

CB/SAJ PC NW 06 01

13 January 2004

Mr Alan Bates

**GRO**



**NFSP**

National Federation of SubPostmasters

Evelyn House,

22 Windlesham Gardens,

Shoreham-by-Sea,

West Sussex BN43 5AZ

Telephone: **GRO**

Fax: **GRO**

e-mail: nfsp@**GRO**

[www.subpostmasters.org.uk](http://www.subpostmasters.org.uk)

General Secretary: COLIN BAKER  
Senior Assistant General Secretary  
KEVIN DAVIS  
Assistant General Secretary  
MARILYN STODDART

Dear Mr Bates

**Horizon System**

Thank you for your letters of 17 December 2003 and 7 January 2004. I note that Betty Williams has written to Allan Leighton.

I can go no higher within the Royal Mail group than Allan Leighton, and I am sure that your Member of Parliament will have as much, if not more, success than I would. Hopefully, therefore, you will have further information from that route.

In relation to errors which members considered were due to Horizon problems, the Executive Council set up a Joint Federation/Post Office Ltd group who visit the Horizon helpline site to discuss and resolve issues. It is my understanding that Post Office Ltd can trace the nature of any error including telephone calls relating to the same when the Horizon System is in question and, therefore, should be able to produce evidence that all is, in fact, correct from their side.

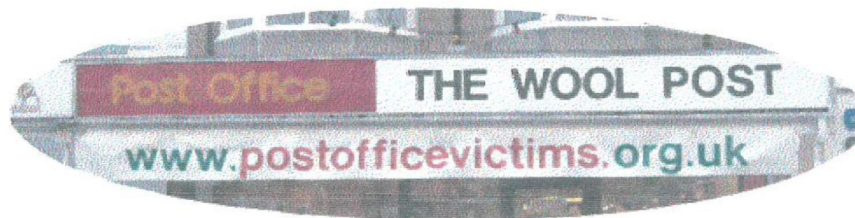
We are not in a position to provide information regarding other Subpostmaster's dealings with Post Office Ltd. We are aware that there were some disputes around the time that offices migrated from the manual system to the Horizon System, but we are now of the view that Horizon works well and that there are no real problems in Post Offices which are operated by the Horizon System.

Yours sincerely,

**GRO**

**COLIN BAKER**  
General Secretary

PC NW 06 81



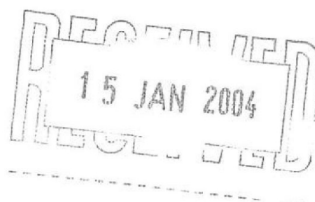
Mr Colin Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**

Tel/fax: **GRO**

13<sup>th</sup> January 2004



Dear Mr Baker

I have enclosed a copy of the latest correspondence to and from my MP Betty Williams as well as copy of a reply she has received from Richard Baker.

Your views or any advice you can offer on Post Office Ltd proposed action would be greatly appreciated and I hope I can rely on the support of the Federation should a meeting with Post Office Ltd occur.

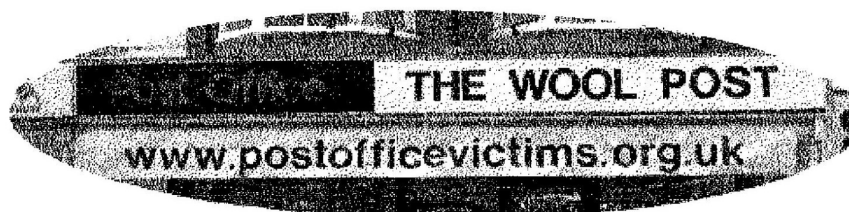
**GRO**

Alan Bates

**GRO**

Ex Subpostmaster Craig-y-don Post Office





Mrs B Williams MP  
House of Commons  
LONDON  
SW1 0AA

Your Ref: C2331/41413  
13<sup>th</sup> January 2004-01-13

Alan Bates

**GRO**

**GRO**

Dear Mrs Williams

Thank you for your letter dated 8<sup>th</sup> January and the enclosure from Richard Baker.

I am still concerned that the review of the case is to be undertaken internally by Post Office Ltd. When I received the letter of termination of contract from them dated 5<sup>th</sup> August 2003 I wrote to Allen Leighton's office, who looked into the matter and eventually responded on 27<sup>th</sup> August. Their letter totally failed to address the points raised of the core issue, it also showed that they had only reviewed their position and that they had registered the name of Craig-y-don Post Office. Not once did anyone from Post Office Ltd contact me or try to discuss the issues with me.

If Sandy Stephen is to review the case in its entirety he will obviously need to contact myself and I will ensure I am available to provide him with the information he requests.

I cannot help feel that this is yet another attempt by Post Office Ltd to close the matter without responding to the core issues of this case. In their latest response to you I note that they have not once referred to the questions in my last letter, I trust they will include the answers to you when they have completed their review.

