

WITNESS: LYNETTE HUTCHINGS

STATEMENT NUMBER: WITN0172\_01

EXHIBITS: 0

DATED: Jan 11, 2022

**POST OFFICE HORIZON IT INQUIRY**

**FIRST WRITTEN STATEMENT OF LYNETTE HUTCHINGS**

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, MRS LYNETTE HUTCHINGS, Date of Birth:  of   
 will say as follows:-

**PERSONAL BACKGROUND**

1. I was born in Portsmouth and brought up in Havant. I married my husband  at the age of 21 when I finished my college courses and we have been together since.
2. We had two children together, a son born in  and our daughter in . Sadly, our son passed away however I am in contact with my daughter and her two children.

## POST OFFICE HISTORY

3. Crookham Village Post Office was my first post office which I bought in 2002 after previously working as a primary school teacher.
4. As the shortfall problems developed with the Horizon software and following my initial suspension in 2004, in about July/August of 2005, we decided to put the Post Office up for sale. We had taken out a bank loan to pay back the money to the Post Office and any further plans to expand the business were no longer financially realistic. We felt forced into selling the business. It took about a year to sell it. I gave my resignation to the Post Office in September 2005 and then left in December 2005.
5. Following the sale of the Crookham Village Post Office, we moved to Havant in Hampshire and looked for work. I commenced my role as Sub-Postmistress of the Rowlands Castle branch of the Post Office on 29 August 2006.
6. I started as the Sub-Postmistress of the Rowlands Castle Post Office on 29 August 2006.
7. Following the introduction of the Horizon (Online) system into our branch in 2010, It took us a while to get up and running, but after a week we had the hang of things. As at Crookham Village we were having problems prior to the introduction of Horizon Online. For the first few weeks, things seemed to be fine. The new Horizon Online was faster but again was throwing up discrepancies. Then we started to have a few discrepancies and we were worried that we would have problems again as we did at Crookham Village Post Office.
8. Following an audit in March 2011 we were eventually told there was a large shortfall and I was suspended despite having reported the problems to the

- Helpline that I was having with the Horizon system. I received a letter from the Post Office dated 14 April 2011 where they terminated my Contract.
9. Apart from our initial training for both Post Offices we received occasional ongoing training where new initiatives were introduced, however, none of these related to the functioning of Horizon as such. The introduction of Horizon Online was carried out at home using a pack and CD-Rom. What this did not teach however, was how to avoid discrepancies.
  10. We started becoming aware that other sub-postmasters were having problems with Horizon after being removed from the Rowlands Castle branch. The JFSA were a body I contacted and I also emailed someone called Joe from South Warnborough Post Office in Hampshire. I was also in contact with someone from the North of England who had problems. The actual number of people involved were not known to us until we were working with Freeths Forensic Accountants although regular contacts with JFSA indicated a large number of people were involved. This would have been between sometime after 2011.

### **CRIMINAL PROCEEDINGS AND CONVICTION**

11. About a year after my contract was terminated, I received a Summons to attend Portsmouth Magistrates Court on 19 April 2012. I was charged with False Accounting. The Post Office had wanted to charge me with Fraud, but this was subsequently changed to False Accounting. I pleaded Not Guilty to the charges.
12. My case was sent to the Crown Court. Before my hearing at Portsmouth Crown Court, upon a plea bargain from the Post Office's lawyers and upon

advice from my Barrister, I pleaded Guilty to one Count of False Accounting, despite my innocence. I pleaded Guilty at Portsmouth Crown Court on 30 July 2012.

13. At Portsmouth Crown Court on 24 August 2012, I was sentenced to a Community Order for 12 months with 120 hours of unpaid work.

14. Following an appeal hearing, I had my conviction quashed at the Royal Courts of Justice on 23<sup>rd</sup> April 2021.

### **THE HUMAN IMPACT**

15. 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?**

16. On 15 April 2004, whilst at my first Post Office, a Post Office Auditor located total shortfalls in the sum of £6,993.93. I was immediately suspended and told that I would have to pay back the shortfalls in full. I was threatened with legal action if I did not pay.

