

Witness Name: Ms Wendy Martin
Statement No: WITN0238_01
Exhibits: None
Dated...12/1/2022.....

THE POST OFFICE HORIZON INQUIRY

FIRST WITNESS STATEMENT OF MS WENDY MARTIN

I, MS WENDY MARTIN WILL SAY as follows:

INTRODUCTION

1. I am grateful to the Chair to be invited to provide a “human impact” statement, concerning the physical, psychological, emotional, reputational and financial consequences to me and my family of being held responsible for shortfalls shown by the Horizon IT system and Post Office Limited’s actions toward me and my family. The initial paragraphs below provide a brief summary of my background, and provide context to the detail of the human impact of the Horizon scandal on me and my family. This statement does not reflect a full account of my experiences or those of my family and if necessary or required I will provide further witness statement evidence.

BACKGROUND

2. I and my partner have a 12 year old daughter and live in North Yorkshire. I have two adult children from my previous relationship.
3. After school I went to business training college. After this I worked in accounts and credit control for a number of large companies and a building society. I later worked with the Environment Agency.

4. I also previously worked as an assistant in a post office at Liphook in Hampshire in 1999. I worked there for about two years, but had to return to Yorkshire as my father in law was very unwell with lung cancer.
5. I then worked in the main post office in York. I worked there for about 18 months, but I very much wanted to work in a smaller village post office, as I enjoyed the community feeling of that work.
6. At the same time as I was working in the main post office, I also assisted a subpostmaster who had a post office in York; he was struggling and needed help.
7. On my days off I would work as an assistant with Mr Alistair Murray in the Crichton Avenue post office (the post office of which I later became subpostmaster).
8. All in all, I worked as an assistant in a number of post offices for approximately 16 years before becoming a subpostmaster.
9. I was employed as an assistant by the then subpostmaster, Mr Alistair Murray, at the Crichton Avenue post office. I am aware that Mr Murray is also a core participant in this Inquiry.
10. I knew that Mr Murray had decided that he no longer wished to be a subpostmaster and was looking to sell his business. Mr Murray had a buyer, but the Post Office would not approve the sale.
11. I discussed the matter with my partner. We had just bought our council house. Given my experience we thought it was a good fit and that it would be a secure career.
12. When the sale was not approved by Post Office, I approached Mr Murray and advised him that I was interested in taking on the post office. Mr Murray agree to sell the post office to me.

13. I became a Subpostmistress of Crichton Avenue Post Office, 1 Intake Avenue, Clifton, York YO30 6HB on 9 February 2015. I remained in post until 23 December 2016.
14. I operated a retail business from the premises selling toys, greeting cards and stationery. The shop was very small and it was not viable without the post office.
15. As part of my appointment, Post Office Ltd required me to upgrade my post office to be compliant with disability legislation; including the installation of ramps. The Post Office also insisted on a large number of other changes in the post office to make it far more open plan to allow for wheel chair access.
16. The Post Office also installed all of the networking equipment for their Horizon System, safe, alarm system, pay point machines etc.
17. This refurbishment was a requirement of the Post Office. The cost of this refurbishment was very significant, well over £15,000.
18. I later discovered, during the refurbishment, that the Post Office equipment utilising the same phone line caused serious problems with the Horizon System and other equipment, such as Pay Point and the safe. I also later discovered that this was a problem that was known of in other post offices. At the time I did not know that a single telephone line could lead to serious problems with the Horizon System.

TRAINING AND SUPPORT

19. Whilst I cannot remember precisely when it was, shortly after I started my first post off role (at Liphook in Hampshire) in 1999 we had a 3 day training course on how to navigate the system.
20. Horizon was a brand new system at this time, and the Liphook office was one of the trial offices in which it was used. The training was very basic, showing you how to do basic transactions. The rest of it you had to learn as you went along.

21. When I worked at the main post office in York I was trained on new Post Office products, but not on how to operate the Horizon System. As this was a larger post office, there were colleagues you could ask for help.
22. When I became the subpostmaster at The Crichton Avenue post office a Post Office trainer came for approximately 2 hours. I received no additional training.

