

Witness Name: Ms Rita Threlfall

Statement No: WITN0236_01

Exhibits: None

Dated: 14/1/2022

THE POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF MS RITA THRELFALL

I, MS RITA THRELFALL will state 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 PRIOR TO APPOINTMENT AS SPM

2. I am originally from Liverpool but I now live in Stockton-on-Trent, we moved here in 2014.
3. I am married to my husband of 48 years. We have two children, a son and a daughter. They are both married and I have four grandchildren.

4. My husband and I currently live with my daughter and son-in-law.
5. Prior to becoming a subpostmistress I worked in the finance department for a large engineering company. I worked on the company accounts, wages and VAT.
6. I held this position for 22 years until the age of 40. I then decided to take a break from work until I was 43.
7. I had a financial background and many years of experience of working with numbers and handling cash before I took on the role of a subpostmistress.

DECISION TO BECOME A SUBPOSTMASTER

8. I was the subpostmistress of the Ford branch; 51 Ford Lane, Ford, Liverpool, L21 from 15 January 1998 to 16 August 2010.
9. My husband wanted a career change and between the two of us we decided we would like to work together.
10. We decided to run a mini supermarket for some friends of ours to see if retail was suitable for us. We ran this business very successfully for 12 months.
11. The subpostmaster at the local post office told us he was going to retire, and he approached me and my husband about taking over the office.
12. The subpostmaster at the time came to our home to discuss the opportunity with us and after some discussion we decided it was something we would like to do.

13. We bought the local post office and shop and set up a partnership together. I took on the post office side and my husband took charge of the retail side.

14. We invested £105,000 into the post office and shop. We put in £35,000 from our savings and we took out a loan for £70,000.

TRAINING AND SUPPORT ON THE HORIZON SYSTEM

15. I attended the Atlantic Tower hotel in Liverpool for 1 ½ days' worth of training in total. There were approximately 10 of us on the course.

16. We were shown how to navigate the Horizon system and taught basic transactions such as how to process the selling of a stamp.

17. On the second day of training, we were shown how to do a balance on the Horizon system. My system did not balance and many others in the room did not either. The trainer did not seem to be concerned by this.

18. I found the training to be quite overwhelming and completely inadequate for running a post office branch.

19. The training was more a simulation and not something that could be related to real life scenarios.

HELPLINE

20. I cannot remember how many times I contacted the Helpline, but it was many times during my tenure as subpostmistress.

21. After the Horizon System was introduced, the Helpline was adequate for about 12 months. Thereafter, my calls were rarely returned. The Helpline did not explain the process. They would just tell me to press buttons, without any real explanation.
22. My staff and I contacted helpline over discrepancies for various issues, euro holding figures, prepayment cards, and discrepancies of stock and of stamps but nothing was resolved.
23. The helpline didn't want to do anything; I was just told to wait until the issue went away or to call back the following day.

SHORTFALLS

24. 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.
25. When I initially took over the Post Office it ran on the old system and never had any problems with that system. It was easy to check if there was any discrepancy.
26. In or around winter 2000 the Post Office brought in the Horizon System and this ran fairly smooth for the first few years. It was around 2004 when I began to experience the problems.
27. I would estimate that throughout my position in the branch, I paid or Post Office deducted from my salary in excess of £9,000. The Post Office also pursued me for further shortfalls and brought charges against me.

28. On 9th July 2010 a shortfall arose amounting to £22,000. This was repaid by me via a loan from my son.
29. My balances were so erratic that following this £22,000 shortfall the next week I had a surplus of £14,000.
30. Subsequently, I took the £14,000.00 surplus out of the post office, through the official channels as required, to partly repay my son for the loan, leaving a difference of £8,000. there or thereabouts, which I never recovered.
31. After this, I had an audit (details below) which revealed an alleged shortfall of £36,274.55. I was suspended, investigated, interviewed, my contract terminated and subsequently prosecuted, although the charges were dropped.
32. Other than the amounts mentioned above, I remember a further shortage of £700 which had something to do with National Savings. I settled this amount centrally and it was deducted from salary at source. The Post office gave me no option but to settle this in order to get a balance on balance day.
33. Other than the above there were shortages of around £10 / £20 here and there nearly all the time which my husband and I were paying into the post office to balance the accounts.

