u>21st June 2005 (Terminal 3)</u></p> <p>Serving customer in Smartscreen. A receipt printed without the system printing a postage label or giving the option to sell stamps.</p>		
01/06/05		1646.30	
08/06/05		1679.78	
15/06/05	<p><u>Incident 21) 15th June 2005</u></p> <p>Ran out of cash (in part due to reduced rem deliveiries from twice a week to once a week). Rang Manchester Cash Centre and spoke to Richard. All blamed on the computer! Told him don't blame it on the computer-the man sitting behind it is supposed to be watching that Bowburn is running out of cash and he/she should be doing something about it! Asked Richard what should I do now. He said I should close the PO down! I reminded him that the PO carries out one single core activity and that is it handles cash-we give cash out to customers and take cash from customers. If we can't get that right we might as well lock up and go home. It was up to people like Richard (and his subordinates) to ensure the cash deliveries were managed competently and all other factors like larger demands for cash since the introduction of the PO card account and the fact that we have lost some business customers should be taken into account. We are trying to get customers into the PO and Richard is asking me to close and ask the customers to go elsewhere!</p> <p>Needless to say, I now have to ensure that I have sufficient cash – I check the planned delivery and every week I have increase the amount they have planned.</p>	1712.53	

	<p><u>Incident 22)16th June 2005</u></p> <p>Rang Helpilne and reported the cash shortage issue. Ref H14046942. Emma returned the call and again just gave me the options available viz. close the PO etc.</p> <p>The cash shortage has continued since this time and I regularly have to ask for extra on Wednesdays to ensure I stay open!</p> <p><u>Incident 23)) 21st June 2005 (Terminal 3)</u></p> <p>Serving customer in Smartscreen. A receipt printed without the system printing a postage label or giving the option to sell stamps.</p>		
22/06/05		1824.57	
29/06/05		1929.45	
06/07/05		1970.55	
13/07/05		1971.87	
20/07/05		2785.19	
27/07/05		2110.36	
03/08/05		2073.20	
10/08/05		2068.35	
17/08/05		2371.15	
24/08/05		2510.72	
31/08/05		2558.69	
07/09/05		2528.95	
14/09/05		2898.43	
21/09/05		2912.06	3501.59

<p><u>Incident 24) 21st September 2005</u></p> <p><u>Rollover Issues</u></p> <p>Two 'phone calls made to Helpline as follows:</p> <p><u>On Option 2 @</u> about 18:40. Spoke to Sandra. Explained to her that I had got so far in the balancing but could not rollover into TP7. She said because of the discrepancy I was in breach of contract. I should close and go home and would not be able to serve tomorrow. I told her that the discrepancy was an on-going issue and there was currently a dispute with the POL and was being dealt with via NFSP and as a result I did not see how I was in breach of contract when there was clearly a dispute.</p> <p>I said, whilst the dispute continued, I wanted to continue serving tomorrow and in order to do so could I stay in TP6 or BP01? She said she would contact me in the morning and asked when I was available. I said I was available as and when required. A time for her to ring me was arranged for 0800. I was on the premises at 07:15. She never rang.</p> <p><u>On Option 3 @</u> about 19:30. Spoke to Joanne and explained the rollover issues and asked to consider putting the shortage in suspense so I could continue serving the following day. She said she could not authorise that and her superior would contact me by 2200. I gave her my home phone number as I would be leaving as soon as the Lottery terminal closed (about 20:00).</p> <p>No one rang that evening. Ref: H21881466</p>		
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	<p><u>Incident 25) 22nd September 2005</u></p> <p>Auditors arrived at 08:20 and shut the PO down to carry out an audit. I was asked almost immediately that they would ask me to settle the outstanding discrepancy to allow the PO to open again. I said I would not as the matter was in dispute and was being handled via the NFSP. Unknown to me at that stage, Rachel Oysten (Area Intervention Manager- the one that I had made a formal complaint about) was waiting in the car outside. As soon as the auditors finished RO came in and gave me two options: pay up or else she would have to suspend me and put some one else in charge at my expense. I made a call to Tony Carpenter (Local NFSP Rep) and he advised me to pay as that was the most practical course of action. I told RO that I did not have any money at that stage and the money would simply have to be deducted from my salary. Subsequently, £3501-59 was deducted from my October and November salaries. Needless to say RO relished every moment – at one stage even saying 'well I am offering you this advice but last time I did that you made a complaint about me'</p> <p>At the meeting I asked RO that I wanted a meeting with Lesley Joyce. She said that she would be filing a report and would arrange that.</p> <p>The only letter I have had re: the above episode is from Lesley Joyce on 23rd September 2005 which merely details deductions from remuneration.</p> <p><u>26) 26th September 2005</u></p> <p>Message on Memoview accusing me of not complying with instructions re: destruction of old D1's.</p>		
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	<p>Rang the Helpline and told them that not only had I complied-I had destroyed the D1 as instructed but had also put them on Horizon as instructed. Ref: H14259423.</p> <p>Furthermore the instructions on Memoview to put on Horizon are wrong.</p> <p><u>Incident 26) 26th September 2005</u></p> <p>Customer put card in Terminal 3 pin pad @ 09:08 for cash withdrawl. System declined. Same customer put card in Terminal 2 pin pad at 09:10. Transaction authorised.Why?</p>		
28/09/05		185.92	
05/10/05			
12/10/05			
19/10/05			
26/10/05			
02/11/05	D Ogilive (Trainer) came in to oversee balancing. Could not find anything wrong with what I was doing.	27.47	27.47
09/11/05		62.39	
16/11/05		183.19	342.24
23/11/05	<p>On 28th November 2005, I received a statement from 'Current Agents Debt Team' Demanding £500 for the issues in September. When I told them that the money had already been debited from my remuneration I was told to ignore the letter!</p> <p>Still continuing to incur losses for no apparent reason and having had no success at all with the local representatives of NFSP, I contacted the NFSP headquarters [Evelyn Heights, 22 Windeshaw Gardens, Shoreham-on Sea BN43 5AZ Tel: GRO] and</p>		

	<p>explained my problems.</p> <p>On 25th November, I was contacted by Jeff Simpson, the North East representative who was sympathetic to what had to say but I never heard from him again.</p> <p>On the same day I heard from Gareth Hall who apparently 'mediates' between the PO and NFSP. He lives at : GRO</p> <p>Tel: GRO</p> <p>I sent him all the documents with a cover note on 28th November 2005. Other than acknowledging the receipt (and suggesting that losses may be due to theft by staff) I never heard from him again!</p>		
30/11/05			
07/12/05		25.51	
14/12/05		(117.26)	
21/12/05		(1112.03)	
28/12/05		(17.94)	
04/01/06		130.27	
11/01/06		144.42	
18/01/06		217.99	
25/01/06	Branch Trading Period 10 Shortage (217.99) settled in cash	217.99	217.99
01/02/06	Informed Sarah on 2 nd February re: continuing losses Ref: H1450768	215.99	
08/02/06	Informed Helpline again re: losses.	317.20	
15/02/06	John rang from NBSC-told him matter now in the hands of the solicitors. Sheila from Customer Relations rang on 15 th February re: losses. Told her that the matter was now in the hands of my solicitors.		
22/02/06	Branch Trading Period 11-shortage (348.85) settled in cash	348.85	348.85
01/03/06		48.42	
08/03/06		100.26	

15/03/06		4.88	
22/03/06	Branch Trading Period 12 Shortage (285.46) settled by cheque	285.46	285.46
29/03/06		0.56	
05/04/06		0.30	
12/04/06		240.77	
19/04/06		109.48	
26/04/06	Reported cash loss of £162.84 to Robert on Helpline at 19:05. Paul rang at 20:00. Said I was reporting the cash loss	-162.84	
03/05/06			
10/05/06			
17/05/06	Cash loss of £337.77. Reported to Martin on Helpline. Richard rang at 12:00 the following day. Told him that I was reporting it as a matter of concern.	337.77	
24/05/06	Branch Trading Period 01. Cash loss of £323.45. Settled via cheque. The following day (25 th May 06) I rang the helpline to inform them of my concerns re: cash loss and the fact that I had settled via cheque. I sought advice to ensure the cheque and its settlement via Horizon had been carried out correctly (my cheque would not appear under the Daily cheque listing but I had to ensure that it was correctly accounted for when it was despatched to the EDS centre. I was informed that I had done everything correctly. At close of day, I was devastated to find that I was another £328.00 short. I and my colleague recounted the cash, and coins and could not find anything different. I reported the loss to Kirsty on Helpline at 17:55. (Ref; H22099331). I was told that someone would ring in the morning. Kath rang the following morning. Advised that I carry out a Balance report in the evening. Mysteriously, at close of day on 26/05/06, the daily cash declaration now indicated a shortage of £37! How is that possible? What is going on here?	323.45	323.45
31/05/06		15.89	
07/06/06	Carried out the normal end of day reports on Wednesday. The balance snapshot indicated a cash loss of £55.68. Continued with the balance. The Balance report indicated a cash loss of £74.00 and a massive gain of £668.90 on stamps. Shirley (my colleague) happened to recall how in the morning she had remmed in cash and stock. However, she did		

