

Witness Name: Ms Moira Hegarty

Statement No.: WITN0219_01

Exhibits: None

Dated.....

12.1.22

THE POST OFFICE HORIZON INQUIRY

FIRST WITNESS STATEMENT OF MS MOIRA HEGARTY

I, MS MOIRA HEGARTY 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 first began working for Post Office Ltd in August 2001 when I was appointed as Crown Office Employee at Middleton Post Office, in Middleton, Rochdale.
- 3. I then became Subpostmistress of Limeside Post Office, Oldham in January 2012 to 6 June 2015.

4. The Limestone Post Office was inside a retail store selling hardware, greetings cards and stationery.
5. When I took over the branch, I was required to sign the initial paperwork. However, when the Post Office trainers came on the day of my appointment, I was told there was other documentation for me to sign. The additional paperwork was brought to me gradually over a period of a few weeks, possibly months. I understood this to be standard paperwork and was not advised that I needed to consult legal advice on the contents.

TRAINING AND SUPPORT

6. I was told by the Post Office that I would have two trainers with me for two weeks starting from the first day that I took over the office.
7. However, as I had been a previous Post Office Ltd employee, my trainers seemed to take for granted that I was more familiar with the systems than I was. They made very sporadic visits, even though I had no experience of balancing transactions, nor balancing a cash machine.
8. I did attend some off-site training at Stockport Crown Office for 2 weeks, which was classroom based in an office upstairs. Again, as I had previous counter experience, there was not too much emphasis on my training needs. I was allowed to go home early and start late. Most points in the training had no bearing on the transactions that I was going to do in branch. There was no training given on how to balance or roll over takings.
9. The training I did receive covered, logging in/ logging off; basic transactions; the "remming in" of cash was covered but very basic stuff and no indication of what to do if there was a problem.

10. The training was absolutely inadequate. I made my feelings very clear at the time to my trainer. Her name was Marina Grinrod. Her response was that it would all fall into place. She offered no practical advice and was more interested in chatting about non-work-related stuff and getting me to fill in a feedback survey to say how well she had trained me.
11. I requested further training but was told that I was not entitled to any. I did later receive some lottery training, when Post Office Ltd said I had to do the lottery in my branch. The Post Office trainer said at the training itself that I should already know and have had training on how to use the machine.

HELPLINE

12. I estimate that I contacted the Helpline more than 5 times per week with regard to problems relating to alleged shortfalls and /or balancing.
13. The Helpline was relocated overseas and became like a call centre, which made it all the more difficult to get through to. Many times a week I was required to leave a message, after being on hold for more than an hour in some instances. My messages were never responded to.
14. When I did receive a response, I would often be told to "reboot" my machine. This was at least on a weekly basis. I was also advised to reverse transactions out and then put them through the system again, often resulting in a bigger loss than I initially started with. There was no continuity with the advice, and it was often contradictory.
15. A different call handler would tell you a different approach and often tell me that the previous person I had spoken to had told me to do the wrong thing. The advice was completely conflicting. I was told to leave what I was doing and come back to it in the morning.

16. I would rate the so called "Helpline" as the most unhelpful and inefficient system I have ever encountered. On several occasions I requested that someone from Post Office Ltd visit my branch, as I was very unhappy with the way my Horizon system was performing. I was told it wasn't possible.
17. Also, many times per month my Horizon system went "down", resulting in my inability to serve customers and earn a living.
18. I would often ask the Helpline if there was something wrong with my system and if other people were having the same problems as me. The Helpline would say that if my system is showing a shortage, then as I was inputting the information incorrectly; anything that was wrong was down to me. They said that a "computer cannot make errors" and that it was down to human error, and they had not received any other complaints. I knew this to be false, as I used to call another subpostmaster in Oldham who was often experiencing the same problems with the Horizon system.
19. I remember a specific instance where I entered a rent payment in the system as £840, instead of £84. The Helpline advised that I kept declaring the difference of £756 as a shortage until balance day when the discrepancy would be corrected. However, when balance day came there was no such correction, and I was told even if the shortfall was down to human error, it was my mistake so I had to make good the shortfall.

SHORTFALLS

20. 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.

21. I would estimate that throughout my position in the branch, I paid (or Post Office deducted) in excess of £5000.
22. Smaller sums of £30, £40 and £50 were appearing on a weekly basis. There were too many shortages to recount every single occurrence. I repaid the Post Office these amounts myself with my own cash or paid by cheque on a weekly basis.
23. However, the Post Office did say if the auditors came and there is a cheque in the draw that they will assume that I was never going to cash it. Sometimes I would not have the cash to pay so I would settle centrally, and the money would be deducted from my salary at source. I balanced so that I could go into the next trading period.
24. If larger amounts of between £50 and £100 appeared, which they often did, I would take money from my private sales (my retail business), to make good these shortfalls. I would call the Helpline and report it. Towards the end of my role, I stopped reporting it, as no one was interested.