AUDITS AND INVESTIGATIONS

34. Prior to the audit below, I had £22,000 showing in the suspense account so I spoke to The Chesterfield Headquarters after I put the cheque in and was told to leave it in the suspense account and when I get the changeover simply explain the situation and the Post Office will sort it all.

35. On 9 July 2010 I had a system upgrade, it was described as "Horizon Online" and the Post Office sent a man called Mark Greenwood to do the migration.
36. A balance was conducted and the Horizon engineer said that he would "need to call somebody in". Paul Williams who I think was the Post Office area or regional manager came and I was asked to leave and go into back of the shop.
37. An auditor, called Jane Timms came into the shop to conduct an audit and found an alleged shortage of £36,274.55.
38. I was not presented with any breakdown of this figure, and I had no idea where it had come from, especially given the fact that there was the £22,000 sitting in the suspense account.
39. Paul Williams came into the office to talk to me and he said they had found a substantial loss. Paul Williams said, *"If it had been £1,000 we would have written it off but because it was so large we couldn't"*. Paul Williams advised me to contact the National Federation of Subpostmasters.
40. I said to Paul Williams, something along the lines of, *"I cannot believe this is happening, I cannot be short"*. In reply Paul Williams said, *"That's what they all say"*.
41. I was suspended and a temporary Subpostmaster was appointed, a Mr Patel, as I recall. I spoke to Mr. Patel him over the phone and he said *"be very, very careful of the Post Office they're not to be trusted"*.
42. I signed an agreement to allow a temporary Subpostmaster to take over.

43. There was no adequate investigation carried out by the Post Office despite the fact that I was assured, and believed, that an investigation was being conducted at the time.

SUSPENSION AND TERMINATION

44. I was suspended on 09 July 2010, the same day as my audit, this was confirmed by letter.

45. Just days later I received a further letter saying the Post Office were considering my summary termination, and I was invited to submit written evidence or attend an interview.

46. In August 2010 I had to go for an interview under caution with a Post Office Fraud Investigator, Stephen Bradshaw. The interview took place at a Post Office sorting office in Liverpool.

47. Prior to this interview all communication had taken place over the phone. I informed the Post Office prior to attending the interview that I am disabled and cannot walk.

48. Upon arrival they left my husband and me in a hall way, we asked for a chair and never received one. I ended up having to sit down on the stairs.

49. The interview room was upstairs and I told them there was no way I could make it up the stairs. In order to make it to the interview room I was placed in a tiny parcel lift.

50. I was interviewed under caution.

51. The interview was horrendous, I had a solicitor with me and I provided a "No comment" interview on my solicitor's advice.

52. At the end of the interview the Post Office Investigator turned off the tape and the chap turned to me and said *"do you wear a watch, I said yes and I can see you wear earrings*

and rings, and, what are the colour of your eyes” so I responded and he said in a joking manner “good so we’ve got a description of you for when they come”. It was so awful I nearly fell to the floor when he said that. I couldn’t believe what I had heard.

53. My contract was subsequently terminated by the Post Office in relation to the alleged shortfalls, this was communicated by letter and charged with theft and false accounting.

54. I appealed the decision to terminate my contract. Due to my failing health, this was done by written submissions. I received a letter from Post Office Ltd confirming they had received my submissions. My solicitor attended the hearing on my behalf and a no guilty verdict was subsequently recorded.

55. Following my termination as a subpostmaster we continued with the retail side of the business but it ran at such a loss it became unsustainable.

56. I was told that I couldn't sell the Post Office side of the business because my contract had been terminated, I lost approximately. £95,000 in this respect.