<p>remember being distracted by a customer could not say for certain that all of the stock had been remmed in. All the advice notes from Hemel Hempstead and Horizon generated rem in slips were checked. It appeared that Shirley had remmed in 7 of the 9 items .The 2 missing were £1000 of £1 stamps and 400 50p stamps. So, in total, it appeared that £1200 was not accounted for but the gain on stamps was only £668.90.All coin, notes and stock was rechecked. No discrepancies were found. The £1200 worth of stock was remmed in and the balance report now indicated a loss of £1290. I rang the Helpdesk and explained the problems to Karen Conway (Ref: H22114370). She asked me to run a REM in report and confirm exactly what had been remmed in. This was done. Karen could not help further and said that she would refer the issue to someone else and they would ring in the morning. I explained to Karen that I was not prepared have a loss of £1290.56 because once in the system it would disappear in a black hole and I would never see it again. She agreed and I finished the balancing process and moved into the next Balance Period with a net gain of £578.34.</p> <p>The following morning (08/06/06), I received a call from Annette Caddick. I explained all of the above and also the background regarding other issues I had had with the Horizon system. In summary, she confirmed that she was aware that other Sub-Postmasters were having Horizon problems. She accepted my argument that if I remmed in the £1200.00 worth of stock I would be sitting on a loss as described above and it would be unlikely that sum would be ever recovered. She advised me to sit on the gain and put the money to the side. She also advised me to explain my problems to Alan Cook the CEO of POL. I explained to her the recent sequence of events viz. the initial losses which I put down to new starter learning mistakes which then escalated to £3500+.This sum I was forced to pay to continue trading. Annette offered to arrange for an Area Intervention Manager to help but when I recounted my experience with Rachel Oysten she was horrified and could not believe that POL would have the stupidity of sending the same person to reprimand me as the one who I had made a formal complaint about. I also mentioned the NFSP and Gareth Hall. With losses now approaching £10,000, and nobody prepared to help, It was with great reluctance that I had chosen to file a court action against POL. Annette was very sympathetic but in the end it did not explain or resolve the stock rem in issue.</p>		
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<p>14/06/06</p>	<p>On 12/06/06, I noticed on several occasions that when I was carrying out a Recorded Delivery transaction on Terminal 2, the Horizon system had not printed a certificate of posting. Instead, it had It had flipped straight on to the stack and completed the transaction. Initially, I thought perhaps it was a user error but on checking with Ivy (Terminal 3) she had experienced exactly the same and like me thought perhaps she had pressed the 'Label Printed OK'.</p> <p>I reported the issue to Horizon Helpdesk on Option 2 (Technical Issues) and spoke to Imran.He said I should talk to Option 3 (User issues). I said to him that this was a technical issue- not a user issue. He did not seem interested. I then rang Option 3 and spoke to Barbara-she said it was a technical issue! Ref: H22118262.</p> <p>Sara rang at 14:15 on 14/06/06 and said that Recorded Delivery transactions should no longer generate a separate Certificate of Posting. On 29th June 2006 reported the problem Again to Christine because the system continues to print CoP at random. It is not consistent. Either it should be printing a CoP every time or none at all-not when it feels like it. What else is it doing randomly? I have had no response from Christine.</p> <p><u>Gateway Issues</u></p> <p>On 13th June 2006 at about 16:30 a thin yellow line appeared at the bottom of both screens: 'On-line banking unavailable'. Shirley Owens rang the Helpline and was advised to reboot. This proved to be successful. (Ref: E06061403)</p> <p>On 14th June 2006 at 09:00, same message again. System rebooted and appeared to be OK. At 11:30 the same message re-appeared. Tried to reboot the Gateway terminal but the system kept asking 'insert card'. The card had already been inserted. Rang Helpline. They suggested to switch off the power off to the modem under the counter. This was done. It appeared to work on the Helpline side but not at Bowburn. Eventually was able to reboot without turning the power on at the modem.</p> <p>Helpline admitted that the reason why On-line banking was not available was because the Gateway at Bowburn kept switching it self on and off. They send an engineer within 4 hours.</p>		
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	<p>The engineer arrived at 13:30 and immediately changed the Gateway terminal. It took several hours and we lost several hours of business. The engineer admitted that there were considerable problems with the system.</p> <p><u>CoOp Customer Issue</u></p> <p>On the same day at 10:30, a CoOp customer requested to withdraw cash. After going through the sequence, the customer was advised by the Pin-Pad to remove the card as the transaction had been successful. The transaction successful message appeared on the screen but did not appear on the stack i.e. did not authorise payment-it just disappeared off the screen altogether. Tried to run a receipt. No receipt for the £100. The receipt generated was that of the previous transaction at 10:23.</p> <p>Transaction had to be repeated (with an embarrassing explanation to the customer).If we had acted as per messages on the screen we could have paid out the £100 and be sitting on a loss of £100 at night.</p>		
21/06/06	After end of day reports, the balance snapshot indicated a cash loss £760. Reported to Melanie. She suggested to continue and run the balance report. This was done and the loss now stood at £284.41. Reported to Martin at 19:45. Said his colleague will ring within the hour. Further investigation revealed that 28 PO phonecards (value £280) had not come off the system. Stock was adjusted and the loss was £4.41	-4.41	
28/06/06		0.00	
05/07/06	Peter rang from NBSC re: Recorded delivery slips issue. (See entry under 14/06/06) Said it was a Horizon problem. Its amazing-nobody wants to take any responsibility!	-82.44	
12/07/06	Our cash loss today stands at 203.72.	-203.72	
19/07/06	Received an amazing letter from a M Surmon from ET5 Cheque Team (Ref CHX TO EDS). The letter is effectively asking me to fork out £1552.82. The background to this is that we processed 4 cheques (total value £1552.82) on 06/04/06. These were then placed in the EDS pouch and would have been physically collected (and signed for) by the postman on 07/04/06 at mid-day. Now somewhere along the line this pouch and/or the	-£257.24	

	<p>cheques have been lost after leaving my Post Office. I am expected to make up the loss! I rang M Surmon and told him that my responsibility in terms of EDS/Girobank and indeed any other pouches finished the minute they have been collected and signed for by the Postman or the Cash Delivery Team. The responsibility then lies with the Post Office. He then said that it was not POL but EDS. I said I was not interested- It was not me! By this time I had retrieved the transaction history and told him that I would fax him the details. I made it clear that I would not be settling this amount. I had to accept the Transaction Correction to move on but I accepted the option to 'settle centrally'. It will be interesting see whether it allows me to rollover into the next Trading Period on 26/07/06. [All details were faxed to M Surmon on 19/07/2006 at 16:29]</p>		
26/07/06	<p>Cash loss of £374.32.Had to pay up in cash to continue trading. Have no idea where the money has gone. There have been no Transaction Corrections in my favour. In a separate development, A&L have changed the design and procedure for despatch of Giro pouches. [Up till now they have been picked up by the Postman] The pouches now have 'First Class' printed on them-suggesting that they are to be posted. To clarify I rang Claire at helpline. She was puzzled as well. In view of the Transaction Correction above re:EDS pouche I made it clear to Claire that I had no intention of despatching these pouches by post-if they must be sent by post then it would have to be Special Delivery and POL will have to bear the cost. I could not possibly despatch thousands of pounds worth of paying in slips and cheques via ordinary post. Ref: H22168601 was given and later someone rang to confirm that I could send by post or via the current procedure i.e. Postman signing for them.</p>		364.32
02/08/06	<p>On 3rd of August I was informed by my local Councillor that Royal Bank of Scotland were proposing to install a free cash machine in Bowburn. He wondered if that would be in my Post Office. I said I had not heard anything and besides all the cash was dispensed free of charge to the customer in the Post Office. He said that perhaps the machine could be installed in the local library or the community centre. I said that it would be a further nail in the coffin for the Post Office. I rang the Helpline to clarify and was told that my Contracts Manager would ring me. Still waiting.</p>	33.53	