**GRO**

Alan Bates Ex Subpostmaster Craig-y-don Post Office



HOUSE OF COMMONS

LONDON SW1A 0AA

**BETTY WILLIAMS AS/MP**  
**Aelod Seneddol Llafur Etholaeth Conwy**  
**Labour Member of Parliament for Conwy**

Office: **GRO**  
Surgery Appointments: **GRO**

Mr Alan Bates

**GRO**

My Ref: C2331/42321 - *please quote in reply*

8<sup>th</sup> January 2004

Dear Mr Bates

Further to my letter of 23<sup>rd</sup> December 2003, enclosed is a copy of the reply dated 5<sup>th</sup> January 2004 from Mr Richard Barker, General Manager of the Commercial Network at the Post Office.

I hope that the review will be helpful.

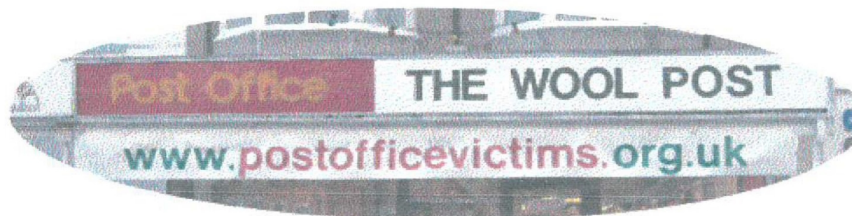
With best wishes,

Yours sincerely

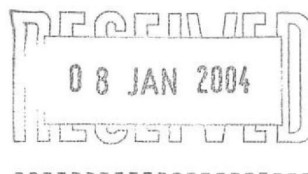
**GRO**

Mrs Betty Williams MP

PC NW 06 01



Mr Colin Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ



Alan Bates

**GRO**

Tel/fax **GRO**

7<sup>th</sup> January 2004

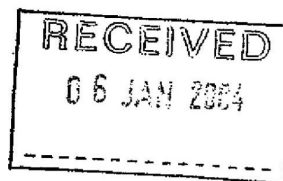
Dear Mr Baker

Further to the copies of correspondence I sent you before Christmas, I have enclosed a copy of the response I received from Betty Williams MP to my letter to her dated 5<sup>th</sup> December 2003.

**GRO**

Alan Bates  
Ex Subpostmaster Craig-y-don Post Office

R+T  
Betty Williams MP  
House of Commons  
LONDON  
SW1A 0AA



05.01.04

Your ref: C2331/41413

Dear Ms Williams



"an essential part of everyday life" [www.postoffice.co.uk](http://www.postoffice.co.uk)

Thank you for your letter of 23<sup>rd</sup> December 2003, addressed to Allan Leighton, enclosing a copy of a letter from your constituent Alan Bates - ex-subpostmaster at Post Office®, Craig-y-don branch.

Mr Bates raises a number of issues, many of which were addressed in my letter of 1<sup>st</sup> December. I stand by all the points I made in that letter.

I also stand by my comment that at the heart of Mr Bates' concerns is his belief that the Horizon system is corrupt. A position substantiated, I believe, by the comments Mr Bates makes on his website [postofficevictims.org.uk](http://postofficevictims.org.uk)

These things said, Mr Bates quite obviously has a deep-seated belief that he has been treated unjustly by Post Office Ltd. In an attempt to bring this matter to a conclusion, I am asking an independent member of my senior management team - Sandy Stephen, Head of Area for Scotland - to review the case in its entirety.

I will write to you again once that review has been completed.

Yours sincerely

**GRO**

RP

Richard Barker  
General Manager, Commercial Network

Page 1 of 2

Post Office Ltd  
Registered in England and Wales number: 2154540  
Registered Office: 80-86 Old Street  
London EC1V 9NN

The Post Office and the Post Office symbol are registered trade marks of Post Office Ltd in the UK and other countries.





HOUSE OF COMMONS

LONDON SW1A 0AA

**BETTY WILLIAMS AS/MP**  
**Aelod Seneddol Llafur Etholaeth Conwy**  
**Labour Member of Parliament for Conwy**

Office:   
Surgery Appointments:

Mr Alan Bates

**GRO**

My Ref: C2331/42117 - *please quote in reply*

23<sup>rd</sup> December 2003

Dear Mr Bates

Thank you for your letter of 15<sup>th</sup> December 2003 responding to the letter of 1<sup>st</sup> December 2003 from Mr Richard Barker.

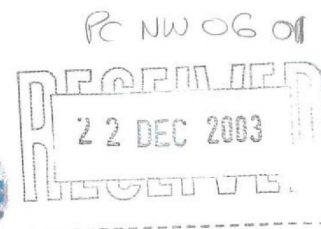
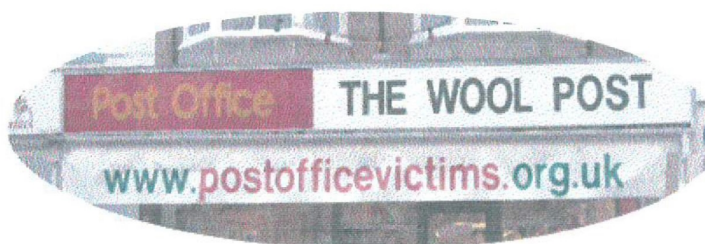
In view of your detailed comments I have written again to Mr Allan Leighton and the Minister. When I receive their responses I will contact you again.