HELPLINE AND POST OFFICE FAILURE TO RECTIFY IDENTIFIED PROBLEMS

23. After taking over the Clifton post office the Horizon System caused many problems.
24. However, it is important to highlight that the Post Office and its contractors installed the phone line, internet router and all other systems in the post office.
25. I discovered that as my post office had a single telephone line (installed by Post Office), this caused serious problems with the Horizon system and other Post Office equipment.
26. The Horizon System (with incoming and outgoing transmissions from the Post Office) was competing with the Post Office Gas and Electric Pay Point Machine, also every time the safe was opened it would transmit; again competing with the other transmissions. Also, the post office's alarm system would send signals every time someone was moving around the shop. Similarly, using the telephone also competed with the all these other functions.
27. I would be regularly be called out at night because the alarm was going off, as the alarm system was competing with the Horizon system (which was sending data at night) and pay point system.
28. Similarly the post office's safe was connected to the system and was constantly going wrong. It would report that it was empty, or that sums of money were missing; even

though the money was there. This meant that I had to constantly take the money out of the safe and then reload the safe.

29. However, this would happen again and again, due to failures in connectivity or interference between the various Post Office Systems. I became so frightened that I would be blamed for large sums of money going missing I used to video myself bagging up cash to send to the Post Office.
30. As a result the internet was constantly dropping, causing our Horizon computer to drop out constantly.
31. I was also receiving calls from many clients who had been making utility payments via the Horizon System at my post office, and these payments were being lost by the Horizon System.
32. My customers would call me, every day, about utility payments that had gone missing. I would then have to find the reference for their payment, so that they could contact the Post Office to have the utility payment made.
33. Obviously this damaged my relationship with my customers, as they believed that I was doing something wrong, i.e. keeping their money and pretending to make the payment. As such, this led to conflict with clients.
34. However, the cause was the Post Office installed phone line/internet system, which dramatically affected the Horizon System, as it kept dropping all the time.
35. As I say, I strongly suspected that this was the cause of the discrepancies and shortfalls, and I later, discovered that this was the cause of the constant discrepancies/shortfalls in the system.
36. This was a basic flaw in the system that I am sure the Post Office must have known of or should have known of, as there were hundreds of rural post office across the country who must have been experiencing this problem. Indeed, I spoke to other subpostmasters who had the same problem.

37. I later raised this problem directly with national Post Office Directors Kevin Gililand and Angela van den Bogerd; including with her directly when she came to my post office as a result of my complaints in the press and to my MP.
38. Thus, when I phoned the Helpline seeking assistance, the phone line would drop out.
39. When I would get through the Helpline would say that I would have to reset my internet router. This meant closing the shop. Then the internet would drop again and I would have to call the Helpline again, who would again tell me to reset the internet router. This happened many times
40. I begged for the Helpline to send an engineer. However, they only sent a BT engineer, not a Post Office engineer. I knew that this was not a telephone line issue, but a Post Office issue with their own installations.
41. I sought help from the helpline so many times, sometimes repeatedly on a daily basis begging for them to send somebody out to fix the internet connectivity issue.
42. Things got so bad, and I was receiving no help from the Helpline, that I reached out to Mr Mark Baker of the Communication Workers Union. I was not a member of his union, but he still gave me a lot of help.
43. I was not a part of the National Federation of Subpostmasters, as I did not trust them. I and other subpostmasters saw the National Federation as being untrustworthy and on the side of the Post Office.
44. Mr Baker of the Communication Workers Union was of enormous help. I spoke to him very often, almost every night. He did all he could to help and support me.
45. Mr Baker believed that there was clearly a problem with the Post Office Horizon System and the conflicts between the various Post Office terminals in my post office.

46. He helped me as much as he could, even though I was not yet a member; albeit I became a member later.
47. Mr Baker advised me that there was no point in contacting Paula Vennells (CEO of the Post Office), as he said that she would not assist. However, he advised to contact a senior Post Office Director called Keven Gilliland.
48. I did contact Mr Kevin Gilliland (Chief Executive Post Office Retail). He suggested that I contact with a senior Post Office director called Angela van den Bogerd.
49. The situation became so severe that I decided to close my post office and I went to the local newspapers and said that I would not be reopening the post office until the Post Office came to fix the connection issues that are causing serious issues with the Horizon System. I also took the matter up with my MP and local councillor, both of whom took these matters up with the Post Office
50. As a result of my closing my post office, the press articles, and the intervention of my MP, Ms Van Den Bogerd came to my small post office.
51. I showed her exactly what the problems were. I told her that the problems were causing serious discrepancies. I told her that I had worked on the Horizon System for years, but the system was being seriously affected by the way in which the Post Office has installed their phone line/internet and systems.
52. Ms Van Den Bogerd tried to play down and dismiss my concerns. She referred to a recent BBC Panorama documentary that had been on about problems with the Post Office, and said it was nowhere near as bad as had been reported. However, I would not be put off. I told her exactly what the problem was and asked her to take action to resolve it.
53. However, nothing was done, except to continue to send BT engineers regarding the phone line. However, this had never been the problem.