09/08/06		-75.60	
16/08/06		-67.24	
23/08/06	<p>Although the discrepancy indicates a cash gain of £476, this is a mistake on our part. This is due to a transaction for foreign currency for £500. which was not entered on Horizon. The result is actually a loss of £24.</p> <p><u>23/08/06</u> Message on Memeoview: A workstation in you PO has stopped communicating..... The system was re-booted.</p> <p><u>24/08/06</u> A workstation disconnected again. Rebooted</p> <p><u>25/08/06</u> Workstation disconnected at 09:15. Rebooted.</p> <p><u>25/08/06</u> I have received a threatening letter from POL's Debt Collection team to settle the £1552.82. [See entry under 19/07/06] A discussion followed between myself and R Needham (Debt Collection) who then asked me to ring M Surmon. I had to explain again that this particular issue had nothing to do with me. If cheques have left my Post Office and they have been lost between leaving the Post Office and EDS centre then it is not my responsibility. M Surmon denied getting the fax sent to him on 19/07/06. I refaxed all the details.</p> <p><u>29/08/06</u> I Gardener reported that the Gateway computer was making a funny noise.</p>	-24.00	
30/08/06		-41.33	
06/09/06	The balance was carried out as normal with a loss of £80.93. The system closed down as normal at 19:30. I (RB) do have concerns about the system failing to complete Cash withdrawal transactions on at least three occasions this morning at 09:24, 09:37 and 10:10.	-80.93 + -120.90 on 13/09/06	

<u>OnLine Banking Problems</u>			
<p><u>07/09/06</u> At start of business today, On-line banking was not available. (Failure of On-line banking means customers cannot withdraw cash, or check their balance using their PO Card and customers from partner banks are similarly affected. In addition, we cannot sell or encash postal orders or top up or issue mobile vouchers and cannot sell Travel Insurance. In short, vast majority of our business comes to a halt-also has a major impact on retail side of the business as customers withdraw cash to buy lottery, scratch cards, cigarettes, confectionery etc.).</p> <p>Contacted Helpline immediately (09:00) on Option 2 [Horizon Technical] and spoke to Jimmy. RB was told to go through the usual procedure i.e. re-boot the system whilst Horizon checked their side. This was done without success. Call Ref: E0609070162. Jimmy did not call back but RB rang at 16:00 for an update and spoke to Rick on Option2. Rick said they were still investigating. Rick said it could take a few days if it was a BT fault. Also today at 13:30, RB spoke to Jane on Option 3 (NBSC Business Policy) re: compensation for loss of business. Jane did not know but would relay my message to a colleague. Call Ref: H14928067.</p> <p><u>08/09/06</u> Rang Option 2 at 09:00 and spoke to Joe. Investigation ongoing - nothing to report.</p> <p>Rang Option 3 at 14:00 and spoke to Barbra re: compensation. She said 'there was something in place' for these types of incidents but was not sure about the details. She did not offer to find out or refer the call to someone who might be able to help.</p> <p>It was becoming quite clear even at this early stage that POL was not really bothered if the system goes down. It was left to me (after all it is my business, my livelihood and my staff who still have to be paid even when we have no business) to do the chasing every few</p>			

<p>hours for an update.</p> <p>Spoke to Darren on Option2 at 15:10. He said that it was a BT fault and BT was investigating.</p> <p><u>09/09/06</u> Rang Option 2 at 09:00 and spoke to Trish. Nothing to report.</p> <p><u>11/09/06</u> Sarah rang at 14:00 to discuss the issue. I expressed my anger, frustration and concerns at the fact that by now (4 days into the problem) I had probably lost some of my customers forever. Some customers I had to send to a local PO over 1.5 miles away-not easy for customers who are 90 years old! Others went to Durham city to the banks-precisely what we do not want. My retail side had suffered considerably. Needless to say Sarah was very sympathetic but unable to do anything as it was a technical matter!</p> <p><u>12/09/06</u> No update from Option 2</p> <p><u>13/09/06</u> Some local customers who clearly consider Bowburn PO as their PO and want it to remain in business contact their councillor, Mike Sayer. Mike contacts me and I give him as much information as I can. He in turn contacts the local MP Roberta Blackman Woods. The representative from RBW's office tries to contact POL but POL will not talk to her. Clearly POL could not be bothered to update me so I rang Option 2 at 15:20 and spoke to a David. Davis reported that last update from BT was on 12/09/06 and it was apparently a BT Broadband fault but could not say how long it would take to sort out.</p> <p>At about 14:00 a Fujitsu engineer turned up at Bowburn PO. I asked him why was at Bowburn. 'To change the Gateway base station' he said. I said that I had been told it was a BT fault.. I allowed him carry on. After spending about 30 minutes he confirmed that it was not a local fault i.e. base units were OK. His 'Consignment completion note' noted that 'Gateway Multiple... has been non polling for 5 days'.He commented that BT never admit it is their fault.</p>		
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<p><u>14/09/06</u> It is now exactly 7 days since we lost On-line banking and we are no further forward.</p> <p>Rang Option 2 at 09:40 and spoke to Joe. No change, no update from BT. Later spoke to Ken on Option 2. Now being told it is a '3rd Line BT fault'. BT were still looking.</p> <p>Rang Donna on Option 3 re: compensation. She said that 'it kicks in after 48 hrs'</p> <p>I rang NFSP at Shoerham office and spoke to Linda. She said she would contact someone on the technical team at Horizon. Linda came back later to say that the man she spoke to was surprised that on line banking had been down for so long. She said that a GSM unit will be installed later that day (it was nearly 16:00 at the time) but more likely the following day. [GSM modem is similar to a mobile phone and connects to the network when the primary connection is down].</p> <p><u>15/09/06</u> Rang Option 2 at 10:30 and spoke to Mark as there was no change and no sign of a GSM unit. He could give any further information and said he would ask a supervisor to ring. Sara the supervisor rang at 10:45. She could not give any information and could not help further. Also spoke to Rob on Option 3 Ref: H22213312. No update.</p> <p>I rang Linda at NFSP again and explained that nothing had happened and had now lost another half a day. She came back and said an engineer would be with us by 12:00. The engineer turned up about 13:30 and installed the GSM unit.</p> <p>John rang at 17: 00 from NBSC and tried to help. I outlined the problems to him and essentially left him with the following comments:</p> <ul style="list-style-type: none">• The customers that I had lost-some probably forever.• How do I explain to customers who are in their late 80's upwards and for many the PO		
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	<p>card account is their only source of income?</p> <ul style="list-style-type: none"> • Why have I not been kept updated? • If the problem lay with BT (POL admitted on the second day that it was a BT problem) then why in this day and age does it take BT 8 days upwards to sort out? • If M & S or Tesco's tills had gone down and the fault lay with BT then the fault would have been sorted out within a few hours. • If On-line banking had failed in any of the Crown Offices, would it have taken 8 days ? • POL has consistently taken the SubPost Offices for granted. What they do not understand or appreciate is that they (the SubPost Offices) are the backbone of their organisation. • Why did it take the intervention of the NFSP to arrange a GSM to be installed in my PO. Clearly this little gizmo was available-why was it not offered to me in the first place for example within 24 hours? • Other things went wrong as well. The Cash Management team at Leeds clearly do not manage cash. Do they ever look at the Cash Declarations and adjust ? Clearly not. Whilst on Line banking was down, they knew we had not been communicating did it not occur to them to ring up and find out why? They continued to send cash with the result that we were sitting with over £80,000 cash in our safe. At one stage I could not physically get any more into the safe's drawer! When I queried, Richard said it was up to me to ring up and cancel! <p>John was sympathetic but could not offer any help. One thing he did advise me to do was to write to Adam Crozier CEO Royal Mail. I said but that is Royal Mail- we are talking about POL.</p> <p>I said to John, that the issues I was talking about were relatively simple but they smacked of gross mismanagement at the middle levels of management. Clearly there are employees within POL who are still stuck in the 1960's pre-privatisation era and who think they just have to turn up for work without any responsibility or accountability. I am sure Adam Crozier has far more serious things to worry about then a simple On Line banking issue at Bowburn.</p>		
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20/09/06	20/09/06 A Mandy rang from Customer Relations at 14:20 to offer her sympathy. No further forward. She rang again at 11:00 on 25 th September 2006 to say Fujitsu were aware of the problem.	-170.96 Settled via cheque	
27/09/06		+ 45.47	
28/09/06	GRO ! And guess what I have been informed by a John from Horizon that BT Broadband is back! I am now re-connected to the 'Primary ADSL'! And can they have their little GSM back. Well it only took three weeks to sort this one out. On 1 st October 2006, I decided to write a letter to Adam Crozier re: On-line Banking issues. On 9 th October 2006, I received a reply from Helen Clayton (High Profile Case Officer) and then on 1 st November 2006 and 7 th November 2006 I received two letters from Michele Graves. These letters clearly explained the result of their investigation. A modest sum was paid as a goodwill gesture. It is a pity one has to write to the Chief Executive to achieve a successful outcome.		
04/10/06	I have today received a Transaction Correction for £75.00. This is for a Coop Business cheque encashment carried out on 21 st December 2005! This I find really irritating. I have already dealt with this issue back in March 2006. I faxed + sent by recorded delivery a copy of the Daily Summary Sheet which shows that we cashed the cheque and we would have despatched it along with all the other Alliance & Leicester paperwork. This is similar to the lost cheque issues detailed under 19/07/06 and 25/08/06. I rang the Giro Team and have reiterated that once paperwork leaves my office via the Postman, I cannot be held responsible. It is highly likely the paperwork is being lost at the EDS/A7L processing centres.	-52.48	
11/10/06	Cash loss of £261.64. Reported to a Peter at Helpdesk. Ref: H14990226	-264.61	
18/10/06		-152.81	