With my best wishes

Yours sincerely

**GRO**

Mrs Betty Williams MP



Mr Colin Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**

Tel/fax **GRO**

17<sup>th</sup> December 2003

Dear Mr Baker

As per your request I have enclosed copies of the correspondence which has been taking place between my MP and myself as well as copies of the responses she has received. I have collated them in chronological order though it is too soon to expect a reply from my MP to my last letter.

I seem to remember hearing at the Llandudno conference that it was proposed a list of Horizon problems was to be collated by the Federation, did it ever happen? Is there anyone you can suggest I talk to? I have also been hearing stories about others having their suboffices removed by Post Office Ltd over Horizon issues, do you have any information on other cases or others fighting Post Office Ltd over Horizon? This is an area I am planning to explore in the new year when I will be trying to highlight the problems in the national press, hence the banner and website.

Please let me know if you require any further information.

**GRO**

Alan Bates  
Ex Subpostmaster Craig-y-don Post Office

CB/PLH PC NW 06 01

8 December 2003

Mr. M. Granville,  
Post Office Ltd.,  
Head of Regulatory & Stakeholder Affairs,  
80-86, Old Street,  
LONDON,  
EC1V 9NN.



Evelyn House,  
22 Windlesham Gardens,  
Shoreham-by-Sea,  
West Sussex BN43 5AZ  
Telephone: **GRO**  
Fax: **GRO**  
e-mail: nfsp@**GRO**  
[www.subpostmasters.org.uk](http://www.subpostmasters.org.uk)

General Secretary: COLIN BAKER  
Senior Assistant General Secretary  
KEVIN DAVIS  
Assistant General Secretary  
MARILYN STODDART

Dear Mike,

**Craig-y-don Post Office**

I am sure you will not mind my reminding you that you promised me a response to the individual case of Craig-y-don Post Office in Llandudno. I understand Mr Bates is no longer the Subpostmaster and that the Office has, in fact, been closed or has been transferred.

You will be aware that Mr Bates is complaining of Horizon failures and I would be grateful if you could let me have some indication of the thinking of Post Office Ltd in this case.

I look forward to hearing from you.

Yours sincerely

**GRO**

**COLIN BAKER**  
General Secretary

CB/SAJ PC NW 06 01

8 December 2003

Mr Alan Bates

**GRO**



**NFSP**

National Federation of SubPostmasters

Evelyn House,

22 Windlesham Gardens,

Shoreham-by-Sea,

West Sussex BN43 5AZ

Telephone: **GRO**

Fax: **GRO**

e-mail: **nfsp@gro**

[www.subpostmasters.org.uk](http://www.subpostmasters.org.uk)

General Secretary: COLIN BAKER  
Senior Assistant General Secretary  
KEVIN DAVIS  
Assistant General Secretary  
MARILYN STODDART

Dear Mr Bates

**Craig-y-don Post Office**

Thank you for your letter of 2<sup>nd</sup> December.

I note that you have written to your Member of Parliament who, in turn, has sent the matter on to Stephen Timms. I would be extremely grateful to you if I could see copies of the correspondence you receive following your approaches to Stephen Timms.

I regret I have not yet received any response from Post Office Ltd and have written again today seeking a reply.

Yours sincerely

**GRO**

**COLIN BAKER**  
General Secretary





HOUSE OF COMMONS

LONDON SW1A 0AA

**BETTY WILLIAMS AS/MP**  
**Aelod Seneddol Llafur Etholaeth Conwy**  
**Labour Member of Parliament for Conwy**

Office: **GRO**  
Surgery Appointments: **GRO**

Mr Alan Bates

**GRO**

My Ref: C2331/41916 - *please quote in reply*

5<sup>th</sup> December 2003

Dear Mr Bates

Further to my letter of 19<sup>th</sup> November 2003, enclosed is a copy of the reply dated 1<sup>st</sup> December 2003 from Mr Richard Barker, General Manager, Urban Network, Post Office Ltd.

In view of Mr Barker's response I regret I am unable to take further action on your complaint.

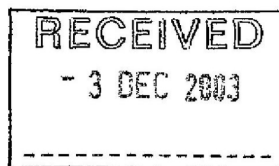
With best wishes,

Yours sincerely

**GRO**

Mrs Betty Williams MP

Mrs Betty Williams AS/MP  
House of Commons  
LONDON  
SW1A 0AA



Your Ref: C2331/41413

01.12.03

Dear Mrs Williams



"an essential part of everyday life" [www.postoffice.co.uk](http://www.postoffice.co.uk)

Your letter to Allan Leighton of 19 November, enclosing a letter from your constituent Mr Alan Bates, has been passed to me for reply. I will attempt to address each of the points raised in Mr Bates' letter in turn.

On the first point, all I can say is that there is a difference of opinion, between ourselves and Mr Bates, over conversations that have taken place.

On the second point, concerning the Horizon system and the reasons for the termination of Mr Bates' contract, I refer to our letter to Mr Bates of 20 August. I have no doubt whatsoever that my operations team have acted wholly professionally in this matter and had legitimate grounds upon which to terminate Mr Bates' contract with Post Office Ltd. No 'smokescreen' is being created, nor do we lack any confidence in the integrity of the Horizon system.

Mr Bates' third point concerns his recent experience following a specific foreign currency transaction. I have investigated this particular issue in some depth. The outcome of this investigation suggests, very clearly, that the Horizon system was not at fault. Indeed, there is evidence to suggest that the instructions to Mr Bates for dealing with the problem he faced, were not followed correctly.

