

Witness Name: Keith Noverre

Statement No.: WITN09230100

Dated: 20th October 2023

POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF KEITH NOVERRE

I, Keith Noverre, will say as follows:-

Introduction

1. I am a former employee of Post Office Ltd and held the position of Auditor between September 2003 and October 2016.
2. This witness statement is made to assist the Post Office Horizon IT Inquiry (the "Inquiry") with the matters set out in the Rule 9 Request dated 17 August 2023 (the "Request"). The focus of this statement is my position as a Branch Auditor at the Post Office and the prosecution of Mrs Seema Misra.

Background

3. My Post Office career was as follows:
 - i) September 1986 – May 1992 Counter Clerk.
 - ii) May 1992 – October 1997 – Cash Centre (Watford and Hemel

Hempstead) – numerous roles.

- iii) October 1997 – September 2003 – Cash management team (St Albans and London).
- iv) September 2003 – August 2008 – Auditor.
- v) August 2008 – October 2016 – Auditor / Trainer (Field support team).

The above dates are approximate dates as I cannot remember exactly when I changed roles. I remained an Auditor until I left the Post Office in October 2016.

- 4. As to qualifications I had no qualifications relevant to the audit role. I was given full on the job training to ensure I carried out my role to a high level and in a professional manner. The role was to visit a branch and verify financial assets due to the Post Office was being accounted for accurately and compliance matters were adhered to in branch as per guidelines. My line manager was Mr. Warren Hattrell. All my colleagues were professional and competent in carrying out our role. I just reported our findings to the Contract Manager and if applicable Investigations Team. I do not know how many audits I attended. The process was to ensure branch was in compliance with their financial declarations and to ensure procedures were followed.

The audit process and the policies/practices in place

- 5. I have been asked to provide an account of my role and the policies and practices in place in relation to the audit process. I have no recollection of the

policies and practices.

Recruitment and training of auditors

6. I have been asked to describe the process by which auditors were recruited.
I have no recollection of the recruitment and training of auditors.

7. I have been asked to consider the documents:
 - i) "Assurance Review - Recruitment (Vetting & Training)" (version 1.0, 27 October 2009) **[POL00032698]**;
 - ii) "Network auditing approach, methods and assurance" (2013) **[POL00086765]**;
 - iii) "Training & Audit Advisor" (undated) **[POL00088453]**;
 - iv) "Audit Advisor" (undated) **[POL00088557]**.

8. I have no recollection of the any of the above.

9. I recalled that auditors were recruited internally, and I am not aware of the process. As I was not involved in this process I am not aware of what qualifications were required. Training was mainly based in branch but I believe induction training was given. I personally had sufficient training to carry out my role.

10. In August 2008, the audit and training teams merged together to form Field Support Team.

The planning and scheduling of audits

11. I have no recollection of the planning and scheduling of audits as this was administrated by the administration team.
12. I have been asked to consider document "Audit Plan & Scheduling, Chapter 1 of the Audit Process Manual" (Version 8.0) (2010) **[POL00084650]**.
13. The scheduling of audits was completed by the administration team. It was my understanding that they prepared a weekly audit schedule giving priority to special audit requests.

The auditing process

14. I have been asked to consider documents:
 - i) "Audit Charter" (version 4.0, undated) **[POL00083966]**;
 - ii) "Performing a Branch Audit", Chapter 3 of the Audit Process Manual (version 5.1, May 2010) **[POL00084801]**;
 - iii) "Core & Outreach Audit Process", Chapter 3a of the Audit Process Manual (version 1.0, 27 May 2011) **[POL00085534]**;
 - iv) "Follow Up Audit Process", Chapter 3b of the Audit Process Manual (version 3.0, May 2015) **[POL00087627]**;
 - v) "Performing a Cash Centre Audit", Chapter 7 of the Audit Process Manual (version 5.0, Aug 2016) **[POL00088252]**;
 - vi) "Quality Assurance", Chapter 11 of the Audit Process Manual (version 5.0, Apr 2015) **[POL00087672]**;

