

Witness Name: Mrs Suzanne Palmer
Statement No.: WITN0224_02
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Dated: 9 February 2022

THE POST OFFICE HORIZON INQUIRY

SECOND WITNESS STATEMENT OF MS SUZANNE PALMER

I, MRS SUZANNE PALMER WILL SAY as follows:

INTRODUCTION

1. I make this witness statement to update the Chair and the Inquiry on my recent experiences with the Department for Business, and regarding the inadequacy and unfairness of government's efforts to compensate subpostmasters. In particular, I provide this statement to detail the continuing impact on me and my family of the government's continuing inadequate and changeable approach to compensation and reparations.
2. This is my second witness statement in this Inquiry. The first witness statement I provided addressed the 'human impact' of the issues with Horizon and of Post Office's conduct toward me. I refer to that statement in full in terms of my background and the full details of my experiences.
3. For the purposes of this statement, it is necessary only to briefly set out that background. After working as an assistant in a post office, I invested in a post office I had previously worked in. I managed the post office from July 2003, and was

subpostmaster between September 2004 and October 2005 of the branch in Rayleigh, Essex.

4. After experiencing shortfalls of approximately £9,000, and a subsequent audit, I paid Post Office the money that the Post Office alleged I owed them. I did so under threat of criminal prosecution, and an assurance from Post Office that if I paid the amount of the alleged shortfalls, I would not be prosecuted. Post Office went back on that assurance, and I was prosecuted in spite of my paying the amount that the Post Office alleged I owed them in shortfalls, and in spite of the Post Office's assurance that I would not face prosecution. I rely on my first witness statement in this respect, and in particular the detail of the pain and torment of my prosecution, and my trial. In particular, I rely on the following passages of my statement:

'5. The Post Office pursued criminal proceedings against me for three counts of false accounting. I pleaded not guilty and insisted on a trial. A trial was held in January 2007. I have never felt so afraid in my life. The Post Office told me that if I did not plea[d]se guilty and was found guilty I would definitely go to prison. There was a real chance that I would go to prison. However, I had done nothing wrong, and I was determined not to be branded as a criminal. Following a three day trial, I was found not guilty by the jury on Friday 29 January 2007. The Post Office was ordered to pay all legal costs (£78,000).

'6. Prior to the trial, Post Office told me that if I pleaded guilty, I would only receive a community sentence, but if I plead not guilty and was found guilty I would go to prison. I was terrified that I would go to prison for something that I had not done, and Post Office were pressuring me to admit to something that I did not do.

'7. My husband and my sons were very supportive and encouraged me to stand my ground and plead not guilty. I did not give in to the pressure from Post

Office, but it did affect me. I had so many sleepless nights as I waited and fretted over the forthcoming trial.

'8. My local community signed a petition defending my good character. I believe that this petition gained over 600 signatures. [GRO] (who took over as the temporary subpostmaster) also came to Court to appear as witness supporting me.

'9. The lawyers representing Post Office spoke to my barrister and said that if [GRO] gave evidence, they would prosecute her. [GRO] had 2 young children and we did not want her to take this risk so she did not give evidence.

'10. I vividly recall that after the verdict was confirmed, as I was leaving Court one of the Court ushers came to me and hugged me. She said that she was "so sorry" that I had to go through the trial. On conclusion of the trial 2 members of the Jury also spoke with me and said that they knew within 10 minutes that I was not guilty.

'11. I called Alan Lusher the day that the verdict was handed down and told him that I was found not guilty. He was really pleased with this. However, I had been through months of hell, and even though I was proved innocent the Post Office took away my job, my income, my business and my future.'

5. My contract with Post Office was terminated, in spite of my acquittal. I was found not guilty by a jury of the actions which the Post Office accused me of, yet the Post Office treated me as though I was guilty. This increased the financial and personal suffering I experienced. As I detailed in my first witness statement, the losses I have suffered are considerable. In fact, I lost everything; my business, my position, my income, my home, my car and my personal belongings. The Post Office did not even pay me in lieu of notice.

