

WITNESS: JOHN DICKSON

STATEMENT NUMBER: WITN0166_01

EXHIBITS: 0

DATED: Jan 14, 2022

POST OFFICE HORIZON IT INQUIRY

FIRST WRITTEN STATEMENT OF MR JOHN DICKSON

THIS STATEMENT IS PROVIDED IN RESPONSE TO THE RULE 9 REQUEST OF THE PUBLIC INQUIRY DATED 29/10/2021 TO ADDRESS THE HUMAN IMPACT OF THE FAILINGS OF THE HORIZON IT SYSTEM

I, MR JOHN DICKSON, Date of Birth of
 will say as follows:-

PERSONAL BACKGROUND

1. I am currently 65 years of age. I live with my wife, and we have been married for over 37 years. We have two grown up sons, is coming up to his and my youngest son, My wife and I are currently employed.
2. Prior to working for the Post Office, I worked for Rolls Royce for 23 years. Initially, this was via a day release at Tile Hill College, Coventry, whilst I was studying engineering. I then continued with Rolls Royce as a skilled fitter, centre lathe turner, vertical borer and CNC vertical borer. These tasks also

included inspecting the finished product to make sure it was correct and fettling the air intake casings which included forming the aerofoils. When the Parkside site closed I moved to their Ansty factory. Rolls Royce then made a number of people redundant, so I felt this was a good time to embark on a new role.

POST OFFICE HISTORY

3. I was Sub-postmaster of the Terling Post Office branch in Essex for thirteen years, which I bought on 17th January 1996.
4. Whilst I was running the Post Office in Terling, I called the landlord as he wanted to up the rent unreasonably. I also noted at that time that in the next village, Hatfield Peverel, they were building a supermarket, and I was concerned that this was going to affect my trade.
5. We therefore decided to move to Mansfield, as we also wanted to get back on the housing market and this was then something we could afford to do, as a result of relocation.
6. I took over Pleasley Post Office on 19th April 2009 and I became the Sub-postmaster. My wife Mandy and I operated the Pleasley branch together and we employed someone to work part time on Monday, Tuesday and Wednesday mornings 9am-12pm. The Post office was in a retail shop.
7. My wife and I took out a mortgage and a business loan. The mortgage was for around £100,000 and the business loan for around £29,000. The purchase price was £178,000. The purchase price included fixtures and fittings.
8. My wife and I worked in the Post Office and so the wage was split between us. In 2011 the Post Office salary was £29,602.00. I do remember the retail store not generating very much.

9. The Post Office was also part of a convenience store. We provided an extensive range of services including car tax, moneygram, pensions, giro, National Savings & Investments, bills and currency. Car tax became very successful as we had a lot of small car traders in the area. We had one assistant who worked alongside my wife and I in the Post Office.
10. We had two weeks training when I first took over Terling Post Office back in 1996, when it was all paper balancing.
11. Horizon was introduced in around 2000. When I was in my first Post Office, Mandy and I had a day and a half's training each when Horizon was introduced; however, I was able to use the system before it went live. The accounting system was Horizon by the time I bought Pleasley Post Office. When I took over Pleasley in 2009, we had a lady with us for about a week, but she only really showed us how to do car tax as we hadn't done this previously.
12. I was suspended on 14th October 2011 due to the events I will go on to discuss.
13. The branch was part of the home we lived in and still is where my wife and I live now. We are however looking to move out of the area. We have felt somewhat trapped, because the Post Office placed a charge upon our property, meaning we could not move and we have had to remain in the village, unable to move forward with our lives. Whilst the majority of the residents of the village have been understanding, some have been difficult and rude.