25/10/06	Cash loss of £152.81. Settled via cheque	-152.81	152.81
01/11/06	Continuos problems with Pinpads on Terminal 3. Messages 'Customer has made an unsuccessful attempt to insert card'. Nothing wrong with the card and nothing wrong with the insertion of card into the reader. Card worked fine on the other terminal. Reported to Horizon helpdesk 2 on 3 rd November 2006. Ref: E0611030845. Problem persists Reported on 6 th November 2006. Engineer sent out to replace the whole unit. Ref; E0611060405.	-24.36	
08/11/06		-30.44	
14/11/06	An error in inputting 1 st Class and 2 nd Class Xmas stamps has resulted in a gain of £128.00.	128.00	
22/11/06	RB on holiday. S Owens carried out the balance. Even before she started the daily cash declaration indicated a shortage of £428.68. (Daily cash declaration for the previous three days were OK at +/-£10.00). She and I Gardener carried out a stock and cash check. No difference. Asked for advice from Helpdesk. Told to re-declare stock (Wrong advice given by Helpdesk! You do not declare stock, you adjust stock. This was at 19:30 and then again at 20:30. S Owens spoke to a Carol and then Anne and Gwen. The only way to trade the following morning was to put in £428.68. Upon RB's return checked all receipts etc. Nothing out of order. So where has this money disappeared to? This loss was reported to Pat @ 14: on 30/11/06 on NBSC Helpline.	-428.68	£428.68
29/11/06	A new trading period and we are already £41.01 short.	£41.01	

	Pat @ 14:00 on 30/11/06 on NBSC Helpline.		
29/11/06	A new trading period and we are already £41.01 short.	-41.01	
06/12/06		-117.76	
13/12/06		-10.63	
20/12/06	All week we have been running OK yet on Wednesday we are £74 short on daily cash declaration. Final balance I have had to put a cheque in for £78.95 No idea where the money has gone.	-78.95	£78.95
27/12/06	Start of the week and we are already £43.12 short	-43.12	
03/01/07			
10/01/07	At 12:29 on 16/01/07 and for no reason, the counter printer on Terminal 2 started to print receipts for totally unrelated products e.g. Kleenex, Ritz, Chips i.e. none PO products. S Owens reported the incident to a Dwain on Helpline (Option 2) and then to an Eileen at 14:35. Helpline informed S Owens that it was probably a printer test and not to worry.	-128.73	
17/01/07			
24/01/07	Have finally received a Transaction Correction in my favour for £75.00. This refers to an issue involving a Co oP business cheque encashment. This transaction and the subsequent despatch of paperwork is simple and straight forward. The incident allegedly occurred in December 2005 when POL claimed that paperwork had not been received and I was forced to pay £75.00. I had faxed and sent by post (recorded delivery) photocopies of our records (the yellow under copy) proving that we had processed the transaction. The top copy would have been sent along with all the other Giros to Alliance & Leicester. They (A&L) have now admitted that we were right all along.	-169.03	£169.03
31/01/07		-14.36	
07/02/07	Second week into the TP and we are £85.37 short. No idea. Reported to Paul on Helpline Ref: H15214367. Received a letter from Alan Cook (MD POL) dated 8 th February 2007. The letter detailed business results and ongoing strategy. The only problem was that the letter had my name but the Post Office as Sturton Le Steeple!	-85.37	

9879-46

	<p>On 9th February 2007 a message via the Horizon offered an explanation : 'Due to a problem with our database, the branch name in each address did not match with the subpostmasters name, address and postcode'. I consider this to be quite a serious issue. At this time there is considerable uncertainty about closures of Post Offices. Can you imagine the fiasco if this letter had been any other than a business statement! If they cannot get the simple task of getting a letter from the MD of POL to the Sub Postmasters right then what hope is there for the Horizon system getting the sums right!</p>		
14/02/07	<p>On 19/02/2007 @ 15:10 Ivy Gardener serving. Customer wanted to make £200 cash deposit. Deposit authorised on screen. When icon for 'Continue' or 'Cancel' appeared on screen, IG pressed 'Continue'. Receipt issued indicated 'Declined'. Sequence repeated and was successful.</p>	-106.80	
21/02/07	<p>Cash loss of £188.78. Reported to Kirsty on Helpline Ref: H22313239 at 19:50. Discrepancy settled via cheque.</p> <p>Received an interesting 'phone call from my brother who also manages a Post Office in Birmingham. He had remmed out 2 bags of £1 coins (£1000). The first receipt issued by the Horizon system was correct (2 X £1= £1000). This is the receipt given to the Collecting Officer on Delivery/Collection day. The second receipt (Branch Copy- which we retain for two years) stated ' 1 bag @ £500'. My brother immediately 'phoned the Helpline and was told that there had been a problem with the Horizon system and there had been several repOrts that day. He was told to rem one more bag again out again. He told them how could he do that !The system already registered the fact that only one bag had been remmed out.</p> <p>Tuesday 27/02/07 Received our Planned Order for cash to be delivered on Wednesday. Planned delivery is insufficient so have tried ringing Cash Management Team without any success. Phone line constantly engaged. This is a regular occurrence and I have reported</p>	-£188.78	£188.78

10068-24

	<p>it previously. Finally, reported to Shaun via the Helpline. Ref: H15248144. The following day I received a letter from Julie Haywood (Customer Relations Officer) offering an explanation about 'inconvenience caused over the last few days'. This letter is typical of the way the complaints are addressed. I rang the Helpline and said to Gemma stated that this letter was just a farce. How can anyone carryout an investigation within a few hours? It seems to me that Julie made a few 'phone calls and then closed the chapter. Reported the farcical investigation to Sheila Ref: H15251567. Later received a 'phone call from Julie Haywood enquiring why I was not happy! I told her that cash management problems were are not isolated incidents. They happen on a regular basis. No particular joy with Julie so left it that!</p> <p>22/02/07 a 'phone call from a Rosemary Clayton (SPSO) of a PO on Isle of Wight. She has had similar problems with Horizon system as ourselves. It is apparently a husband and wife team and Rosemary herself previously worked at Nat West-so no stranger to computers and banking system. Tel: <input type="text" value="GRO"/></p> <p>26/02/07 Problems with PinPad on Terminal 3. Despite going through the tests,the system kept displaying message 'Disaster Recovery'. PinPad was eventually replaced several days later.</p>		
28/02/07	The lowest loss we have achieved!	-0.40	
07/03/07		+33.62	
14/03/07	<p>For some reason on Thursday (15th March 2007) we have a cash loss of £102 according to the Balance snapshot. It was particularly disturbing because we were not busy that day. Recounted cash-no change to figure. On Friday (16th March 2007), the difference remains virtually the same at a loss of £96.00. Checked through retained counter receipts for both days-no reasons to suspect. On Saturday 17th March decided to run a trial balance (Balance Report). This indicated a loss of nearly £330. (cash an stamps). Reported to Helpline Ref; H22332347. The conversation continued on Monday (20th March 2007) with Maureen. Sandra also rang (from a higher level on Helpline). She suggested the usual-</p>		