6. My life was dramatically changed for the worse by the actions of Post Office. I still live in financial insecurity 15 years later, and continue to live in a small council flat in an unsafe area. We had to sell all of our assets and valuables to try and prevent bankruptcy, but it was futile.
7. Over the past year or so, a number of subpostmasters who were convicted at trial, or who pleaded guilty, have had those convictions overturned by the Court of Appeal.
8. In July 2021, the Department for Business announced an 'interim' compensation scheme for those subpostmasters, to help with their immediate financial pressures, recognising the harm and stress which the criminal prosecutions had on those individuals. The scheme provides for interim payments of up to £100,000 for those subpostmasters, payable within 28 days of an application being made.
9. I believe that those subpostmasters wholeheartedly deserve that compensation and more. However, eligibility for the scheme is narrow, as the interim compensation is available only those who: (a) were criminally prosecuted; (b) found guilty; and (c) have since had those convictions overturned by the Court of Appeal. As a result, a huge majority of subpostmasters affected by this scandal are excluded from receiving compensation which they need and, I believe, they are entitled.
10. I am excluded from this scheme because I stuck to my principles, as I knew I had done nothing wrong, and therefore pleaded not guilty and fought the wrongful prosecution. I am now being penalised for successfully defending myself against allegations which I knew to be untrue, and for exercising my right to a trial.
11. Again and again I have thought that it was a mistake that I pleaded not guilty, and also that it was unfortunate that I was acquitted. This is because if I had pleaded guilty, been convicted and then had my conviction quashed, I would have been entitled to some compensation. As I said in my first witness statement: it seems that I have lost everything for defending my innocence.

12. I feel that my exclusion from compensation, and the exclusion of others like me, is little more than a continuation of the victimisation and harms which occurred at the time. It has brought the suffering into the present day, and I feel as though preventing me and people in my situation from receiving compensation is a continuing injustice.
13. In August 2021, shortly after the announcement of the interim compensation scheme, I wrote to Paul Scully, the Minister under whom the compensation scheme was devised and announced. That email is exhibited to this witness statement. I asked the Minister why I was excluded from receiving interim compensation, when I had the same experience of prosecution and criminal trial as those who were convicted.
14. I received a response from the Minister on 1 December 2021, which is exhibited to this witness statement. The letter was dismissive. It stated that as a litigant in the group claim against Post Office Ltd, I had received compensation and that the department could do nothing more. It repeated that government would not provide any further compensation to subpostmasters who were claimants in the group litigation, as a full and final settlement had been reached.
15. It is important to say that although I received a payment from the Group Civil Litigation, of that sum, half was taken in lieu of my bankruptcy and by the Administrators. I was made bankrupt by the Post Office as a result of their prosecution of me and dismissal from my post as subpostmaster despite being found not guilty after trial.
16. I responded to the Minister on 2 December 2021. I wanted to ask the Minister why the government had decided that those who had been convicted were more entitled to compensation than those who were prosecuted but not convicted. My email stated:

“Since I received your reply email which you dictated ,and dismissed mine 3 months after I sent it , perhaps we could have a face to face meeting so you can explain how you came to the decision that some people who were

prosecuted are more important than others compensation wise . Only the outcome was the same for me guilty/ not guilty”

17. I eventually received a response on 13 January 2022. That response is exhibited to this email. In his response, the Minister stated:

*‘Members of the Group Litigation Order (GLO) who have had criminal convictions overturned are eligible for compensation as part of the overturned criminal conviction settlements. **The Compensation is open to all those who were prosecuted, including those not convicted and will be determined based on individual circumstances.**’*

[emphasis added]