54. The problem lay within the post office and the conflict between Post Office's various systems in the post office that were conflicting and causing the Horizon System to drop and to lose transactions. BT could not fix this, only Post Office could.

SHORTFALLS

55. In this section, I set out in very brief detail my experience of shortfalls arising from deficiencies in the Horizon IT System, and Post Office Limited's actions as a result. This is only a brief introduction to those matters, in order to provide necessary context for the explanation of the human impact which follows.
56. I would estimate that throughout my position in the branch, I paid (or Post Office deducted) in excess of £8,000.
57. Just some of the shortfalls included the following:
58. In August 2015 I experienced a shortfall of £171.45. This was stopped out of my remuneration by the Post Office on 30 September 2015.
59. In April 2015 I experienced a shortfall of £249.10. This was stopped out of my remuneration by the Post Office on 29 May 2015.
60. In June 2005 I experienced a shortfall of £196.00. I paid this shortfall by debit card in 2015.
61. ON 27 November 2005 I experienced a shortfall of £234.58. I paid this shortfall by cheque dated 27 November 2015. I treated this shortfall as a Post Office loss.
62. On 31 March 2016 I experienced a shortfall of £112.40. I paid this shortfall by cheque dated 31 March 2016.
63. On 1 August 2016 I experienced a shortfall of £185.00. I paid this shortfall by cheque dated 1 August 2016.

64. There was also approximately £1,000 of cumulative shortfalls during the period February 2015 to December 2016. I repaid these shortfalls by cash.
65. On 21 December 2016 I experiences a shortfall of£740.15. I did not repay this shortfall and did not record it.
66. Similarly, I experienced a shortfall of £277.07 on 23 November 2016. I did not repay this shortfall and did not record it.
67. Again I experienced a shortfall of £853.37 on 24 August 2016. I did not repay this shortfall.
68. I must emphasise that the shortfalls and discrepancies were constant and would inflate as I attempted to rectify them.
69. Further, and as I have said, I was also receiving constant calls from customers complaining that their utility payments had gone missing. Many thought that I was stealing from them.
70. My assistants were constantly calling on me during the working day saying, "Wendy, the safe has gone down", and "Wendy, my system has gone down". The problems with the system were simply constant.
71. One member of my staff refused to work unless I was present, as she did not want to be blamed for losses caused by the system.
72. On one occasion there was a shortfall of approximately £350. I investigated this and undertook a full balance check, and then the shortfall increased to over £800. During that day I must have check the balances 40 times, and I could not find the shortfall. However, just before I closed the post office, I checked again, and the money had come back – for absolutely no reason.

73. I was constantly putting money in to balance the system.
74. I estimate that in the two years I was operating, I took home approximately £9,000. However, I paid more than £8,000 to make the system balance.
75. It would be impossible to give a full account of how many daily problems that I was having, and the attempt that I took to get the Post Office to acknowledge the problem and fix it.
76. The stress was simply appalling. In fact for almost two years, I barely slept.
77. I could not have a single day off because of the problems. I had to use Sundays (the only day the post office was closed) to purchase stock for the shop. This meant that I had no time off at all.

AUDIT AND INVESTIGATION

78. Around six months after taking up my position as subpostmistress, the Post Office sent a trainer for a brief count of cash. Whilst this was not a full audit, the cash was around £10 out.
79. After my first closure (caused by problems in Horizon) I demanded an audit before reopening. The action I took caused Post Office Director, Ms Van Den Bogerd, to come to my post office. However, despite this not action was taken by Post Office to solve the problem.
80. There was an audit after this closure, but Post Office auditors found no discrepancies. Again, I complained to the auditor about the problems that I was having. In fact at the start of the audit we checked the balance and it gave one figure, at the end of the audit it gave another figure (not a large sum). The auditor could not explain this discrepancy that occurred while he was present and conducting an audit.
81. It became clear that Post Office would not rectify the underlying problem.