On Mr Bates' specific point about the availability of Horizon data, I can confirm that data is only held locally for 30 days. However, after that period, the data is not lost to us. All data is archived and is available to support investigations as required.

At the heart of Mr Bates' concerns is his belief that the Horizon system is in some way corrupt and that Post Office® Ltd are attempting to

Page 2 of 2

conceal this fact in our dealings with him. I can reassure you that we have absolute confidence in the system. None of the investigations we have conducted at Mr Bates request have produced any evidence to support his position.

Yours sincerely

**GRO**

Richard Barker  
General Manager, Urban Network

Post Office Ltd  
Calthorpe House  
15-20 Phoenix Place  
LONDON WC1X 0DG

**GRO**



HOUSE OF COMMONS

LONDON SW1A 0AA

**BETTY WILLIAMS AS/MP**  
**Aelod Seneddol Liafur Etholaeth Conwy**  
**Labour Member of Parliament for Conwy**

Office:   
Surgery Appointments:

Mr Alan Bates

**GRO**

My Ref: C2331/41609 - *please quote in reply*

19<sup>th</sup> November 2003

Dear Mr Bates

Thank you for your letter of 11<sup>th</sup> November 2003 and your comments about Mr Dave Barrett's letter concerning the temporary closure of the Craig-y-Don Sub Post Office.

I am taking this up again with both the Minister and Mr Allan Leighton and will let you know when I have their responses

With my best wishes

Yours sincerely

**GRO**

Mrs Betty Williams MP



CB/SAJ PC NW 06 01

17 November 2003

Mr Alan Bates

**GRO**



Evelyn House,  
22 Windlesham Gardens,  
Shoreham-by-Sea,  
West Sussex BN43 5AZ  
Telephone: **GRO**  
Fax: **GRO**  
e-mail: nfsp@**GRO**  
[www.subpostmasters.org.uk](http://www.subpostmasters.org.uk)

General Secretary: COLIN BAKER  
Senior Assistant General Secretary  
KEVIN DAVIS  
Assistant General Secretaries  
KATE DAVIS • MARILYN STODDART

Dear Mr Bates

**CRAIG-Y-DON POST OFFICE**

Thank you for your letter of 11 November. I can well understand your disappointment at the Federation's lack of response to your enquiry concerning matters at your post office.

I did submit an enquiry into Post Office Ltd about your case some little time ago as I wanted to better understand the nature of the case against you, and to understand it from POL's point of view.

As yet I am awaiting a response from them and it is, therefore, difficult for me to comment further. Please be assured that I will be in touch with you when I have heard from Post Office Ltd.

Yours sincerely

**GRO**

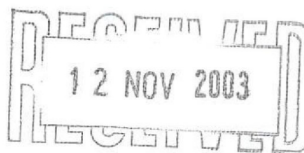
**COLIN BAKER**  
General Secretary

PC NW 06 01

Mr C Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**



Tel/fax: **GRO**  
11<sup>th</sup> November 2003

Dear Mr Baker

I am writing to you with regard to Craig-y-don Post Office further to my previous letters. Post Office Ltd have now closed the office and I have to tell you I am very, very disappointed with the lack of response to my plea for help and assistance from The National Federation of Subpostmasters.

The post office ceased trading at 5.30pm, 5<sup>th</sup> November 2003 and in the weeks prior to that I made numerous telephone calls to your office, but to no avail, nobody ever responded. The file I sent you in mid September about my case highlighted how the issue not only affected me but also every Subpostmaster who runs a post office. The Horizon system is flawed and Post Office Ltd are trying to hold Subpostmasters liable for system losses without allowing full access to the system to check the data they have input.

As The Federation were not able to stand up to Post Office Ltd and support its member in this issue, it subsequently allowed the Post Office to just take away our investment, livelihood and life savings in one fell swoop. I have no doubt that Post Office Ltd are involved in a major cover-up of the inadequacies of the Horizon system and I will continue, even as a voice alone, to raise the profile of this issue and to have it investigated at the highest level.

~~Yours~~ a truly disappointed

**GRO**

Alan Bates  
Ex Subpostmaster Craig-y-don Post Office

Copied to Gwynedd Branch

Mrs B Williams MP  
House of Commons  
LONDON  
SW1 0AA

Alan Bates

**GRO**

GRO

11<sup>th</sup> November 2003

**Removal of Craig-y-don Post Office from The Wool Post**

Your Ref: C2331/41413

Dear Mrs Williams

Thank you for your letter dated 10<sup>th</sup> November 2003 and the copies of responses you enclosed.

First I would like to comment on the response to you from Dave Barrett in which he states about me, "we have been seeking a response from him as to whether he would be selling his business". I have never once been asked this question by anyone at Post Office Ltd.

They did make an approach as to whether or not I would allow another Subpostmaster to continue on a temporary basis at our premises. But I am sure you can appreciate that when this 'organisation' is taking away a major investment of ours as well as our livelihood with the effect of wiping out our lifesavings, our willingness to help them out of the mess they have created is less than forthcoming. It just goes to show how little in touch with the real world they are. I would have gladly carried on providing the Post Office service at our premises until some future date if they had asked, but they never did. This I would purely have undertaken for the sake of the local community, not for Post Office Ltd.