- vii) "Post Incident Auditing without Horizon", Chapter 14 of the Audit Process Manual (version 1.0, Nov 2006) **[POL00084003]**.
- viii) "Condensed Guide for Audit Attendance" (version 2, Oct 2008) **[POL00084813]**;
- ix) "Requirement of Network Field Support Advisors at audit, following discovery of discrepancy" (version 1.0, Oct 2011) **[POL00085652]**;
- x) "Network auditing approach, methods and assurance" (2013) **[POL00086765]**;
- xi) "Training Guide: Compliance Audit Tool" (Sep 2015) **[POL00087688]**;
- xii) "Training-Aide for Branch Asset Checking" (version 1.7, Nov 2014) **[POL00087716]**;
- xiii) "Terms of Reference Audits" (version 1, April 2015) **[POL00087614]**.

15. If I discovered a discrepancy I would make the postmaster or manger aware of our findings and check as to whether there was any other cash or stock not been accounted for before informing the Contracts Manager. If the discrepancy was small we would ask the postmaster to ensure the discrepancy is made good by the completion of their next balance period. I always gave the postmaster an opportunity to check all our figures to ensure they agreed with our result and findings. I would explain the purpose of our visit prior to commencement and keep them updated as the audit progressed. I always explained if they had any questions or concerns during the audit they

could let me know. If access to the Horizon system was unavailable, as far as I can remember, we would not be able to complete an audit as we would have no details of what the branch should have on hand.

16. I have also been asked to consider documents:

- i) "Audit Trail Functional Specification" (version 8.0, 18 October 2004) [FUJ00001894];
- ii) Global User Account (September 2016) [POL00002841].

17. I have no recollection of the above.

18. I was not aware of what Fijitsu had in the audit process and not aware of any information I could access that a postmaster could not have on Horizon. I cannot recall what an Audit Global User account was.

Prosecution of Mrs Seema Misra

19. I have been asked to consider documents:

- i) my audit report (dated 16 January 2008) in respect of the audit conducted on 14 January 2008 of the West Byfleet (Branch Code 126023) branch at [POL00049500],
- ii) the personnel/investigation report at [POL00066052],
- iii) the investigation/legal report at [POL00044589],
- iv) a list of witness statements from the trial of R -v- Misra (including my statement from pages 3 to 6) at [POL00058438].

Audit of the West Byfleet branch

20. I was requested to attend an audit at West Byfleet on 14 January 2008. I believe this was a routine audit as far as I can remember. I had never had any communication with Mrs Misra prior to this audit. I recalled that the purpose of the audit was to verify financial assets due to the Post Office and confirm compliance procedures and regulatory requirements were adhered to. I was assisted by two colleagues Sue Le May, Field Support Advisor and Chris Stevens, Field Support Team Leader. When Mrs. Misra arrived at the branch at approx. 10.45 am she immediately asked to speak to me and made me aware the branch would be short by between £50k and £60k. During our discussion Mrs. Misra explained a member of staff had taken £89k and she did not report this as she was worried the branch would be closed. I am unaware if anyone from the Post Office had informed Mrs Misra that if she was out by a certain amount her branch would be closed. I reported the shortage to Paul Dawkins, Investigation Team Manager and Tony Hills, Network Compliance Audit manager. I cannot recall whose decision it was to suspend Mrs. Misra. I also cannot recall if I asked Mrs Misra to prepare a hand written note to explain the discrepancy. During the audit I obtained from Horizon print outs that included an Office snapshot, Balance snapshots from each stock unit, Suspense Account Report, previous Branch Trading Statement, Remittances In and Out figures for this Trading Period. On completion of the audit I reported the findings of the audit, in my report to Elaine Ridge, Contracts Advisor, Paul Dawkins, Investigations Team

Manager, Gerry Conran, Business Development Manager, Tony Hills, Network Compliance Audit Manager and the Outlet Intervention Team. I have also attended two other court cases in relation to losses. I cannot recall the names of either Sub Postmaster or the names of the Branches. Witness statement was completed at request of Investigations Team. I cannot recall any discussions I had with POL's legal representatives or who helped prepare my draft witness statement, but I was made aware I would be called to give evidence.