17. I do not recall if the auditor at Crookham Village gave us his name but if he did, I cannot recall this now. The line manager or area manager however was called Colin. I do not recall his surname.

18. Subsequent meetings showed that the Post Office were not prepared to listen and were determined to take one line of action. I was left with no option –

repay the money or I could not re-open my shop. Therefore reluctantly my husband and I paid this sum to the Post Office through a bank loan.

19. In about July/August of 2005, we decided to put the Post Office up for sale. We had taken out a bank loan to pay back the money to the Post Office and any further plans to expand the business were no longer financially realistic. We felt forced into selling the business. It took about a year to sell it. We were also using credit cards to support ourselves financially at this time.
20. As detailed above, I commenced my role as Sub-Postmistress of the Rowlands Castle branch of the Post Office on 29 August 2006. The Post Office did confirm that we would have to make good any losses as part of our agreement to run a Post Office branch again.
21. Following the introduction of the Horizon Online system in 2010, the shortfalls started developing and I was finding that I had to "make good" any shortfalls by paying them from our own money. I think it is important to make clear however that prior to the introduction of the Horizon Online system, we had also encountered problems with the previous Horizon version.
22. On 30 March 2011, our Trainer came back to Audit our branch. He informed us that there was a shortfall of £9,743.76. We told the Trainer about the problems which we were having and that we had been paying the shortfalls from our own money. However, for this particular shortfall, we were waiting for the Horizon system to rectify itself. The Trainer returned later to advise us that the shortfall was £10,814.83. I was suspended. We did not have the money to pay this alleged shortfall.

23. The Trainer at this time was called Adam who carried out the audit. I do not recall his surname. I believe we only met our line or area manager at Rowlands Castle branch once, however I do not recall her name.

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

24. As explained above, whilst at my first Post Office, a Post Office Auditor located total shortfalls in the sum of £6,993.93. My husband and I had to take out a bank loan to repay this sum.

25. From 2010 onwards at my subsequent Post Office branch, the shortfalls started developing and I was "making good" alleged shortfalls as and when they arose from our own money. Following the audit in March 2011, we did not have the money to repay that particular alleged shortfall found of £10,814.83.

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

26. As the problems grew with the so-called balance discrepancies, my mental health deteriorated.

27. I had suffered with depression before this and was on a low dosage of anti-depressant medication however I found my symptoms were getting worse.

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

28. As detailed above, I was charged with False Accounting. The Post Office had wanted to charge me with Fraud, but this was subsequently changed to False Accounting. I pleaded Not Guilty to the charges.
29. My case was sent to the Crown Court. Before my hearing at Portsmouth Crown Court, upon a plea bargain from the Post Office's lawyers and upon advice from my Barrister, I pleaded Guilty to one Count of False Accounting, despite my innocence. I pleaded Guilty at Portsmouth Crown Court on 30 July 2012.
30. My court appearances were worrying and stressful. Neither me nor my husband knew what the outcome might be. We were aware by this point of other cases involving Sub-Postmasters and Mistresses and their outcomes. Our Barrister carried out her role as required, though I did feel forced to accept a Guilty plea.

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

31. When we sold the shop, it was a relief but also a shame. Our financial situation would not have made it viable to continue. I think that we sold the leasehold on the shop for between £50,000 - £60,000 which was about the same price as we had originally paid for it.
32. Due to our financial situation, we were forced to sell our bungalow as we could not get a mortgage. We were able to secure shared housing through a

housing association. For this, we paid 30% of the cost of the property with the remainder being paid as rent.

**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?**

33. I felt humiliated and unable to speak about the situation.

34. Throughout the criminal investigation, I started suffering with depressive episodes. When I have a depressive episode it causes me to become withdrawn and this happened during the criminal investigation. I struggled to sleep, and I didn't feel I could speak with anyone.

35. I met my husband after college, and we had no major issues in our relationship. However, following the conviction, I could not speak to him about what had happened. I sank into myself and hid away from everyone.

