

WITNESS: TAHIR MAHMOOD

STATEMENT NUMBER: WITN0185_01

EXHIBITS: 0

DATED: Jan 14, 2022

POST OFFICE HORIZON IT INQUIRY

FIRST WRITTEN STATEMENT OF MR TAHIR MAHMOOD

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, MR TAHIR MAHMOOD, Date of Birth: of

will say as follows:-

PERSONAL BACKGROUND

1. I am 46 years old, married and a father of four.
2. At the time of my conviction, I was 31 years old. I had two children and my wife was pregnant with our third child.
3. My children range in ages from 19 to 8 and I have 2 boys and 2 girls.
4. I am also very religious and find going to Mecca spiritually enriching and very humbling. I attend the Mosque regularly.

5. I went to school from the age of 6 to 16 and took my O Levels. I then attended college and did a BTEC Course in Retail and Distribution. After this I attended University but dropped out after a year.
6. When I left university, I had various jobs including positions in security. I also did voluntary work with a football team for 2 years and worked in market research for about 2 years.
7. A friend then recommended that I look into becoming a sub postmaster. I investigated this and looked around for a suitable branch and found that the Ten Acre Street branch in Selly Oak was for sale.
8. I applied for the position at Ten Acre Street, Selly Oak, and was successful. I liked this branch as it contained a Post Office and a small shop. There was a flat above the shop / Post Office which was used as a stock room.
9. I liked the idea of serving the Community.

POST OFFICE HISTORY

10. I recall that we paid about £70,000 - £80,000 to the Post Office for the lease of the business, which included about £10,000 in stock. This was all we had to pay for the business.
11. I started as a Sub Postmaster in about May 1999. The Horizon system had not been introduced at that stage and the balancing of accounts involved a paper-based system.
12. I received about four weeks of in-branch training when I started at Ten Acre Street and did not experience any problems before the Horizon system was installed.

13. In 2000 the Horizon system was installed into my branch. I received about 2 weeks of in-branch training. The training was very basic and did not include balancing the accounts.
14. Whilst undergoing the training, a shortfall of £4000 - £6000 was showing on Horizon. Neither the Trainer nor I could work out why this was the case or how to rectify it. The Trainer told me to place the shortfall in the suspense account on Horizon and both of us were confident that it would correct itself.
15. This did not happen, and I contacted the Helpline about this and other shortfalls. I found the Helpline to be very unhelpful. They indicated to me that the system was not at fault and that the shortfall would eventually resolve itself.
16. The shortfall was never resolved and remained on the system. I reviewed all available transactions and could not see any mistakes. The Post Office was of no help and after a few months I was forced to pay the shortfall myself in full.
17. Over the next few years, I experienced regular shortfalls but they were only small sums, so I paid them.
18. I was a young man in my 20s when I started as the Sub-Postmaster, and I wanted to run a business whilst bringing up a family. I married my wife in 2001 and we had our first child about a year later.
19. In March 2003, the branch was robbed. My sister and I were tied up and held at gunpoint. The robbers took everything. This was a very stressful and upsetting experience. My sister never returned to work at the Post Office after that.
20. I assisted the Police and the Post Office with their investigations after the robbery and did everything I could to open the Post Office up again for the Community. After this incident, I asked the Post Office to install CCTV but they never arranged this.

21. Before I was suspended by the Post Office in 2005, there was a further robbery at my branch, I was once again held at gunpoint. I worked closely with the Police and did everything I could to assist with their investigations.
22. Even though this was the second serious incident occurring at my branch, the Post Office refused to install CCTV. My focus was always to keep the branch open for the Community and for the Post Office.
23. The Post Office carried out an Audit in March 2003 after the second robbery. There were no issues.
24. In April 2003, the Horizon System indicated that there was a shortfall in the sum of around £400 - £500.
25. Throughout the rest of 2003 and into 2004, the shortfalls continued but the levels of each shortfall were increasing.
26. To make sure that the branch remained open, the accounts needed to balance. I was finding that there were shortfalls almost every week when I tried to balance the accounts. I was having to put my own cash into the branch to pay the shortfalls.
27. I knew that I could no longer afford to continue paying these shortfalls, but I knew that I needed to keep the branch open for the Community and for the Post Office.
28. By January 2005, the position with the shortfalls was really serious. The shortfall was approximately £25,000. I knew that I needed help.
29. I knew from the time when Horizon was installed that there were problems with the system, but I could not pinpoint the cause. The Helpline and the Post Office could not assist me. They would not accept that there were any problems with

the system. They kept telling me that the system would either right itself or if that did not occur I would have to pay the shortfalls.

30. I spoke to my father and told him about the shortfall and asked whether he could help me repay this. I really did not want to tell my family as I did not want to let them down. This really hurt me.