AUDIT AND INVESTIGATION

25. The first audit I remember was a month or so after my appointment as subpostmistress.
26. Two auditors, Marina Grinrod and another person, attended my branch. They were in the branch for approximately two hours. I was told in advance how and when there was going to be a visit by one of the audit team, so I knew to expect it.
27. It happened on a Thursday morning the auditors checked the stamps and cash machine, they didn't even count my cash delivery from my day before, so it was not a thorough audit. This audit didn't reveal any problems and I never had another audit.

28. I have seen no evidence of any adequate investigation. I requested audits of my branch but they were not forthcoming.

RESIGNATION

29. I was not suspended by the Post Office. The Post Office made it very clear that Network Transformation was the only option open to me, despite the fact I would lose money on closing my business. 'Network Transformation' was a term they were using whereby they would try to persuade you to turn the retail side of the business into a Spar Supermarket, for instance. The Post Office demands for these were unrealistic, they would want the shop open from 6 am to 10pm, 7 days a week, 365 days a year.
30. A Post Office employee turned up just 6 months after I took over, to tell me that my post office was earmarked to be moved to the nearby Spar.
31. At one stage, if things had been running smoothly, I would perhaps have considered this but, as things stood, I used this as an excuse to leave.
32. I made the decision to resign.

CIVIL AND CRIMINAL PROCEEDINGS

33. The Post Office did not pursue any civil or criminal proceedings against me for the recovery of the alleged shortfalls as I always made good the deficit.
34. I was led to believe that I was liable for the shortfalls as it was my mistake, my error.

HUMAN IMPACT

35. Financially, I lost value in the business. I paid £37,000 for the premises and a further £2,500 for the stock. I also paid for the renovations as this was a condition of the

appointment, which included new Post Office signage. Following Network Transformation, I received "compensation" which only covered my lease.

36. The training and support I received whilst running a post office was non-existent. I entered into a 10-year lease of which I only completed 3 and a half years of due to being forced out by Network Transformation.
37. I estimate in total I lost approximately £10,000.
38. I was a party to the group litigation against Post Office Ltd, as such I am excluded from the Historic Shortfall Scheme.
39. I left a well-paid job working in a Crown Post office on the understanding I would be able to make a living owning and running my own sub post office.
40. I was financially struggling most weeks and months when it came to the office balance. All shortfalls had to be made good in order to roll over the balance to the next accounting period. There were often big financial discrepancies that had to be made good and I would do this without knowing or understanding why this was continuously wrong.
41. My family suffered also as a direct result. I had a young child at the time and as well as trying to run a business at a loss (with no help or explanation as to why it was running at a loss). I was constantly using the overdraft in my business account.
42. My daughter was around 5 years old at the time. Prior to this, I was a busy, working mum who was doing well balancing every aspect of her life.
43. I went from feeling on top of everything, happy, relaxed and content to being constantly on edge, constantly short of cash and constantly irritable. This in turn was negatively impacting on my daughter.

44. I had zero quality of life as every waking minute was spent at work, trying to find out what was going wrong. I began to neglect everything. This was on my mind every second of the day.
45. No one, unless they worked as a subpostmaster/mistress during this period can really understand how unbelievably stressful this was and to be continuously told it was your fault was physically and mentally draining.
46. I went to my doctor to discuss my health issues, due to the pressure I was under from Post Office Ltd. I broke down in front of the doctor. I didn't have any history of mental health issues, but I was extremely stressed and couldn't sleep.
47. I begged my doctor to prescribe anti depressions to help me through. I was advised to seek counselling.
48. I had my future planned out. I intended to run the business for the 7 years remaining on the lease and ultimately remain in my position as subpostmistress until retirement. I had worked for Post Office for such a long time that I wished to remain loyal to them.
49. I also had the constant feeling that I was letting my customers down.
50. I felt I had no other option but to resign for the sake of my sanity. I was depressed and sinking even deeper.
51. It took me several years to begin to build myself up again. I managed to find part time work and then full-time employment. However, my dreams of running my own business were shattered.
52. I was made to question my abilities, my actions. I was left feeling isolated and risked being branded a criminal.

53. I would like more than anything some recognition from Post Office Ltd for what they put me through and an apology.

CONCLUSION

54. I now know that what happened to me happened to hundreds, if not thousands of others, who were only wanting to make a living and benefit the local community. What the Post Office did was shameful, and they need to be held to account.

STATEMENT OF TRUTH

I believe the contents of this statement to be true.

Signed **GRO** Dated 12.1.22

Moira Hegarty