82. I was now deeply unwell, I had not been sleeping for almost two years. My blood pressure was dangerously high, to the extent that my GP warned me that I would have a stroke.
83. I decided that if I continued I would die or become very seriously ill.
84. I therefore took the decision to close the post office. Post Office would not acknowledge or address the problem. I decided that I had been forced into a situation where I had to choose between continuing to operate the post office and going bankrupt or dying, or closing the post office and living. There was no alternative.
85. Approaching Christmas 2016, I informed Post Office that I would not be reopening in January 2017 unless they rectified the problems.
86. I then discovered that Post Office had withheld my salary for December, which would have been over £5,000 due to the volume of trade in this period.
87. I therefore told Post Office that if they withheld my salary that I would take the money that was due to me for my salary from the office funds. The Post Office told me that I should not do this and that they would take action against me.
88. I consulted Mark Baker of the Communication Workers Union. As I say, he had been a constant support to me throughout these problems. He completely sympathised, and said that this was like when you take your car to the garage, if you don't pay the bill, they can keep your car until you pay. He said, that this was money that was due to me from the Post Office, and I was entitled to it.
89. Mr Baker also advised me of the Group Litigation (Bates & Others v Post Office Ltd). He suggested that I become a claimant. I got assistance from the Communication Workers Union in contacting the solicitors who were conducting that litigation.
90. As I say, I therefore took the £5,000 from my post office balance in lieu of my unpaid salary, which was less than I thought was due, and reported this to the Post Office.

91. I therefore closed the post office for good in December 2016.
92. The Post Office sent me formal demands for some £8,800. I refused to pay. In any event, by this time I had nothing at this time.
93. Fortunately, as I was now a claimant in the Group Litigation, the Post Office could not proceed against me.
94. When the court case concluded I received some £24,000, which was a fraction of what I lost and the harm that I had suffered. That money went to pay off a credit card I had used to pay debts arising from the post office and a loan from my father. However, I was still in massive debt. As things stand, I will probably never be out of debt.

SUSPENSION AND TERMINATION

95. I was not suspended but forced to close, because my situation had become impossible. The Shortfalls kept arising, and I had told everyone in the Post Office, right up to the Directors of Post Office Ltd what was the cause of the problems. However, the Post Office refused to fix the problem they had caused, but simply continued to demand that I make good shortfalls that had been caused by their faulty equipment.
96. I was terrified that a very large shortfall would arise, which I would be liable for, and which would make me bankrupt, or that the Post Office would prosecute me over.
97. I had got so frightened that I used to video tape myself preparing bags of money to go back to the post office to protect myself, as I was terrified that the system would report massive losses. I could not live like this.
98. The stress had damaged my health, which was now so bad as to be life threatening.
99. For my health, and to protect myself from bankruptcy and prosecution, I considered that I had no choice other than to close my post office.

100. By email dated 19 December 2016 (and a subsequent telephone conversation) I confirmed to Post Office that I would be closing my branch at 4.30pm on 23 December 2016, and I would not be opening it again due to the problems I had been experiencing with Horizon and Post Office's failure to resolve the problem that I had repeatedly pointed out to Post Office and its national Directors.

CIVIL AND CRIMINAL PROCEEDINGS

101. Post Office did not pursue civil or criminal proceedings against me for the recovery of the alleged shortfalls. However, I had been repeatedly threatened by the Post Office and I feared criminal prosecution or civil action.
102. I am certain that it is only because I became a Claimant in the Group Litigation that the Post Office did not take action against me.

NATURE OF CLAIMS FOR LOSS

103. The Post Office made it clear to me that I had no alternative but to pay the shortfalls. As a result, I paid over £8,000 to make up for shortfalls and discrepancies either from my own funds (or from deductions in my remuneration).
104. I also lost £145,000, which was the value of the business that I lost due to the enforced closure of the post office.
105. To be clear at this time I was simply too ill to keep it going and to try to sell it as a going concern. In any event, as I there had been many news articles about the problems I was suffering in my post office, no buyer would have come forward.

106. Furthermore, I could not sell the post office without the Post Office's permission and they would not have let me sell it unless I paid them the money I had retained for the withholding of my salary.
107. As a result of having to close my post office I was unable to make bank loans and personal commitments, as I had no income. As such, I still have outstanding business loans of circa £14,084.12. I have been paying this off for the last 5 years.
108. My credit rating was destroyed, which has made everything so much more expensive.
109. I lost the cost of the refurbishment which the Post Office insisted of some £15,226. I lost the stock value £4,800.
110. I would have worked in the branch for a further 20 years, during which time I would have expected to earn approximately £734,400 from the branch and £187,020 from the retail business.
111. I was unemployed for 6 months following the enforced closure of my post office, and now work 24 hours per week at minimum wage. It is unlikely I will be able to find further work. If I work until retirement. With luck, I will earn approximately £177,840.
112. I therefore estimate my total loss of earnings post termination to be in the region of £743,580
113. What is difficult to put a price or value on is the damage to my health, self-belief and reputation within the community. The rumours are saying that I and my staff were stealing. I do not know how much damage has been done yet.