18. When I received this letter I was delighted. The Minister, and the government, had confirmed in writing that I was eligible for compensation. It meant that my constant financial worries and my stress might be over. I would finally be able to move on with my life, and I could lift myself away from the consequences of the Post Office’s conduct towards me and the impact it has had on my life.
19. Importantly, I felt as though the suffering I had experienced was being recognised, and that I was finally being vindicated after being marginalised for so long.
20. That night, after receiving the Minister’s letter, I could not sleep. I was so excited and hopeful about the changes I could make, and how my life could and would be improved by receiving some interim compensation. I thought I could finally go back to being myself again.
21. I was advised that my solicitors met with the Minister’s senior representatives at the Department for Business on 19 January 2022. I was advised that my solicitors raised the Minister’s letter of 13 January at that meeting.

22. On 2 February 2022, I received another letter from the Minister, which is exhibited to this statement. The letter was short. In it, the Minister went back on his previous letter. His letter stated:

'I stated that members of the GLO who have had criminal convictions overturned by the courts are eligible for compensation as part of the overturned criminal conviction settlement process, I then went on to explain that in addition to those members of the GLO, compensation is also open to individuals who were prosecuted but not convicted and that such claims would be determined on individual circumstances. I wanted to clarify my explanation that because of the terms of the settlement, this does not refer to members of the GLO who were prosecuted but not convicted.'

'The position in relation to members of the GLO who were prosecuted but not convicted is different to those who were convicted under the terms of the settlement agreement. The position of people who form part of this group is that they have already fully settled their claims against Post Office Ltd.'

23. When I read the Minister's letter, I was devastated. It felt like a punch in the stomach. I was being told that I was being punished all over again. My hopes had been raised by the Minister's letter of 13 January 2022. I believed that there was finally hope that there would and could be change in my life after suffering for so long. However, my hopes were dashed by the Minister's letter of the 2 February 2022. Once again, I was told that I was excluded.
24. I do not need to explain the suffering that I have experienced. I have done that already in my first witness statement.
25. However, when I received the letter from the Minister on 13 January 2022, I thought that I had turned a corner. I was up all night, as I could not sleep with excitement. The opportunity to apply for compensation through the interim compensation scheme

might completely change my life. To be told, less than three weeks later that I was to be excluded from any route to compensation broke me. I did not know what to do with myself. I was crying and weeping. My husband is a sick man, and I cannot lay my worries on him. So, I am left once again to feel alone, excluded and rejected.

26. The impact of this scandal is not limited to the time in which it took place. I continue to feel the effects now and every day. The government and Post Office continue to reopen old wounds and refuse to make things right.
27. The Minister and Post Office make statements saying that they will fix things, and give justice to people like me, but they only continue to hurt subpostmasters and even make things worse.
28. As I believe I have shown in this statement, the Government and Post Office are heartless in how they treat victims like me. They think nothing of raising my hopes with a letter only to pull the rug from under my feet with another letter.
29. Before the Post Office took action against me over supposed shortfalls, I was a different woman, living a different life. I had a good position as a subpostmistress, with an income, profits from my shop, standing in my community and a future. I had a fine home, a good car, decent holidays and my own jewellery and belongings.
30. After the Post Office threatened me into paying them for the supposed shortfalls on the promise of not prosecuting me, and then prosecuted me, my life came apart at the seams. I lost my position, I lost my income, I lost my home, our car; and even my jewellery had to be sold to the bills and costs that mounted up as a result of the Post Office actions against me.
31. After losing our home and great struggle, we finally managed to get a social housing flat. My flat is so small that if I have family come to visit me, I must disassemble the furniture so that there is space for them to sit down.

32. Almost exactly fifteen years ago I was sitting in the dock of the Court with a police woman standing behind as I fought to prove my innocence. Fifteen years on, I am told by the Minister that I will have to continue to live with the consequences of government's and Post Office's actions against me. I feel simply cut off from justice.

Statement of Truth

I believe the contents of this statement to be true.

Signed GRO Dated 9.02.2022

Suzanne Palmer