57. By summer 2010 the retail business ran at such a loss, we just walked away, we were unable to sell to retail side.

CIVIL OR CRIMINAL PROSECUTION

58. The Post Office decided to take the matter to Court. I pleaded not guilty and the matter was sent up to the Crown Court.

59. I was too unwell to attend court. I was disabled when I took over the post office but I was still able to drive and manage in my office with the support of my staff and husband.

60. Immediately following my suspension, my health rapidly deteriorated and I became bedridden as a result of the stress and anxiety caused by the Post Office.
61. I suffer with severed dizziness and balance problems and spent 6 months in bed following my termination.
62. My solicitor spoke to Alan Bates of the JFSA, who spoke to the Post Office on my behalf. I had to be examined by specialists and had a specialist report produced to show I was unable to attend Court.
63. The result of the hearing was that Post Office Ltd had reconsidered their position and, due to my ill health they would not proceed with the prosecution and would offer no evidence.
64. I have a letter from my solicitor who represented me at the hearing confirming that due to my ill health the Post Office dropped the charges against me and an official verdict of not guilty was recorded.

HUMAN IMPACT

65. As I have said, I experienced appalling problems with the Horizon system.
66. The alleged shortfalls from Horizon increased in intensity and frequency dramatically in approximately 2004. I had raised concerns and described the issues I was experiencing to my Post Office staff on many occasion, but my pleas for help and my concerns were ignored.
67. I paid thousands of pounds my own funds as a result of the hounding by the Post Office for payment of alleged shortfalls.

68. This continued until I no longer had the means to pay, following which I received a summons to attend the Magistrates Court on 20 December 2012 where I was charged with False Accounting and Theft.
69. My case was sent to the Crown Court, after I attended and pleaded not guilty. The trial was due to take place on 18 October 2013, but the extremely detrimental impact the prosecution had on my health resulted in me being bedridden.
70. My GP submitted reports evidencing my poor health, and my solicitor attended Court on my behalf. The Post Office decided not to proceed any further, but only after intervention on my behalf by Alan Bates. The Court formally recorded my not guilty plea.
71. I took part in mediation in 2013 and received no compensation. I was party to the group litigation against Post Office Ltd, but received minimal compensation from that action, despite the findings of the court. As a result, I am excluded from the Historic Shortfall Scheme.
72. The consequences of being required to make good the shortfalls were that my husband and I lost our business and our livelihood.
73. We used everything we had to cover the shortfalls and that included borrowing money from family members.
74. I was left with absolutely nothing, not a single penny. I had to go bankrupt.
75. My children would bring round food for myself and my husband and they helped us pay the bills.
76. We now live with my daughter and son-in-law because we cannot afford to pay rent anywhere.

77. When it was alleged that I was responsible for the shortfalls I was in total shock, disbelief and panic.
78. It caused me a huge amount of stress. I became extremely anxious and depressed, and all of this exacerbated my pre-existing condition of dizziness.
79. I am disabled but, I was able to work in my post office, as I had strategies in place which enabled me to work proficiently and safely in the office.
80. However, the accusations against me caused my health to deteriorate, as a consequence, I am basically housebound and use a wheelchair. I now live every minute of everyday day disorientated and with a constant sensation of being on a rocking boat.
81. My general health has suffered immensely, I cannot walk more than 10 feet now and any doctors that I need to see have to come out to see me as I cannot leave the house to attend doctors or dental appointments and cannot attend routine screening checks.
82. I have been unable to secure any paid employment since because of my disability.
83. I suffer severe anxiety and depression and have no social life outside of my family.
84. I don't live, I exist.
85. I felt totally let down by the Post Office and I really believed they were only looking for the money. Horizon was a glorified epos system that meant we couldn't look for the problem ourselves only the Post Office could.
86. I begged the Post Office to investigate why the shortfalls were arising, but they never did and as I couldn't search the System for the problem myself I had no way of disproving the allegations against me.