	<p>theft by staff and advised that I fit cameras etc. She then sent me guidance notes on Internal Fraud/theft.</p> <p>She further confirmed that:</p> <ul style="list-style-type: none"> i) the paperwork submitted by Bowburn was 'squeaky clean' and there were no errors outstanding. ii) There were no issues with Horizon <p>Problem with the barcode scanner on 17th March 2007. Had to use Terminal 1. Scanne replaced by engineer late on Maonday20th March 2007. Ref: E0703170305</p>		
21/03/07	The loss above of £328.71 was settled via cheque.		328.71
28/03/07	We appear to have recovered £280 (above) due to an error in counting 50p stamps.	+33.62	
04/04/07	<p>4/04/07 Message from Horizon @ 21:27 : Workstation disconnected – A workstation in your PO has stopped communicating with the network.</p> <p>10/04/07 @08:40. Shirley Owens and Ivy Gardener noticed that there had been a power interruption overnight. All three Terminal had to be rebooted. Terminal 3 would not reboot. Message: 'Insert memory card', even when card was inserted. At 0845 SO called the Helpline on Option 2 and spoke to a John. He said an engineer would call. Helpline Ref no: E0704100149. Message @ 09:06 via Memoview: 'workstation disconnected'.</p> <p>Engineer did not arrive until 11:30 the following day on 11th April 2007. This caused considerable disruption within the PO regards serving customers. The engineer changed the keyboard.</p>		
11/04/07	<p>11/04/07 A customer was served by Shirley Owens at about 13:35. He had his BT prepayment card topped up. SO took money from customer, completed the transaction, cleared the stack and printed a receipt.</p> <p>Mr Allinson wanted his Tesco mobile card topped up with £10. SO swiped Mr Allinson's card. It appeared on the stack as a BT payment card. SO was able to bin this successfully. She swiped Mr Allinson's card again and successfully completed the transaction at 13:41.</p> <p>This incident is probably related to the one described below.</p>	-10.34	

10396-95

<p><u>Incident 11th April 2007</u> <u>Helpline Ref. 15327843</u></p> <p><u>Background</u> Most of the transactions carried out on the Horizon system are reversible. For example, if a customer purchases postage stamps, tops up a prepayment card (BT, British Gas, Northern Electric etc.) and then changes his mind then the transaction can be quickly and easily reversed.</p> <p>There are some transactions which:</p> <p>a) <u>Are not reversible</u> e.g. Smartcards. These are usually British Gas prepayment type cards. Once these are credited –they have to be paid for. If the customer does not have the means to settle we would withhold the card.</p> <p>b) <u>Only allow a few minutes to reverse the transaction.</u> Mobile top ups are such transactions. Once a Mobile card is swiped and topped up or system generated voucher issued, only few minutes are available to reverse the transaction.</p> <p><u>Sequence of Events</u> <u>11th April 2007 @ 17:03</u> <u>Terminal 3</u> <u>Counter Clerk: Shirley Owens</u></p> <p>Customer (Mrs C Griffiths) requested to withdraw £10 cash using her Barclay debit card. [Card No: <input type="text" value="GRO"/> Sort Code <input type="text" value="GRO"/> Exp <input type="text" value="GRO"/> Account: <input type="text" value="GRO"/>]. The screen was in Serve customer mode. The stack was clear. At the time Mrs Griffiths was the sole customer in the Post Office. R S Bilkhu witnessed the sequence of events.</p> <p>Customer gave card to Shirley Owens. Shirley Owens swiped the card. Immediately, the printer generated a Tesco Mobile Pay As You GO voucher for £10. [Card No <input type="text" value="GRO"/> Mobile No: <input type="text" value="GRO"/></p> <p>This incident happened at 17:03. Shirley Owens (SO) immediately started to bin the transaction. The system would not allow this. SO then started the process of trying to reverse the transaction. While she continued, RSB rang the Helpline on Option 3 to seek</p>		
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<p>help in reversing this transaction. (RSB realised that although it was a software error –the priority at this stage was to reverse the transaction-hence the reason to contact Option 3 and not Option 2 (Technical issues).</p> <p>SO's efforts to reverse the transaction failed. The message on screen stated : 'Refund Declined Card was for a different card/product'</p> <p>From about 17:05 RSB and SO were continually on the 'phone to Helpline until 18:00 seeking advice</p> <p>RSB spoke to Sean on Option 3 (Ref: H15327843). We had already done what Sean suggested so I was transferred to Option 2 to speak to Gary. It was 17:20 and by this time we had lost the £10. It was too late to reverse the transaction. Gary's immediate reaction was that it was a software issue. He then proceeded to talk to his manager who was overheard to tell Gary to tell us that it was not a software issue-which Gary repeated to us. SO then spoke to a Suki (she would not give her second name because 'she was not obliged to under her contract') who was apparently Gary's superior. Suki absurdly suggested that we had 'incorrectly carried out the transaction'.SO explained to her exactly what she had done but Suki was not prepared to listen. [By this time the queue was forming in the PO and as we only had one functioning terminal I grabbed the 'phone from SO].</p> <p>I put it to Suki that how was it remotely possible for us to carry out the transaction incorrectly? Other than swipe the card we had not done anything-the system did not allow us to do any thing-it generated the voucher automatically. We did not touch the screen-we did not even tap a key on the keyboard.</p> <p>Suki then suggested that it was a previous transaction. I explained to her that as we had no faith in the system, we always ran off a counter printer receipt even if we sold a stamp. This we have done for the last two years. For the record the previous transaction was completed at 16:58 and was postage labels a series of parcels-not remotely related to the</p>		
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	<p>issue in question.</p> <p>Suki then refused to accept that it was a technical issue and then transferred me to Option3. It was now approaching 18:00. I then spoke to a Lisa who after listening to the problem said that it was a technical issue! I said to Lisa that I knew that and she knew that. At 18:00 I decided to terminate the call as clearly we were just going around in circle. At 18:03 we had to settle the transaction on Terminal 3 to for the terminal for balance purposes. This meant that someone now had £10 credited to their mobile at my expense.</p> <p><i>** Mr Allinson (Tesco mobile incident described above) came on 19th April 2007. I wanted to confirm that it was his card that was topped up again at 17:03. I made a 'phone call from his mobile to my mobile to log his number and sure enough it was his mobile:</i></p> <p>GRO <i>This is the mobile which was topped up using another customer's Barclay Debit Card.</i></p> <p><u>12/04/07 Terminal 3 Kathleen Hedley Serving @10:25</u></p> <p>Customer put card in Pin Pad KH put her hand on the printer. The screen flipped over to Fujitsu logo. The system had to be rebooted causing considerable disruption in the PO at a busy time. Reported to Horizon Helpdesk Option2 –Advice reboot-which we were doing anyway. Ref: E0704120346.</p> <p><u>13/04/07 Terminal 2 Shirley Owens serving.</u></p> <p>SO started to serve customer for a Trancash payment. After the account number was entered, the screen presented the Trancash fee as £220-00. This amount is always preset to £2.20.</p> <p>SO changed the fee to £2.20 and completed the transaction. RSB witnessed this incident. Why did the system generate the Trancash fee as £220-00?</p>		
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	<p><u>13/04/07 @17:00 R Bilkhu serving.</u> For no apparent reason, the screen (which had been in Serve Customer mode) locked. It would not allow the option of 'Home' to allow navigation to other areas e.g. reports menu. Rang Helpline on Option 3 and spoke to a Sarah. Told that perhaps Horizon was waiting for a receipt to be printed from a previous transaction. I explained that we always printed a receipt after each transaction and in fact we already had a receipt for a Lloyds bank cash withdrawal for £60-00 @ 16:46. The receipt was printed again. The reprinted receipt clearly stated that it was a duplicate. The screen unlocked itself. Sarah could not explain-it was just one of those things!</p> <p><u>16/04/07 Kathleen Hedley</u> Caught side of base station with a bag of coin. Computer went off-had to be rebooted. On screen message : 'Lost PMCC'. Had to ring Helpline. Spoke to Ahmed Ref; E0704160756.</p> <p><u>16/04/07</u> Message on memoview @ 13:40. 'One of your Workstation has stopped communicating with the Network'</p> <p><u>17/04/07</u> Terminal 3 S.Owens serving. Middle of printing Postal Order for £21.99. Message on screen: 'Printer off line'. Checked power-OK. Not out of paper. Rang Helpline and spoke to Kayleigh. Ref: E0704170661. S Owens asked Kayleigh what to do. Kayleigh was not sure. Eventually S Owens had to take to cash, spoil the PO and reverse the transaction.</p>		
18/04/07	<p>Throughout the week we seem to have been running OK with our daily cash declaration (+/- < £5.00) then suddenly on Tuesday for no apparent reason we are £34-00 short. On Wednesday the Balance Report indicates a cash loss of £40+ and a stamp loss of £18+. Combined with the figure from last week the loss now stands at £70.17.</p>	-70.17	