CRIMINAL ALLEGATIONS AND ANY PROCEEDINGS/CONVICTION

14. I had experienced shortages with the system, and I often had to put money into the system. I used to think the system could not be that far down. I would report it to the helpline, but they never believed it could be a system issue.
15. If there was a discrepancy on balancing night, I would always have a few pound coins, in a little bag in my money drawer, so I would put the money in. Then when it came back on the system, I would take it out again. It was never usually more than £5 or £10. I did occasionally receive error messages on the system.
16. We had further increasing shortfalls and at one point the Post Office deducted the money from our wages of around £350, without prior notice and no investigation. We did report the losses but never got any joy from the helpline. I don't remember the name of my area manager as I never met them.
17. When I counted my own cash, there were shortfalls, but we always thought they would come back to us, in the form of an error notice but they never did. We know of at least one occasion that we would do a car tax transaction and we knew it should've been £140.00 for the 12 months, yet when we scanned the barcode, it came up as zero. We did ring the helpline and were told if that was what came up then that was what it should be and to process the transaction. We later found out that once the transaction went to DVLA, they would have charged us the £140, but we were never informed of this, hence some of the shortfall which we couldn't see. We do not of course know how many times this happened, but we did a lot of car tax transactions.
18. When I received my Rolls Royce pension, I paid a lump sum of £3,000 into the Post Office to try and pull the figure back down, but it kept growing bigger.

19. I was not aware of any other Sub-postmasters in the same situation as me. I knew I would be responsible for paying shortfalls back as it was in my contract. It was only during the court hearings when we found the Justice for Sub-postmaster's Alliance and Alan Bates, who we rang for advice. I never had anyone come to branch when the issues started happening with Horizon. It was well before the audit that the discrepancies started becoming very large. My wife and I discussed our concerns, and we were very worried but didn't know what to do. We agreed it was a system error, and that the discrepancy would come back to us.
20. The auditor visited my office on the 14 October 2011. It was just one man. He carried out the audit and he told me there was a shortage of £23,000 but I had no idea how it could be that much. He then closed the Post Office and I was suspended immediately.
21. I was then interviewed with my wife in Chesterfield at the Post Office at Future Walk, by the Post Office on 3 November 2011. The investigator was Chris Knight. I had with me a federation representative who was worse than useless. I believe her name was Kim Ledger. One question sticks in my mind out of the many that they asked me and that was "where do you think the money has gone?". I told them that it was in the system. They did not believe this. They searched my house, my car; it felt like they searched everything.
22. The Post Office then gave me a choice, either resign as Sub-postmaster or my contract would be terminated anyway. I chose to resign.
23. I recall receiving a summons in around March 2012.
24. Both my wife and I were charged and it was only when it went to the crown court and we met with the barristers, that my wife was told that as she had never

signed anything she should never have been taken to court and her barrister said he would get the charge dropped for her.

25. I initially pleaded not guilty but then I was told if I pleaded guilty, they would drop the charge against my wife. We took legal advice from Melanie Hoffman at Bilton Hammond Solicitors, who are now Banner Jones. I cannot recall my barristers' names but they were from Low Pavement in Nottingham.

26. My wife was never told of this legal advice until we were in court, it was all agreed between the barristers. I was unaware at that time that my wife should not have been taken to Court. I was informed I may be given a prison sentence, so I did plead guilty on 4 July 2012. I presented at the Mansfield Magistrates Court initially, then at a couple of hearings at the Nottingham Crown Court.

27. I was sentenced on 26 July 2012. I received an 8 month sentence suspended for two years. I also received 180 hours of community service. We were also told we had to repay the alleged shortfall. A month or so after this hearing, we had to go back to court as the Post Office took out a confiscation order. The order was made on 12 October 2012. We were ordered to pay back at a rate of £15 a week, then we had to go to court again and this time the Judge said we had to pay £100 a week, which we struggled to pay. Shortly after this we went to court again and it was determined that even if we sold the property, because we weren't selling a business there would be no money left over to pay the money owing, so it was all cancelled. We repaid a total of £775.

28. I started my community service a week after my court case and completed it by the end of the year.

29. My conviction was overturned on 19 July 2021 and the judgment was handed down on 7 October 2021.

THE HUMAN IMPACT

30. The human impact which the failings of the Horizon IT System have had and continue to have upon me and my family are set out in the remainder of this statement. The section headings follow the particular questions posed by the Inquiry.

WHAT WERE THE CONSEQUENCES OF BEING REQUIRED TO MAKE GOOD APPARENT SHORTFALLS SHOWN BY THE HORIZON IT SYSTEM?