The comments made in his letter about "lost confidence" etc., is really just a smokescreen to try and justify their actions from their position. The real truth behind all this are the problems with the Post Office Horizon system and the lengths that the Post Office will go to keep it covered up. If this had not been the case, Post Office Ltd could have answered all my previous letters over the past three years about liability and access, and we could have moved on. But they realised if they entered into correspondence on access and liability the real extent of the system problems would become exposed, so they decided to remove me a different way and are trying to hide behind the phrase of a contractual issue.

With regard to the response you received from the Minister I can see that the Post Office is using its 'contractual issue' ploy with him again, but he really needs to look into the Horizon issues. It is Horizon which in one way or another is causing the problems.

My stance since the Horizon system was installed three years ago was that I was unable to accept liability for system data until such time as I could access the system to check the data I had input. I have yet to find a person who finds that unreasonable, other than the Post Office who have refused to even recognise my query. There is nothing in the contract between myself and Post



Office Ltd to say that I should, hence the only way to try remove me was under a clause where they were not required to give a reason. During the time I had Craig-y-don post Office we had invested tens of thousands of pounds improving the premises and post office facility and had been growing business year on year.

Post Office Ltd are terrified about the real facts with Horizon being known and it seems they will stop at nothing to keep them hidden. I would say now that we are getting into an area that the Minister should be involved with.

I will offer a recent experience as an example, though as I and others struggle to obtain hard information or replies, some of the detail may be corrected at a later time. A number of weeks ago some poor advice received from the Post Office support helpline resulted in £600 relating to a foreign currency purchase being entered onto the Horizon system wrongly. Over the following weeks there were a number of telephone calls to and from the Post Office support team trying to follow through on this incident.

The last phone-call I received from them on this matter was from the Post Office Problem Management Unit in Barnsley (25<sup>th</sup> September 2003) when they requested that I print off a report from the system to enable them to look for the detail of the currency transaction. I was instructed to install a new till roll in a counter printer and run the printer overnight, printing off every transaction from all three till positions for the whole week in which the currency transaction had happened. The resulting till-roll was to be sent to them and they would go through the thousands of transactions on it line by line to try and locate the currency transaction. All this had to happen relatively quickly as after 30 days all the data is lost from the computer and also there is no way for their department to access the data at our post office even though the Horizon system is networked.

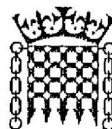
So if you now return to my stance about being held liable for data I am unable to check, the fact that the data is only in existence for 30 days but the liability Post Office Ltd are trying to impose is timeless. Perhaps you can appreciate why Post Office Ltd refuse to discuss this issue, preferring to keep it hidden.

This really does need to be investigated at the highest level. I have other examples of problems and have heard many other stories from Subpostmaster and others. I firmly believe this is only the tip of an iceberg about the appalling condition of the Horizon system is in, and I am hoping that my website will encourage others to come forward and document their experiences.

Yours sincerely

Alan Bates  
Ex Subpostmaster Craig-y-don Post Office





HOUSE OF COMMONS  
LONDON SW1A 0AA  
**BETTY WILLIAMS AS/MP**  
**Aelod Seneddol Llafur Etholaeth Conwy**  
**Labour Member of Parliament for Conwy**

Office :

Surgery Appointments:

Mr Alan Bates

**GRO**

My ref: C2331/41413 - please quote in reply

10<sup>th</sup> November 2003

Dear Mr Bates

Thank you for your letter of 27<sup>th</sup> October 2003 which you had faxed to my office on 4<sup>th</sup> November 2003.

As you know, I wrote to Mr A Leighton, Chairman of The Royal Mail Group. Enclosed is a copy of reply dated 29<sup>th</sup> October 2003 from Mr Dave Barrett, Head of Commercial Urban Area Wales, The Marches and Merseyside. I expressed my dissatisfaction with this response.

I also discussed the matter with the DTI and later wrote to the Minister. Enclosed is a copy of reply dated 5<sup>th</sup> November 2003 from Mr Stephen Timms MP, Minister for Energy, e-Commerce and Postal Services. The Minister explains the Government's role in post office matters and why he cannot intervene in a contractual dispute between a sub-postmaster and Post Office Ltd. I am sorry about this.

I can assure you however that I am continuing with my efforts to reinstate a service at Craig-y-Don as quickly as possible.

With best wishes.

Yours sincerely

**GRO**

Mrs Betty Williams MP

5-Nov. 2003 17:22

Stephen Timms EMinister-1 Vic St

No.8284 P. 2

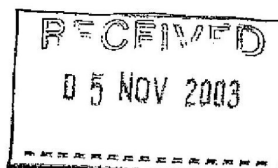
**dti** 41423

C2331

5 November 2003

**Stephen Timms MP**  
MINISTER FOR ENERGY, E-COMMERCE  
AND POSTAL SERVICES

Mrs Betty Williams MP  
House of Commons  
LONDON  
SW1W 0AA



Your Ref: C2331

Dear Betty,

Thank you for your faxed note earlier today, following up on your telephone conversation with my Assistant Private Secretary, regarding your concerns about Post Office Ltd's handling of a contractual disagreement with Mr Alan Bates, the sub-postmaster of the Craig-y-don Post Office in Llandudno. I am sorry to hear that you have not yet received a satisfactory response from Allan Leighton.