36. At one point I was in a such a dark place I even had thoughts about taking my own life. I consulted my GP and the anti-depression medication I was already on had to be increased.

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

37. I cannot even being to explain how it feels to have to plead guilty to an offence you did not commit. I had no faith in the system but I knew that the outcome could be more serious if the case had gone to a full trial.



38. For my community service, I carried out 120 hours of unpaid work in a Charity Shop in Havant. At my first appointment with the Probation Officer, I went out with others to carry out litter picking. It was a humiliating and demeaning task.
39. Initially after my conviction, my husband and I were unemployed and dependent on welfare benefits. With little prospect of obtaining employment due to our ages and that I had a criminal conviction, our financial situation at that stage was unstable and our future looked bleak and full of debt.
40. The criminal conviction prevented me from gaining work – prior to joining the post office I had been a primary school teacher. I could not return to that role with a conviction. I am not the sort of person who can be idle and unemployed which made me feel extremely frustrated. I had worked as a primary school teacher for pretty much 22 years.
41. I took extreme steps to try and block out what had happened such as throwing away clothes that I had worn during the court case.
42. The entire criminal process left me scarred and frightened. Even though the conviction has now been overturned, I am still frightened that someone will come back tell me this was all a mistake, and the conviction still stands.
43. I am no longer in good health. I was diagnosed with a brain tumour in 2014. After extensive surgery, at least 50% of my brain tumour remains and cannot be operated on without incurring a fatal outcome. I have ongoing problems which are getting worse.
44. How the Post Office has treated me from the Audit to the present day has left me with serious financial problems.
45. After we were removed from the Rowlands Castle Post Office, we were on Jobseekers Allowance. I was unable to secure any form of employment due to

my criminal conviction. The had a significant impact on our day to day lifestyle.

46. My salary at both post offices was pretty much the same and I was earning in the region of £24,000 a year at the time when I was suspended. We also lost income from the shop when we were forced to close it.

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

47. It is not just me that has gone through this ordeal but my whole family. As detailed above, as a result of the financial impact we were forced to sell our bungalow. This makes me incredibly sad that I don't have a house to leave my daughter and grandchildren.

48. In 2018 we also lost our son. He was living in Cambodia and had a motorbike accident which meant he had a long stay in hospital and several operations to repair the damage to his arm. This caused him to have to pay hospital bills of about £6,000. This money he did not have nor did he have insurance.

49. As we were unemployed and unable to obtain suitable employment we could not assist financially. Luckily his girlfriend paid enough to get him out of hospital.

50. However, because he couldn't pay the rest of the bill or return home, on 22 August 2018 he committed suicide.

51. We couldn't afford to have his body returned home, he was cremated by the local Buddhists at their temple. The local funeral parlour and the funeral service came to £3,500 which again we could not afford. A Facebook

collection was set up which was very humiliating but did help. We borrowed the rest from our daughter (his sister).

52. The whole experience made us feel helpless and hopeless. We had lost our only son because we could not afford to help him. Now we can but it is too late.

53. Following my conviction, I stopped seeing friends because I did not want them to know about the problems. Some friends stopped contact with me because they didn't want to be stigmatized.

54. In respect of our local community, details of my conviction appeared in the local newspaper which had an impact on my self-esteem and self-confidence. The humiliation of being convicted and being unemployed caused me depression. I had difficulty explaining to people why I was not working as this was against my character.

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

55. The issues with the Post Office Horizon system, the financial pressure this put us under and my resulting conviction have had an enormous impact on not just my life but that of my husband and wider family also.

56. In 2019, my husband experienced cardiac problems. He is on medication which is basically keeping him alive.

57. The financial impact of this ordeal has not just impacted me but has impacted my husband also. We used to live in big houses and now we live in a shared ownership house.

**CONCLUDING REMARKS**

58. I feel very bitter and sad about how I was treated by the Post Office. I now find it very difficult to trust people in authority. I continue to suffer waves of anxiety at any mention of the Post Office.

**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 11, 2022

Name: LYNETTE HUTCHINGS

FILE REFERENCE:

**GRO**