	<p>A Geoff Simpson (NFSP Te: <u>GRO</u>) representative informed of the Tesco Mobile incident. This done on advice of another SubPostmaster. Frankly I do not expect anything to happen because they (NFSP) have not done anything re: losses.</p> <p><u>23/04/07 @ 13:08</u> Terminal 2 R Bilkhu serving. Smartscreen. Put weight of parcel (200g). Screen displayed icons for Special Delivery By 9 @ £10.95, Std Parcel @ £3.85, Parcelforce, Special Delivery By 1.00 @£4.75 and an icon for BFPO. These bear no resemblance to prices for the weight in question and no 1st or 2nd class option displayed.</p> <p>Same problem as above at 16:20.</p> <p><u>24/04/07</u> Same problem at 13:15. Reported to a Sean on Option3. Ref: H15349667</p>		
25/04/07	27/04/2007 Terminal 3 Screen froze for 45 minutes. From 09:00 onwards. Cash loss of 82.41.		82.41
02/05/07		+8.34	
09/05/07	Terminal 3 IG serving. Label for postage stamp printed OK but system printed a rejected label receipt. Then a different receipt came out of the printer with no weight of parcel put in after the rejected label receipt.	-22.05	
16/05/07	16/05 2007 Rachel Oysten rang @ 13:15 re: Tesco mobile voucher incident. Rang in again on 22 nd May 2007. Arrived in the afternoon to obtain further information. Also suggested that we go over to individual stock unit. I said I would welcome anything that stopped the losses. Planned for week mending but then changed due unavailability of trainers. <i>Up to End of August 2007 I have not heard from Rachel Oysten</i>	-54.08	
23/05/07		-76.01	76.01
30/05/07	£2500 in coins were despatched but the figure still appears in our Suspense Account report as 'Brought forward'. I contacted Michelle on Helpline Option 3 at 18:10. She said nothing to worry about as sometimes the bar code reader does not scan the despatch pouch card and should right it self the next time. Otherwise we should get a Transaction correction in our favour.		

06/06/07	Still concerned about the issue re: £2500 coins despatch. Contacted Lisa on Helpline 14:05 on 6 th June 2007. Told her that the figure was still there despite scanning the card again. Lisa said to wait till Transaction Correction arrives. Told her that that could be several months away and in the meantime we could have the auditors turn up and start demanding money (as they had done before in September 2005).	-60.82	
13/06/07		+20.16	
20/06/07	Balance day today and at 18:25 on 20/06/07 we are stuck. We have done all the reports, declared the cash and the stock and press the button for Balance Report. The system will not let us advance. Message: 'You may not balance as one of the sessions is suspended'. Tried all we know i.e. ensure we have done all the reports etc. but keep getting the same message. Rang the Helpline. Had to listen to music for about 15 minutes and then spoke to a Richard. Suggested what we had already tried but went back into the system-tried again no luck. Then back onto the Helpline and spoke to Linda. She said try selling a 1p stamp and then print a receipt. That did seem to work. Linda said that it is 'glitch' in the system.		
27/06/07	29/06/07 Terminal 2 Counter printer for some reason has started to print zeroes with a line across. This is quite serious because it can be read as figure 8. Reported to a Tom on Option 2 Helpline at 16:40. Julie returned call on 3 rd July to say that it was configured wrong. I did not even want to get into a discussion because very soon the printers were to be replaced with new style. Ref: E0707030250. At 14:34 on 26/06/07 a customer asked for an O2 voucher. Customer waived a £20 note and gave every impression she wanted a £20 voucher. After it had been printed she said she only wanted a £10 voucher. RB immediately rang the Helpline-this was constantly engaged. In the meantime Counter Clerk S Owens tried reversing the voucher in every way conceivable e.g. 'Existing Reversal', 'New Reversal', obtaining the Transaction reference etc. Message : Refund Declined. By the time we were able to get through to the Helpline Message on screen was: 'Time expired'.	-101.97	
04/07/07		-116.42	
11/07/08		-75.65	

11/07/08		-75.65	
18/07/08		-87.21	
25/07/08		-105.99	105.99
01/08/08	Bowburn PO had one customer who for about 2 years purchased postage stamps averaging £500 per week. This naturally made a significant difference to R Bilkhu's salary. For several months the customer stopped. After contacting the customer it became apparent that Royal Mail had actually poached the customer from Bowburn. Whilst the customer enjoyed dealing with Bowburn PO, she was given such an offer by Royal Mail (a pack costing £1.60 at Bowburn was offered for 68p by Royal Mail) that she could not refuse. She asked for the discount to be offered at Bowburn PO but was refused. Royal Mail and POL are supposed to be one business. A complaint was filed Ref: H15542416.	-44.46	
08/08/08		-20.28	
15/08/07		-89.64	
22/08/07	A John Day rang on 20 th August 2007 from Lottery Section at Chesterfield and spoke to Shirley Owens. He was complaining about discrepancies about scratch cards with amounts running to several hundred pounds. The dates go back to September and October 2005. R Bilkhu rang the Helpline and filed a complaint to Sandra (Ref: H22414275). This on the basis that about 18 month-2years ago R Bilkhu had contacted Camelot and POL and confirmed with them as to how long Lottery records need to be kept. Camelot's view was that after 6 month they would not entertain any claims so records need not be kept beyond 6 months. POL's view from Chesterfield was exactly the same i.e. if Camelot were happy then POL did not have an issue. So why now start generating TR's for an issue where there are no records available? <u>A full account of this incident has been compiled and forwarded to NFSP and TolhurstFisher on 26th October 2007. The text of the incident is copied below.</u>	-75.80	75.80

10737

<p style="text-align: center;"><u>Bowburn Post Office</u></p> <p style="text-align: center;"><u>Lottery Scratchcards Discrepancies</u></p> <p><u>Background</u></p> <p>Bowburn Post Office is among the selected Post Offices which can carry out National Lottery transactions on behalf of Camelot. It can also sell National Lottery Scratchcards.</p> <p>The incident below (under 'Sequence of Events') refers specifically to Scratchcards.</p> <p>Scratchcards (in £1, £2, and £5 'denominations') are delivered via a courier. Upon delivery, the pack is opened and checked so that the contents agree with the barcoded delivery slip. The value of each pack is £120. There are 120 cards on £1, 60 on £2 and 24 on £5 packs.</p> <p>The delivery slip is scanned into the Camelot Lottery Terminal (situated on the retail side of the business). The packs of scratch cards are then stored in a secure area behind the PO Counter.</p> <p>When a pack of scratchcards is required for sale, it is scanned on the Camelot Terminal to 'activate' it. The number of cards activated is then reamed into on the Horizon System (PO side). If for some reason, the pack is not activated or reamed into Horizon System, then Shirley Owens (Counter Clerk-20+ years experience) 'adjusts stock' on Horizon system on a regular (weekly) basis so the number of cards currently active (on sale on the retail side) matches what is on the Horizon system. That is what we were led to believe-as we adjust stock with other PO items e.g. stamps stamp books etc. we did not think adjusting scratchcards this way would create problems. No training has ever been given to us on the Lottery side.</p>		
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	<p>As the Lottery Terminal is situated on the retail side, all cash taken on the retail side is placed into a common till on the retail side. At the close of business everyday, two reports are generated: one for On-Line Lottery and one for Scratchcards.(see Appendix 1). A simple calculation is carried out to separate the cash due to the PO (i.e. Camelot) and that due to the retail side. The money owed to the Post Office is transferred every day at close of business.</p> <p>We have never knowingly had any problems with Lottery or Scratchcards and cannot recall any Transaction Corrections in the past.</p> <p><u>Sequence of Events</u></p> <p>On 20th August 2007, Shirley Owens (Counter Clerk) was contacted by John Day from Lottery Team stating that they had been looking at our Lottery records for the last two years and there were discrepancies in scratchcards activated vs. remmed in. He insisted that it was simply a 'stock adjustment' that was required.</p> <p>S Owens informed RS Bilkhu the following day and RSB immediately rang John Day and stated that for a start of it was unacceptable for POL to go back 2 years because RSB had checked and confirmed with BOTH Camelot and POL over two years ago that Lottery records need only be kept for 6 months. Why now were they dragging in Transaction Corrections for which RSB would not be able to dispute.</p> <p>John Day insisted again that there was no money involved-that it was merely a 'stock adjustment'. RSB said 'send me the paperwork and I'll have a look at it'.</p> <p>On 28th September 2007, a 17 page report (mainly listing) arrived from John Day. RSB looked at the final figure on the last page which stated 4317.</p> <p>RSB rang J Day immediately and quizzed him about this figure and whether this was the amount in pounds that RSB was expected to pay. J Day replied again that no it was merely a stock correction and at the most the cost would be a penny.</p>		
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Discussions continued over the next few days between S Owens /RS Bilkhu and John Day to ensure that we all understood clearly how this discrepancy might have arisen.

It is possible, at times, scratchcard pack may have been 'activated' but not 'remmed in'. However, whether a pack had been remmed in or not, the Post Office (and Camelot) received what was due to them each every day as described above. Nobody has lost out.