You ask me to state the Government's position on this particular contractual disagreement and I am happy to do so. Post Office Ltd, which operates as a separate company within the Royal Mail Group, is responsible for contracts with sub-postmasters. A sub-postmaster's contract is a commercial arrangement between the individual sub-postmaster and Post Office Ltd.

Conflicts over contractual matters are issues for the sub-postmaster and Post Office Ltd – with ultimate recourse through the legal system if necessary. The Government's role in post office matters is confined to broad issues of general policy and overall financial control.

*I am trying to find out what the dispute is here.  
Tans ever,*

**GRO**

STEPHEN TIMMS

Department of Trade and Industry

V 865  
1 Victoria Street  
London SW1H 0ET

Direct Line   
Fax   
Minicom   
Enquiries   
[www.dti.gov.uk](http://www.dti.gov.uk)  
[mpst.timms@dti.gov.uk](mailto:mpst.timms@dti.gov.uk)

41422

Celtic Court  
Tremains Road  
Bridgend  
CF31 1TZ

RECEIVED

05 NOV 2003

29 October 2003

Mrs Betty Williams MP  
House of Commons  
LONDON  
SW1A 0AA

POST  
OFFICE

Your ref : C2331/41024

"an essential part of everyday life" [www.postoffice.co.uk](http://www.postoffice.co.uk)

Dear Mrs Williams,

I have been asked to reply to your letter of 22 October 2003, to Allan Leighton about Craig y Don Post Office® branch temporary closure.

Briefly, we have given notice to Mr Bates, the present subpostmaster, that we are withdrawing from our contract with him. This is because we have lost confidence in his willingness to conduct the job in the manner expected. We gave the contractual notice period of 3 months, which ends on 5 November 2003. The branch will close for business at 17.30 on 3 November, to enable us to complete a final audit and decommission the branch the following day before his contract expires.

It is not our wish to see this branch close, and ever since we gave Mr Bates notice, we have been seeking a response from him as to whether he would be selling his business (thus allowing us the opportunity to continue the service from the same location, albeit with a new subpostmaster) or if not whether he would be willing to make his premises available for a temporary replacement whilst a permanent appointment could be made. We have a person ready to step in as a temporary replacement, but it was only this week that Mr Bates finally informed us he was not willing to allow this to happen.

Page 1 of 2

Post Office Ltd  
Registered in England and Wales number: 2154540  
Registered Office: 80-86 Old Street  
London EC1Y 9NN

The Post Office and the Post Office symbol are  
registered trade marks of Post Office Ltd in the  
UK and other countries.

Meantime, we have been advertising for a permanent replacement and currently have several interested parties with premises in the immediate vicinity. Unfortunately, it will not be possible for any of them to be in a position to take over on 5 November, indeed it is unlikely that anyone will do so until the New Year. But I am optimistic that we will be able to make an appointment very soon.

I acknowledge the concerns of your constituents about the temporary withdrawal of service. Indeed several have written directly to us in similar vein. Please assure them we have been, and are doing, all we can to maintain service here and apologise that due to circumstances beyond our control that is not possible. If you personally can bring any pressure to bear on Mr Bates to allow the temporary use of his premises, I would be grateful as this would prevent the interruption of service we are facing. Meanwhile, we are ensuring that facilities and staffing are increased at the main branch in Vaughan St to cope with the extra business caused by the Craig y Don closure.

I will ensure you are informed when a permanent appointment is made, as we will be consulting about the change in premises. Meantime, please let me know if I can help further.

Yours sincerely,

**GRO**

**DAVE BARRETT**

Head of Commercial Urban Area  
Wales, The Marches and Merseyside

GRO

/Mobex

GRO

Mrs B Williams MP  
House of Commons  
LONDON  
SW1 0AA

Alan Bates

**GRO**

27<sup>th</sup> October 2003

**Removal of Craig-y-don Post Office from The Wool Post**

Your Ref: C2331

Dear Mrs Williams

Thank you for seeing me in Llandudno the other day and your subsequent letter informing me you have written to Allen Leighton again.

In that letter you mention your concern to ensure a post office is retained in Craig-y-don, which was one of the two items I have raised with you. There was no mention in your letter about the treatment I have been subjected to by Post Office Ltd. Will you be also be pursuing this with the DTI if that is the correct route or should contact them directly myself?

Yours sincerely

Alan Bates  
Subpostmaster Craig-y-don Post Office



CB/SAJ PC NW 06 01

16 October 2003

Mr Alan Bates

**GRO**



**NFSP**

National Federation of SubPostmasters

Evelyn House,

22 Windlesham Gardens,

Shoreham-by-Sea,

West Sussex BN43 5AZ

Telephone: **GRO**

Fax: **GRO**

e-mail: nfsp@**GRO**

[www.subpostmasters.org.uk](http://www.subpostmasters.org.uk)

General Secretary: COLIN BAKER  
Senior Assistant General Secretary  
KEVIN DAVIS  
Assistant General Secretaries  
KATE DAVIS • MARILYN STODDART

Dear Mr Bates

Thank you for your facsimile letter of 14 October referring to your earlier letter of 18 September.