87. I was confused and struggled to process why I was being held responsible for the shortfalls. I could not understand what was happening and why no one was looking for the real reason my office was showing shortfalls.
88. I had no answers, and I was sick with worry. It was like living in a never ending nightmare that lived with me day and night.
89. Being accused of committing a criminal offence was horrendous.
90. I stood in the dock of the court listening, as I was accused of something I categorically had not done. As I stood there, all I could think about was my two children, whom I love dearly, sat behind me having to witness their mother portrayed as a thief and a liar.
91. It broke my children having to watch me stand up in court and be accused of theft. The experience made my daughter extremely anxious and desperately worried about my health.
92. I felt like I had failed as a mother. Seeing my children's' pain destroyed me that day and I cannot erase that from my memory.
93. My husband and sister also attended the Court to support me but again as with my children I felt them witnessing the hearing unbearable.
94. I was told as I had been charged with Theft and False Accounting I was looking at a possible prison sentence.
95. I hit the floor at this point. I was in shock.
96. All I could think of was because of my disabilities, how would I possibly be able to cope, I needed help to get showered. I needed so much help and support I couldn't

possibly imagine how I would cope if I was jailed. I thought I would die if I went to prison.

97. This made everything even more stressful for me and my anxiety and depression got worse.
98. I still suffer with severe and crippling anxiety and depression today.
99. My colleagues were very supportive. However, I avoided the local community as I was too ashamed to be seen in public.
100. My marriage suffered the most, as I pushed my husband away when he tried to comfort me.
101. I was cruel to him and understandably he grew apart from me. I told him on numerous occasions that the only way I could ever get peace was to take my own life. I felt so alone even though I had my family around me but I felt hopeless.
102. I stopped seeing my friends, I couldn't be social, I was drained.
103. I didn't go out, I never left my home and I avoided everyone I could.
104. My family are broken over the situation we are in.
105. My husband and I have been married for 48 years, and this has robbed him of the wife he once had and loved. It has put distance between us and he has lost the future we believed we would have.
106. The fear of going to prison also placed a huge strain on our marriage. I would say to my husband that if I have to go to prison I will kill myself. That was a cruel thing to say, I know, but I couldn't help it, that was how I felt.

107. My daughter suffers from severe anxiety and worries about me constantly and both my son and daughter worry about us financially. My siblings also suffer worrying about me, my husband and children.
108. My husband and I had hoped to work beyond retirement and then to sell the business on as part of our pension. So the Post Office took away our future and our pension plan.
109. This scandal did not just effect subpostmasters, it impacted thousands of mums, dads, husbands and wives, children, brothers, sisters and every other member of these families.
110. I would like the impact this has had on my husband to be considered as well. My husband wished to say the following in his own words;

110.1.1. Seeing my wife being a pillar of the community and then watching her be brought to her knees through lies and false allegations by the Post Office absolutely destroyed me. I have stood by my wife and always will but on more than one occasion I thought I would lose her.

110.1.2. The scandal almost got both of us. What they did was so wrong. They gave me sleepless nights and complete hopelessness for our future. Seeing Rita lose weight and the will to live brought me to my knees. All I could do was stand by and try to support her but the Post Office nearly caused our marriage to break down.

CONCLUSION

111. My husband and I live with my daughter, because we cannot afford to rent. The Post office took all of my money and future earnings.

112. I thought by going into such a big trusted organisation we would be looked after and I thought we had security. In reality the Post Office turned out to be the worst organisation anyone could work for.
113. They are liars and thieves and have broken so many people. I have never set foot back into a Post Office.
114. My main priority is to receive some compensation. I want to try and put our life back together for my family.
115. I need the people who knew what was going on to be held to account.
116. The Post Office turned their backs on us, and those people involved who did nothing should give a full account.
117. I also want my name to be cleared so that people know that the accusations made against me were completely false.
118. Finally, I want all subpostmasters going forward to be protected, I want them to have a good life running Post Offices.

STATEMENT OF TRUTH

I believe the contents of this statement to be true.

Signed.....

GRO

.....Dated.....

14.1.2022

Rita Threlfall