21. I have been asked to consider my memo to Ms Elaine Ridge at [POL00049500]. I recalled that this was the findings of the audit.

Criminal proceedings

22. I was not surprised by the outcome of the trial. Regarding the challenge of the integrity of the Horizon I cannot comment as I do not know the workings of the system and was never made aware of such issues.
23. I have been asked to consider the Judgment of the Court of Appeal in *Josephine Hamilton & Others v Post Office Limited* [2021] EWCA Crim 577 at [POL00113278], in particular at paragraphs 198 to 209 on Mrs Misra's case.
24. My reflections on the Mrs Misra's conviction are that these are the findings of the court and I have no views on the outcome.

General

25. I have been asked whether I had, or was aware of, any concerns regarding the robustness of the Horizon IT system during my time working for POL. During my career with the Post Office I was not aware of any issues with the Horizon system.

STATEMENT OF TRUTH

I believe the content of this statement to be true.

Signed: **GRO** _____

Dated: 20/10/2023

Index to First Witness Statement of Keith Noverre

No.	URN	Document	Control Number
1.	POL00032698	Assurance Review - Recruitment (Vetting & Training) (version 1.0, 27 October 2009)	POL-0029633
2.	POL00086765	Network auditing approach, methods and assurance (2013)	POL-0083823
3.	POL00088453	Training & Audit Advisor (undated)	POL-0085511
4.	POL00088557	Audit Advisor (undated)	POL-0085615
5.	POL00084650	Audit Plan & Scheduling, Chapter 1 of the Audit Process Manual (Version 8.0) (2010)	POL-0081708
6.	POL00083966	Audit Charter (version 4.0, undated)	POL-0081024
7.	POL00084801	Performing a Branch Audit, Chapter 3 of the Audit Process Manual (version 5.1, May 2010)	POL-0081859
8.	POL00085534	Core & Outreach Audit Process, Chapter 3a of the Audit Process Manual (version 1.0, 27 May 2011)	POL-0082592
9.	POL00087627	Follow Up Audit Process, Chapter 3b of the Audit Process Manual (version 3.0, May 2015)	POL-0084685
10.	POL00088252	Performing a Cash Centre Audit, Chapter 7 of the Audit Process Manual (version 5.0, Aug 2016)	POL-0085310
11.	POL00087672	Quality Assurance, Chapter 11 of the Audit Process Manual (version 5.0, Apr 2015)	POL-0084730
12.	POL00084003	Post Incident Auditing without Horizon, Chapter 14 of the Audit Process Manual (version 1.0, Nov 2006)	POL-0081061
13.	POL00084813	Condensed Guide for Audit Attendance (version 2, Oct 2008)	POL-0081871
14.	POL00085652	Requirement of Network Field Support Advisors at audit, following discovery of discrepancy (version 1.0, Oct 2011)	POL-0082710

15.	POL00087688	Training Guide: Compliance Audit Tool (Sep 2015)	POL-0084746
16.	POL00087716	Training-Aide for Branch Asset Checking (version 1.7, Nov 2014)	POL-0084774
17.	POL00087614	Terms of Reference Audits (version 1, April 2015)	POL-0084672
18.	FUJ00001894	Audit Trail Functional Specification (version 8.0, 18 October 2004)	POINQ0008065F
19.	POL00002841	Global User Account (September 2016)	VIS00003855
20.	POL00049500	Audit Report (dated 16 January 2008) in respect of the audit conducted on 14 January 2008 of the West Byfleet (Branch Code 126023)	POL-0045979
21.	POL00066052	Personnel/investigation Report	POL-0062531
22.	POL00044589	Investigation/legal report	POL-0041068
23.	POL00058438	list of witness statements from the trial of R -v- Misra (including Keith Noverre's statement from pages 3 to 6)	POL-0054917
24.	POL00113278	Judgment of the Court of Appeal in <i>Josephine Hamilton & Others v Post Office Limited</i> [2021] EWCA Crim 577	POL-0110657