I can confirm that the matter is receiving attention. I have already made enquires and will respond to you as soon as possible.

Yours sincerely

**GRO**

**COLIN BAKER**  
General Secretary



14-OCT-03 11:12

shop

GRO

GRO

P.01

Mr C Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**

Tel/fax **GRO**  
14<sup>th</sup> October 2003

By fax to: 01273 465403

Dear Mr Baker

I wrote to you on the 18<sup>th</sup> September 2003 enclosing a file of a dispute I am engaged in with Post Office Limited.

I am still awaiting a response from the Federation and it is only a few weeks away from the termination date. The local press will be carrying an article on this matter over the next few days as The Post Office have made no provision to provide continuity of services locally after that date and customers are not very happy.

**GRO**

Alan Bates  
Subpostmaster Craig-y-don Post Office

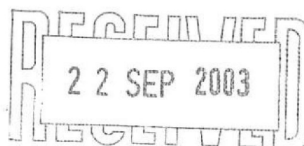
*Craig-y-don*

PC NW 06 01

Mr C Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**



18<sup>th</sup> September 2003

Dear Mr Baker

I have enclosed a detailed file of a dispute I am engaged in with Post Office Limited regarding accessibility and liability of the data held by the Horizon system. This affects all Federation members and because I have taken a stand on it, Post Office Limited are trying to take my livelihood away.

Whether it takes 1 month, 1 year or 10 years I will continue to fight Post Office Limited on this issue. The website referred to is turning into a far bigger package than was originally envisaged, and when it is launched shortly it will bring the issue into the national arena.

Put simply, Post Office Limited are trying to alter the terms of the contract to make me (and all Subpostmasters) liable for unlimited Horizon system losses without the right to access and check the data I have put in the system. The accompanying documentation spells it all out quite clearly, Post Office Limited will not actually address the core item relating to the issue and the legal advice I have been given is that they will not do so because 'they do not have a leg to stand on' as I am in full compliance of my contract.

Regarding the file enclosed, the notes accompanying the letter to Allen Leighton lists in chronological order the majority of the documentation. The letter to Philip Green of Capita Assistance on 6<sup>th</sup> September 2003 does the same to the rest the correspondence.

There is a local branch Federation meeting at the end of this month at which John Peberdy will be present and before the meeting date I will bring Dave Foster, the Branch Secretary, up to speed. At that meeting I am intending to hand out leaflets summarising the dispute to all members attending.

In writing to you and making you aware of this issue I would very much appreciate the support of the Federation in at least the following way. That is to ask all Federation members to not support Post Office Limited by operating my office. As I mentioned earlier I will fight for the return of my office and to recover my investment, regardless of the time it will take.

**GRO**

Alan Bates  
Subpostmaster Craig-y-don Post Office

M 17

CB/DD PC NW 06 01

14 January 2002

Mr. Alan Bates

**GRO**



Evelyn House,  
22 Windlesham Gardens,  
Shoreham-by-Sea,  
West Sussex BN43 5AZ  
Telephone: **GRO**  
Fax: **GRO**  
e-mail: nfsp@**GRO**  
www.subpostmasters.org.uk

General Secretary: COLIN BAKER  
Assistant General Secretaries  
KEVIN DAVIS • KATE DAVIS

Dear Mr Bates

Thank you for your letter of 7 January 2002 concerning the difficulties you have experienced which appear to be linked to the Horizon migration process.

I am sure that it is time that the matter was resolved and I trust that it will not be long now before the amounts can be removed from the Suspense Account.

Please let me know if I can be of further assistance, although I am sure that David Foster will render every assistance possible.

Yours sincerely

**GRO**

PP COLIN BAKER  
General Secretary



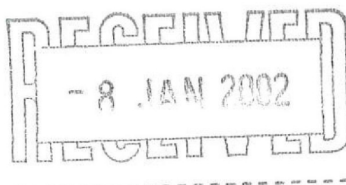
PC NW 06 01

Mr C Baker  
General Secretary  
National Federation of Subpostmaster  
Evelyn House  
22 Windlesham Gardens  
SHOREHAM BY SEA  
BN43 5AZ

Alan Bates

**GRO**

7<sup>th</sup> January 2002



Dear Mr Baker

For information I have enclosed some documents relating to Horizon and losses over a period of a few weeks when the system was upgraded in 2000.

I have been keeping David Foster, the Gwynedd Branch Secretary fully informed on the matter, but my letter dated 7<sup>th</sup> January 2002 to Post Office Limited is meant to clear out the matter one way or another.

I am not expecting your office to take any action at the moment but I thought it advisable to at least forward you copies of my correspondence.

**GRO**

Alan Bates  
Subpostmaster  
Craig-y-don Post Office

Mr Glenn Chester  
Post Office Limited  
Celtic Court  
Tremaines Road  
BRIDGEND  
CF31 1TZ

Alan Bates



7<sup>th</sup> January 2002

**Reference: Horizon Faults**

Dear Mr Chester

As you are aware the cash account for this office is still showing an amount of £1041.86 in the suspense account. This cumulative figure was placed in the suspense account towards the end of 2000 and I have on doubt at all that it was due to errors in the Horizon system over a number of weeks at that time. In my letters to Gerry Hayes dated 19<sup>th</sup> December 2000 and 16<sup>th</sup> July 2001, neither of which did I receive a written reply to, I gave further details on this matter.