HUMAN IMPACT

114. As I have said, I suffered frequent shortages, caused by failures in Post Office's equipment and in the Horizon system.
115. I was certain that that these were caused by faults caused by Post Office's installation in my post office, which caused Post Office Equipment to constantly drop out causing shortfalls and discrepancies
116. I had reported these problems to the highest levels of the Post Office (including Kevin Gililand and Angela van den Bogerd) and pleaded for help. No help was provided.
117. I did not participate in the mediation scheme. However, I was a party to the group litigation against Post Office Limited, and as such I am excluded from the Post Office Historic Shortfall scheme.
118. The only person who supported me through all of this was Mark Baker of the Communication Workers Union. He was always there for me, and did all that he could to help.
119. The flaws in Horizon meant that I barely slept for the two years I was operating the post office. I was worried all the time, I was up late trying to get the system to function and balance and worrying about the loss of customer transactions that went missing on the Horizon System.
120. As a result of the constant discrepancies, I became incredibly ill.
121. My organs were suffering, I was constantly ill. My kidneys, liver, and heart were suffering.
122. I emphasise that I do not drink or smoke. However, the stress caused me so much stress, and this combined with my inability to sleep due to stress, caused problems with my organs. I also developed life threatening blood pressure. My doctor warned me I was going to have a stroke.

123. I closed down as a person and suffered very badly with depression. I had a total mental breakdown, and I was unable to function properly for several years after closing the post office.
124. My reputation also suffered, as the problems in the system, making customers utility bill payments disappear, caused rumours about me stealing from the post office. This made my depression worsen.
125. I distanced myself completely from family and friends, I never did anything. I was too ill to function. My family suffered, and my partner and I moved into separate rooms; our family life fell apart. We still sleep in separate rooms to this day. The strain caused by the post office were too much for us.
126. The house became too much. I had always taken enormous pride in my home, but our once show home grew dirty, because I could no longer bring myself to keep my home clean and tidy. I lost all my pride in myself and my home. My partner struggled with the shell that I had become, and we grew very distant. This had an effect on our young daughter. Her once lovely home life was no longer the same, and her mother was a broken person.
127. We were so poor that when our heating broke down we could not afford to fix it, so we had no heating for 8 months.
128. My parents had been so proud of me that I was the local subpostmaster. Now I drive for Euro Car Parks part time.
129. It is now almost exactly 5 years since I was forced to close the doors of my post office. Those were dark years that almost destroyed me and my family.
130. Although I am improving slowly, as a result of counselling and efforts to live healthily, I am still ill. My liver does not function as it should, my kidneys are still bad, and my blood pressure is still threatening my life.

131. I try to live a healthy life but the stress still causes me problems. I suffer constant and extreme exhaustion, I try to help in the house now, but some days I barely function.

132. The Post Office broke my life. If nothing changes I will be in debt until 2052. The meagre compensation I received from the Group Litigation barely dented my debts and business loan.

CONCLUSION

133. I told the Post Office, right up to national director level, exactly what the problem was that was causing the shortfalls and the many other problems caused by the Post Office's equipment. Post Office knew what the problem was, but did nothing, apart from to demand that I make good shortfalls.

134. I should have had a good lifestyle, working hard as a subpostmaster, serving my community and being paid for my work and earning profits from my retail business. Instead, I lost everything, and I will be in debt until 2052 paying back the losses from the post office.

135. I need to get back what I lost and what was taken from. By this I mean, my direct financial losses, and lost future earnings. However, I also mean the damage to my health and reputation.

136. I would also like to see the Post Office held to account. I would like to see Angela van den Bogerd give evidence to this Inquiry and tell the Chair of the Inquiry about her visit to my little post office, when I showed her the cause of the problems. I would like her to explain why she did nothing.

137. I am an ordinary, hard working woman. I have been broken by the post office. I deserve help in putting my life back together.

STATEMENT OF TRUTH

I believe that the facts stated in this Witness Statement are true.

GRO

Signed.....

Dated.....

12 / 1 / 22 .

Wendy Martin