31. The Post Office placed a charge on my family home which has made it very difficult for my wife and I to move on from everything, as the house is located next to the Post Office. I feel I have been held prisoner and we are hoping we can move soon and start afresh. The charge has now been removed although we were not initially informed of this.

32. We are planning to leave the property later this month and to move into rented accommodation whilst we can get the property ready for the market. We will be moving out of the area, whilst in the main the majority of the residents in the village have been supportive overall, we have still had issues.

33. I am confident I would have remained working as a Sub-Postmaster until retirement had it not been for the conviction.

34. My conviction very much affected my situation financially. The only reason we survived was because our youngest son was still at college, which meant we could get child tax credits. Without that, I had no idea what we would have done. The bank froze our mortgage, and we were lucky because our local MP wrote

to the bank Natwest, so it was not pushed to be repaid by the bank. I anticipate as a result we have paid much more interest than we would have.

35. We just about managed to pay everyday bills. I took my pension from Rolls Royce which helped. If I had not had this pension, my family would have been in real trouble. It was never my intention to claim this pension in my fifties. I would have claimed it at retirement age. It was a lifeline initially and will not offer me the cover at late retirement it should have, due to me taking it early.

WHAT WERE THE COSTS OF MAKING GOOD ALLEGED SHORTFALLS SHOWN BY HORIZON?

36. Initially, before the audit when I was suspended, we paid smaller ad-hoc sums as and when we needed to try and balance the alleged discrepancies and shortfalls as detailed above.

37. I made four or five payments of around £100 pounds a time in relation to the shortfalls. Unfortunately, I don't have a record of the exact amounts paid. I also paid £3,000.00 from my private pension once I received it, as detailed above.

38. To the best of my recollection, I also paid £350 direct from my wages. This was taken without prior knowledge.

39. In respect of the larger shortfall found at the audit and the subsequent confiscation order, we only started to pay the money back when the court made a confiscation order and we only paid £775 back before it was cancelled.

HOW WERE YOU AFFECTED WHEN ALLEGED TO BE RESPONSIBLE FOR SHORTFALLS OR DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?

40. The Post Office brought in someone called Ian to run the Post Office once I resigned. This was hard given the proximity to our home.
41. The effect of my conviction on my family and on the community was devastating. We knew we had not done anything wrong, but we always thought it would be resolved. When the other people took over the Post Office, we were unable to go out for a long time, as we felt such shame, it was awful. I still find it very difficult to discuss and to revisit as it was a truly terrible time.
42. At the time, I just wanted to keep my wife out of it, as I did not want her dragged into the mess. I felt they used this against me. In hindsight, she was never involved as she had not signed anything. If I had known this at the time, I believe I would have pleaded not guilty.
43. The conviction has had a profound impact on me. I am not one for going to the doctors however, I have suffered with weight loss, sleeping problems, worry and stress. I think the conviction and what we have been through would impact anyone's wellbeing and mental health. My wife, Mandy, has managed to remain strong, but I am not the person I was before my conviction at all.
44. I have recently been assessed by an independent expert and I have been diagnosed with depression.

WHAT WERE THE CONSEQUENCES OF BEING HELD RESPONSIBLE FOR SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?

45. As indicated above, I received a suspended sentence for two years. I also had to complete 180 hours of community service. I was also initially required to repay the alleged shortfall and had a charge placed upon my home.

46. The Post Office gave me a choice, either resign as Sub-postmaster or my contract would be terminated anyway. I chose to resign. I did not regain employment for some time, and once I did this was initially very sporadic.

WHAT WERE YOUR FINANCIAL LOSSES CAUSED BY ACTION TAKEN AGAINST YOU IN RELIANCE UPON HORIZON DATA?

47. I haven't sold the building yet, but I will get a lot less than the amount I paid as there is no longer a business to sell with it. I bought the property for £178,000, and I will probably get around £100,000. I am due to get a valuation on the property in the near future.

48. My income became nil, other than my private pension, which I had to take early to help with the problems. I was out of work for approximately 12 months.

49. My wife lost her income as well and was also out of work for just over 12 months.

50. I also had to pay back money after the confiscation order was made. In total we paid back £775 in relation to this. This is in addition to the shortfall sums paid prior to the audit detailed above.