I really do think that enough time has now passed for Post Office Limited to have resolved this issue and that unless I receive a written comment to the contrary by the end of this month I will take it that this matter is closed. When I signed my contract with Post Office Counters I did not sign to accept the liabilities arising from the shortcomings of a less than adequate Horizon system, all liabilities from such a system are clearly the responsibility of Post Office Limited or ICL Pathway.

Allowing this issue to drag on not only continues the stress and strain of the original problems but I fear also continually casts doubt over my honesty and that of my staff. Therefore I would greatly appreciate it if you would bring this matter to a head in order that we can move on.

Your sincerely

Alan Bates  
Subpostmaster Craig-y-don Post Office

Copies to:

Mr D Foster, Gwynedd Branch Secretary National Federation of Subpostmasters  
Mr C Baker, General Secretary National Federation of Subpostmasters



Mr Gerry Hayes  
Retail Network Manager  
Post Office Network  
60 Deiniol Road  
BANGOR  
LL57 1AA

Alan Bates

**GRO**

18<sup>th</sup> July 2001

Dear Gerry

In reply to your letter dated 16<sup>th</sup> July 2001 I would like to draw your attention to the letter I sent you on the 19<sup>th</sup> December 2000. It related the problems with Horizon which I believe led to the losses at that time.

As I have said to you and every other person that has ever visited with regard to the problems with the Horizon system, it is nigh on impossible to access the data I as a subpostmaster need in order to track problems or accept responsibility for the processing through this office. It is not that the data is not within the system, and it is not that Chesterfield can access this data in many other ways. But I as a front line user need to be given the tools, such as a report writer package which can access files on a read only basis, to enable me to look for problems, duplications or errors, easily and effectively. The alternative, and this seems to be the essence of your letter, is that I should subsidise the shortcomings of this system.

I hope this clarifies my position and answers your letter.

Yours sincerely

Alan Bates  
Subpostmaster Craig-y-Don Post Office

Mr Gerry Hayes  
Retail Network Manager  
Post Office Network  
60 Deiniol Road  
BANGOR  
LL57 1AA

Alan Bates

**GRO**

19<sup>th</sup> December 2000

**Reference: Horizon Faults**

Dear Mr Hayes

Further to our telephone conversation on the morning of Thursday 14th December after the problems with our balance the previous day, I thought it prudent to confirm the details to you in writing.

The balance at this office on the Wednesday the 13<sup>th</sup> December was not only very stressful but also very worrying. The evidence that appeared during that day proved beyond any doubt that the Horizon system cannot be relied upon to give 100% accurate figures. The problem which was highlighted to this office that day was with regard to Giro Deposits and at one point the weekly returns were showing a variance, to the addition of the daily returns, of over £6000.

The whole of that afternoon was spent making a number of phone calls to the different helplines, one of almost 1 hour long, and kept two of the three terminals producing nothing but reports, at a peak trading time when we had queues out of the door; though eventually I did manage to track down the majority of the money. That said the cash account for that week is still showing a shortage of £1182.81. I can without any doubt attribute £368.50 of that to Giro items that have been double entered and that I am unable to track because of the way Horizon is set up. Of the remaining £814.31 shortage, I am presuming that £409.15 of that is the shortage from the previous week that has become added to the total. This leaves a difference £405.16 which I am unsure of where it comes from. It may well be a Giro system error as might be the previous weeks £409.15 shortage or it may be something else. Unfortunately the current Horizon system does not let you access previous transactions adequately enough to track problems with shorts or overs at the end of the week.

Having spoken to the local Branch Secretary of the Federation of Subpostmasters on these problems and realising the problems I am experiencing are being found by others around the country I really do believe it would be unreasonable for Post Office Network to hold me liable for losses on the cash account until such time as 100% guarantee can be given about the accuracy of Horizon.

I had been hoping to leave any comments in writing about Horizon until the Office is quieter in January and then write a detailed submission about the cost we have incurred with it (around £1000), the problems with the counter (staff working with money and stamp books on chairs or on the shelf behind them), the very poor layout

of the screen and menus, the slowness of the printers, the lack of report writing facilities, the chaotic end of day and end of week procedures and the problems of having to do 'office work' at a terminal on the counter. Given time I shall produce the report for you.

Please do not think that I am being nothing but negative about the system, I am a firm believer in the way forward being through such a system. But bear in mind my comments are made by someone who has had considerable experience of EPOS systems before joining the Post Office in 1998. I first began working with them in 1986 and have used a variety of systems, I have been involved with running an assessment program on one system and have developed and implemented a large site specific package with a software development company. So I do have some insight into these systems and I would gladly be willing to offer constructive feedback if asked.

With regard to the current deficit showing on our cash account for last week how do you want me to progress this week's balance? Should I just roll it through and see what happens, or what?

I would be very grateful for any guidance or assistance you can offer on this matter.

Your sincerely

Alan Bates  
Subpostmaster Craig-y-Don Post Office