And also as described above S Owens keeps a check to ensure the number of scratchcards on Horizon matches what we have physically on sale. It is not often 'stock adjustment is required because S Owens is in three days per week and keeps a check on stock.

Now, whether there was a stock discrepancy or not, the fact remains that the correct amount due to Camelot/PO was transferred AND logged on Horizon with details of the scratchcards sold and prizes paid out etc. (Appendix 1 refers). This has to be the case because:

a) we cannot recall having any TR's re: Lottery

b) we should have had an increase of £120.00 on our Balance Snapshot every time a scratchcard pack had gone astray. We have not. In fact, as Appendix 2 (this is summary of the 17 page report that J Day sent but only picks up the dates in question) illustrates, on the dates in question Bowburn PO balance Snapshot figure is a negative in all but four cases.

Transaction Correction

John Day finally sent the TR on 11th October 2007. RSB did not accept it until the 12th October due to uncertainty in what effect it might have on the balance. By accepting the TR, it increased the number of scratchcards held by the Horizon system (515) to 4832!

RSB was horrified by this and this is exactly what RSB had been trying to explain to J Day. This now meant that on Balance Day, stock would be adjusted and the by adjusting the scratchcards to the physical level i.e. about 500, the system would be looking for £4317! That is what RSB would be expected to put in to rollover to next Trading Period! This was all explained to J Day but he continued to insist that it was just a stock transaction. **John Day said that the only way to address this was to 'reverse' the original adjust Stock increases.**

Helpline Discussions

RSB rang the Helpline on 16th October 2007 at 12:40 (Balance Day-Branch Trading Period) to seek help and advice to address what was now clearly a serious problem-if RSB corrected the Horizon held stock of scratchcards-Bowburn PO would close the following day.

At 12:40 RSB spoke to a Sandra on Option3. She said that as it was a 'credit' TR I should simply take £4317 out and keep it! I said to Sandra that it was not as simple as that. She said she would get someone to ring later.

RSB rang later and spoke to a Neil. Neil explained that as it was a credit it would increase the stock value and I would be expected to pay £4317.

Maureen from Helpline rang later and initially agreed with what Sandra had said i.e. 'take out cash-it's yours' but when I explained the implications of the Balance Report, she agreed that I would have to pay.

My final discussion (also with S Owens participating) took place with Paul Smith (John Day's Line Manager. This discussion went on for a good hour and all of the above points were explained to Paul viz. nobody has benefited from this, all parties concerned have had the cash where due as all scratcards sold are accounted for at the end of the day and cash transferred. If there had been a surplus, it would have been highlighted by an increase in cash on our Balance Snapshot.

	<p>I suggested to him that all accounting systems had to have a debit/credit. All they had given me was the debits. To address this correctly, what the Lottery team needed to do was to obtain the sales figures and match them with the cash declared and transferred by Bowburn PO. Paul said that they were unable to get those figures! RSB was astounded by this statement.</p> <p>In the end Paul did say that he would investigate further but in the meantime it was agreed that the figure on Horizon would remain unchanged so that it would allow RSB to rollover to the next period.</p> <p>RSB was contacted by a Rebecca from the Lottery Team on 24th October 2007 After about five minutes Rebecca declared that she was not supposed to ring me she was to ring some other Post Office but my number had popped up on her screen!</p> <ul style="list-style-type: none"> • Also on 24th October 2007 RSB rang Camelot and spoke to Elena. Elena was able to confirm RSB's query on 10th March 2005 re: how long Lottery records need to be kept. She confirmed that they had advised RSB that records need only be kept for 6 months as claims by customers were not entertained after that period; RSB made the same query to POL at Chesterfield on that day (10th March 2005) and they said if Camelot were happy so were they. • An audit was carried out on 22nd September 2005 when I was forced to pay £3503.59 to POL to stay in business. Why did not the audit team pick these up? 		
29/08/07		-33.42	
04/09/07	Monday 10/09/2007 Horizon screen (Terminal 3) froze at 09:15. Possibly the worst time on a Monday morning for this to happen. Shirley Owen rang Helpline (Option 2) @ 09:30 after having tried the usual remedies-switching off, clearing the screen etc. Not put	+26.12	

	in queue-just a continuous high pitch drone then cut-off. Rang again @10:10 and ended up in queue. Answered by a Kyle @ 10:25. Told to reboot.(which Shirley had already done). SO explained what was on the screen (just an arrow on a blank turquoise screen). Still told to reboot. This went on until about 11:00 am when system was back on line.		
12/09/07		-22.73	
19/09/07		+6.92	
26/09/07		-44.02	
03/10/07		-30.73	
10/10/07		-49.36	
17/10/07	The reason for a gain this week (nearly £185) is that we have made a mistake. A customer paid for a bill (BT) but we inadvertently missed scanning her BT bill.This was sorted out on 24 th October 2007 when the customer returned to the office.	+52.30	
24/10/07		+26.24	
31/10/07		-28.04	
07/11/07		-72.47	
14/11/07			
21/11/07		-125.81	125-81
28/11/07	28/11/07 @ 10:33 Terminal 2 RB serving. Customer paid Northern electric bill. Bill was scanned. Printer just stopped. Tried switching on/off, replaced cartridge. Finally got it to print but it did not print the customers receipt. It printed the branch copy, A photocopy of the branch copy was stapled to the customer's bill. 29/11/2007 A Paul rang from NBSC to check if we activated slips the same day. RB replied yes.		
05/12/07	5 th December 2007 around mid-day. Received a 'phone call from Rachel Oysten (BDM) requesting if she could come in and look at Branch Trading statements. R Bilkhu agreed and she arrived at 14:00. RB gave her access to all Branch Trading statements. She said that due to the legal action, she had been asked by Lesley Joyce if she could remove the Statements. RB refused. RB said that whilst he realised they were the property of POL, the		

fact that there was now legal action, those statements were effectively his evidence should it be needed by his legal team and besides POL already had the statements via Horizon.

Rachel also queried (on behalf of Lesley Joyce) whether the outstanding Transaction Correction for Lottery issue had been settled. RB said NO for the simple reason that we have a dispute over the TR and besides I do not have £4312 to settle. Rachel said that it would simply be taken out of my remuneration.

On the issue of Branch Trading statements, it was agreed that she would return on Tuesday 11/12/2007 and accompanied by RB would photocopy the statements.

On 11/12/07 RO returned, took the BTS's to the Crown Office for copying. I was left with the copies. She kept the originals. On return she said there were a few which were missing (4) . I said they were probably filed in the weekly reports and I will dig them out in the next few days.

POL seem to have chosen a particularly bad time to ask for these statements-the busiest period imaginable when they have had the whole of last year.

Response to Andy Winn Re: Lottery Issue

The following letter was sent to Andy Winn on 6th December 2007.

Dear Mr Winn,

Lottery Scratchcards Issues

Thank you for your letter dated 15th November 2007 re: above. My apologies for the delay but I have been awaiting a response from NFSP.

In the absence of a response from NFSP to date and in view of the impending legal action, I now give the following response to you letter.

I appreciate the time you have taken to investigate and report my concerns but the key question still remains unanswered.

<p>It seems to me that POL, the Lottery Team and others are getting themselves tied in knots over Horizon technical jargon and accounting terminology.</p> <p>The issue is very simple</p> <p>Scratchcards are received at Bowburn Post Office and as and when required put into dispensers for sale.</p> <p>This activity is no different to goods being received into a Tesco warehouse and then put onto shelves in the retail area for sale.</p> <p>Up until the point a customer purchases and pays for the goods, no sale is made and no income is generated.</p> <p>I have already explained in my previous correspondence how, at close of business, a simple calculation separates the cash due to POL (Camelot) and what remains for the retail side.</p> <p><i>(Our retail side is relatively small-daily takings average £63-00. We know from experience that over 80% of the cash accumulated in our retail till belongs to POL(Camelot) for the lottery. If we find the takings are unusually high e.g. £150-00, we know a mistake has been made in our calculation. This may be simply due to an error in reading the scratchcard number (numbers are upside down on the till side). Even if the mistake is carried over, it will correct itself the following day when the number is re-read and as already explained, Shirley Owens (Counter Clerk) keeps a meticulous check on the cards at least 2-3 times per week and compares to what we have and what the Balance Snapshot states. Any discrepancy is made good in cash).</i></p> <p><u>Camelot</u></p> <p>Camelot's management systems and their ability to access information are excellent.</p> <p>At any given time, Camelot is fully aware of :</p> <ul style="list-style-type: none"> • The number of packs of scratchcards we have in our secure area • The number of activated packs and the names of the games in dispensers on sale • The number of lottery (Lotto, Thunderball, Euromillions etc.) tickets we have sold • The number of prizes on-line and scratchcards we have paid out <p>The information that Camelot lacks during the day is the actual number of scratchcards that we have sold. As already explained, we calculate the number of scratchcards sold using a simple spreadsheet</p>		
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(Appendix 1a and 1b). This is the information we give to POL via the Horizon system at the close of each day between 17:30 and 17:45. It is usually the last transaction carried out on Horizon. Due to early closing, Saturday's information is input on Monday morning before opening and is usually the first transaction carried out on Monday.