WHAT EFFECT DID IT HAVE TO BE ACCUSED OF COMMITTING CRIMINAL OFFENCES AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?

51. The accusations and conviction have had a profound impact on me and my family. My wife has been very strong.

52. Given our home was linked to the Post Office we had to inform the children which was hard. Our youngest was at senior school at the time and thankfully this was out of the area, and he did not encounter any problems at school as a result, that I am aware of in any event. Despite this, it has been hard for the entire family especially living in such close proximity to the Post Office.

53. I recall the press coverage and whilst most of the village remained supportive there was still many residents who were rude or have been difficult over the years. I recall many instances when they would shout across the street at my wife and I, claiming we stole from the Post Office. It was very awful and even now, there are still some people who will be rude and/or ignore my family.

54. I never received any explanation from the Post Office for its behaviour. I feel we were treated appallingly; it was just awful. We supposedly had the general secretary of the Sub-postmasters federation on our side, and when it came to the interview, they did not help us at all. I remember them even telling my wife at the interview that I must have a gambling addiction she was unaware about, and this is what the money was being used for. The Post Office, we were informed, later lost this taped interview.

WHAT WERE THE CONSEQUENCES OF BEING CONVICTED OF A CRIMINAL OFFENCE AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?

55. The consequences of being convicted as a result of the Horizon IT System involved me being advised to plead guilty for something I did not do, I received an 8 month sentence suspended for 2 years and I had to do 180 hours of community service.

56. I understandably encountered difficulties with gaining new employment. For the first two years it must be declared that you have a conviction and when you advise you have a conviction for false accounting which is essentially fraud, an employer loses all trust in you straight away and makes assumptions. It has therefore taken a lot of years for me to feel valued and trusted in the workplace. The conviction placed me at a huge disadvantage on the labour market.

57. After the Post Office, I did not gain employment straight away. Initially, I had a lot of temporary holiday cover work. My wife did not start work until October 2012.

58. My first job following my conviction was in August 2012 for a couple of weeks. Initially my employment was temporary via agencies and very sporadic but then I worked continuously from April 2016.

59. From then until 2020 I worked as a machinist, and from 2020 until present, I have been working as a quality inspector. This was initially agency work but I now work for QCI at Bombardier.

WHAT EFFECT DID THESE ISSUES HAVE UPON YOUR RELATIONSHIPS WITH YOUR FAMILY, FRIENDS, COLLEAGUES AND LOCAL COMMUNITY?

60. My wife and I have been married over 37 years. My wife has been very strong but clearly my conviction has had a significant impact over the years on our marriage. We are however thankful to have a close family and close friends who have supported us through it all.

61. Over the years, the conviction has impacted on relationships with residents of the village and has led to us wanting to leave the area.

PLEASE DESCRIBE THE DIRECT AND INDIRECT EFFECT WHICH THESE ISSUES HAD UPON THE MEMBERS OF YOUR FAMILY?

62. As alluded to above, the conviction has had a massive impact on my family, it goes without saying. The Post Office was our livelihood but also our family home. My wife had to gain alternative employment; I have had to claim my Rolls Royce pension much earlier than I would have but for the conviction. We had not been able to move house because the Post Office placed a charge over our property. It has truly been awful.

63. We lost the respect of residents in the village and put our children through this ordeal.

64. We are planning to leave the area which we once considered to be our forever home but we can no longer stay living next to the Post Office given everything that has happened.

CONCLUDING REMARKS

65. I am absolutely over the moon that my conviction has been overturned. I knew I had done nothing wrong. The system was definitely the root of the problem; we never had any problems previously with anything like that prior to the introduction of Horizon.

66. Despite my conviction being overturned it will not undo what happened and what myself and my family have been subjected to.

67. I am looking forward to moving house and a new start.

Statement Of Truth

I believe that the facts stated in this witness statement are true.

Signed:

GRO

Position Or

Office Held:

Print Full

Date of signature: Jan 14, 2022

Name: MR JOHN DICKSON

FILE REFERENCE: **GRO**