These transactions are no different to any other transactions we carry out on Horizon-be it the sale of a stamp, bill payment, Giro's, cash withdrawals, cash deposits etc. It is essentially cash in-cash out.

It does not matter, therefore, how many packs were received, remmed in, remmed out, activated or not activated-the key question which you, Paul Smith, John Day and others in the Lottery Team refuse to answer is the number of scratchcards sold. I find it difficult to accept John Day/Paul Smith's answer that sales figures are not available.

A very simple way to address this issue is for POL to obtain the sales figures from the dates in question, equate them to the number £1, £2, and £5 scratch cards sold and then compare with the figures supplied by Camelot. A competent person should be able to do this exercise in a less than two hours. All information should be available at the press of a button.

I now make comments on other parts of your letter:

Paragraph 9

The fact that the Lottery Team had a backlog is frankly of little interest to me. All it tells me is the levels of mismanagement and incompetence within the organisation. If the system was not ready wity on earth did POL move over to Branch Trading?

Making mistakes regularly seems to be part and parcel of POL's culture. You only have to look at the Memos sent to SubPostmasters via the Horizon system. Practically every other memo is an admission of incorrect information supplied or incorrect instruction.

Paragraph 10

There was absolutely no confusion on our (Myself and Shirley Owens) part. All conversations took place with both of us present. The details of the conversation are already documented in previous correspondence and demonstrate quite clearly the contradicting advice given by Lottery Team and

Helpline.

If there is any doubt, then please obtain the transcripts.

Paragraph 11

The £120 surplus should have appeared in the Balance Snapshot. The losses indicated are due to faults with the Horizon system for which the legal action is being pursued. If you are suggesting that the losses on the weeks in question does not indicate the expected surplus is not incorporated within the net loss figure, then the issues with Horizon are much more serious than previously thought.

Paragraph 12

On the basis that I followed procedure and instructions from POL and Camelot and disposed of Lottery records after 6 months the current claim (if at all valid in the first place) is null and void and I am not prepared to consider the claim any further.

I am prepared to consider albeit very reluctantly (because it will mean going through Horizon slips for every single day for the last six months) any claim for the last six months as I will have the records and that only on the basis that you supply me with the actual breakdown of every single scratchcard sold (which we would have declared on Horizon and the number of scratchcards supplied by Camelot.

Paragraph 14

The Transaction Correction was not correct to have been issued. Not enough thought or understanding went into prior to the note being issued. Time and time again we were told there was no money involved-it was merely a stock correction.

All monies due to POL (Camelot) have been paid. There is no money whatsoever due to POL in this instance.

If there is a need for stock adjustment then that is between POL and Camelot NOT between POL and Bowburn PO.

A further transaction correction now needs to be issued to reverse out the 4312 to take us back to what we physically hold in the branch.

Yours sincerely,

R S Bilkhu

12/12/07	<p>12/12/07 Rachel Oysten (BDM) rang to confirm if I had settled the TR re: above. I said NO because it had agreed that pending further investigations, it had been agreed with Paul Smith that the figure within Horizon would be inflated until sales figure were obtained from PQL and Camelot.</p> <p>* 17/12/2007 Left a message for Rachel Oysten to come and collect the missing 4 Branch Trading Statements (they had been filed in the weekly reports). Call not returned to date.</p> <p>12/12/07 @ 10:00 and 15:00 Terminal 3 \$O operating. Base station shut down for no apparent reason. Had to be re-booted. This happened at the worst possible time. Rang helpline just to register the problem Call Ref: 76071.</p> <p>17/12/07 09:30. Terminal 1 Printer would not print. This at one of the busiest periods! Tried all sorts-changing cartridges, switching on/off. Reported to Helpline. She requested an engineer for the following day.</p> <p>17/12/2007 Re: Lottery Issues. Rang Camelot and spoke to Clive Ellis at their Security Team. (GRO) and also his colleague Maria. They confirmed that Camelot had no issues whatsoever with Bowburn PO. Our sheet was blank i.e. there was no evidence of any fraudulent activity. They also checked with Retailer Accounts and confirmed nothing was owed by Bowburn PO. (Tel: GRO)</p>		
19/12/07	<p>A TC received for £580.00 This refers to Currency orders. Upon investigation we find this was a mistake on our part-cash was taken for Foreign currency order but not put on Horizon. Dates in question: 23/08/06 and 19/02/07. TC accepted and settled via cheque.</p>		
26/12/07			
02/01/08			

09/01/08	07/01/08 @10:15 terminal 3 Computer crashed. Screen blank with 'Fujitsu' Logo. Had to reboot. Took 30 mins to get back to normal. 09/01/08 Message on Horizon 'Workstation Disconnected' at 20:30. 10/01/08 14:33 Terminal 3 System crashed again as above.	-352.14	
16/01/08		Total	10862.97
23/01/08	Cash discrepancy £306.83-settled via cheque. No idea where the cash has disappeared to. Upon rollover the system displayed 'Rollover to TP11 2007'. Rang Helpline to query why 2007 and not 2008. Ref: H15835742.		-306.83
30/01/08		-3.82	
06/02/08		-3.82	
13/02/08	13/02/08 @ 22:51 Terminal 3. This terminal disconnected itself and continued to disconnect whenever it was rebooted. This went on until 22 nd february when it was finally replaced by a Fujitsu engineer. The background to this is as follows: First I spoke to a Michael on Horizon option 2 at 11:30 on 14 th Feb (Call ref: 127561 and UK 938762) I explained to Michael that I did not want the old base station removed as I believed that it was possible that the base station may have led to cash discrepancies. He passed the message to his supervisor. A Danny called @ 12:10 and said the base station will not be left as it was a part of the agreement with Fujitsu. I refused. Another supervisor Katrina rang later and when I explained the background, the issue was escalated to BDM Rachel Oysten and A Garret based I Barnsley (Live Services). Quite lengthy conversations took place between myself and Rachel Oysten. It was finally agreed that the base station would be replaced but the old one would be sealed and transferred to a secure unit at Fujitsu's Bracknell site. This was confirmed by Adam (Fujitsu) at 10:00 on 22 nd Feb 2008. I also took the opportunity to remind Rachel Oysten about the Lottery issue and the need for a meeting to address this issue. To date (3 rd March) I have not heard from her. I also asked her about the Tesco Mobile top Up voucher incident. She did not recall anything. I	-58.71	

	<p>had to remind her that she came in specifically on 22nd May 2007 to investigate this incident. She denied all knowledge of it initially. When I reminded her that she took counter printer receipts, she said they were copies. (I had photocopied the original c p receipts in front of her).</p>		
20/02/08		-41.94	-41.94
27/02/08			
05/03/08	<p>06/03/08 I Gardner noticed the F7 icon (HMRC Cashdeques) on Girobank Screen was different on Terminal 3 (Node 3) compared to Terminal 2. On Terminal 3 the icon displayed 'icon coming soon' with a paint can and brush. On terminal 3, it displayed a crown with a ring around the crown against a green background. This was also checked on Terminal 1 (Gateway) and was the same as terminal 2. This anomaly was reported to Horizon technical Option 2 to A Danny (Call ref: 148307) Danny suggested rebooting. This was done with no effect. Spoke to a Grace on 7th March 2008. She did not appear to have any knowledge and passed me on to Jamie. Jamie confirmed that it was a system error – probably a software issue. He transferred the call to NBSC because he felt it was not a technical issue. I was puzzled by this but spoke to a Lisa @ 16:45 (Ref: H15888299). She suggested we drop all 3 systems. I said it was a peak time in the PO and I was not prepared to do that at this stage but will do so after close of office. This I did but there was no change.</p> <p>Jamie rang on 08/03/08 @ 11:20 and said he would get 'software people to fix it'. Kevin rang from NBSC @ 12:40 saying it was not an NBSC issue and I should go back to Horizon Technical. I said I was not really interested whose responsibility it was I just wanted it sorted out.</p> <p>To date 12th March nothing had been done.</p> <p>Also discovered that on the Stampbook screen all the icons for 1st and 2nd class stampbooks are different on Terminal 3. On Terminal 1 & 2 they are coloured. On Terminal</p>		

	3 there is no background colour.		
12/03/08			