31. My father was not happy but said that he would do his best to help me. My father looked into taking out a loan and eventually sold a property which he had been renting out. Unfortunately, the sale was not completed before the Audit on 30 April 2005.

CRIMINAL ALLEGATIONS AND ANY PROCEEDINGS/CONVICTION

32. On 30 April 2005, when I arrived at the branch, 5 people from the Post Office were waiting for me. I knew that they were from the Post Office. My father was there as he had opened the branch that morning.

33. There were 2 Auditors and 2 Investigators. I was relieved that they had arrived and told them that there was a large shortfall. I was hopeful that they would be able to resolve the issue.

34. The Auditors told me that the shortfall was now in the sum of around £33,437.39.

35. There were two Investigators and each treated me differently. One of the Investigators seemed to be helpful but the others was hard on me. The second Investigator was saying that I was responsible for the shortfalls. He kept saying things to me like "You are a criminal"; "This was a criminal act" or "You took the money".

36. I was very worried about what was going to happen as I realised that they were not going to help me or resolve the shortfall.
37. By late morning, I was suspended, and the Post Office had taken the keys for the branch from me. I was also unable to open the Shop. The branch never opened again.
38. I was so ashamed when I went home. I broke down and told my family about what had happened. I was the oldest sibling and was the main support for the family. I felt like I had let them down. I also felt that I had let the Community down. It was one of the worst days of my life.
39. I was invited to an interview with the Post Office at the Lionel Street Head Office in Birmingham on 3 May 2005. I was interviewed by two Investigators.
40. A representative from the National Federation of Sub-Postmasters attended the interview with me. He was not very helpful and just seemed to agree with the Investigators.
41. It was a very difficult interview as the Investigators kept saying that I was a criminal and had taken the money. They also indicated that I was the only Sub-Postmaster who was experiencing problems with the Horizon system. They would not accept that the system could be at fault.
42. I told them that I had not taken any money, but I could not explain the discrepancy. I kept saying; "Why would I have taken from the hands which have fed me?" I did suggest that there may have been some minor mistakes made by me, but most were caused by the system.
43. At the end of the interview, the Investigators indicated that I might be prosecuted.

44. Over the next few weeks, I received letters from the Post Office demanding I pay the shortfalls. As I had told them previously, I simply did not have the money.
45. Following the interview with the Post Office in May 2005, I received a summons to appear at Birmingham Magistrates Court on 18 July 2005 on charges of False Accounting.
46. Following receipt of the summons, I obtained a criminal lawyer who represented me at the criminal hearings. He instructed a Barrister ~~to~~.
47. I was really scared when I received the summons. I knew by then that I had lost the Post Office. However, I did not want to go to Prison.
48. I initially pleaded not guilty to the charges of False Accounting at the Magistrates Court. My case was then sent to Birmingham Crown Court.
49. Following advice from my legal team, I pleaded Guilty to 6 charges of False Accounting. I did this to avoid a Prison sentence. By that time, I had two young children and my wife was pregnant with our third child.
50. My legal team advised me that there was no chance that I would receive a custodial sentence and they were confident that I would receive a Community Service Order.
51. I went to my sentencing hearing at Birmingham Crown Court on 16 December 2005, my father came with me for support. I was expecting to receive a Community Service Order following my Guilty plea.
52. The Judge told me that he did not expect to see me in Court again, but he went on to say that he had to make an example of me. He sentenced me to 9 months in Prison.

53. I was taken straight from Court to Winson Green Prison in Birmingham. I was there until the beginning of January 2006 when I was transferred to Sudbury Prison.

54. I was released from Prison in February 2006 and then wore a Tag for the remaining 6 months of my sentence.

THE HUMAN IMPACT

55. 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?

56. As stated above, when I initially noticed the shortfalls and they only amounted to a few hundred pounds I would put my own cash in to balance the accounts and pay the shortfalls. However, by January 2005 the position with the shortfalls was significant, at around £25,000, and I could not afford to repay this.

57. I spoke to my father who agreed to help me. He took out a loan and he sold a property that he had been renting out to pay the shortfall. Unfortunately, the sale did not go through before the Audit on 30th April 2005.

58. After the Audit and Investigation, I was asked to repay the shortfall which by that time was around £33,437.39. However, I did not have that sort of money and was not able to make such a payment.

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

59. When shortfalls began to materialise, I had to use my own money to pay for these. As I have mentioned, there seemed to be shortfalls almost every week.
60. In 2005, when I discovered that the shortfalls were initially alleged to be to around £25,000 and subsequently alleged to be £33,437.39 I had to ask my father for help to pay the shortfall. He sold a property, but the sale was not completed before the audit. After the Audit and Investigation, I was asked to repay the shortfall which by that time was £33,437.39. However, I did not have that sort of money and was not able to make such payment.
61. We purchased the Branch for around £70 - £80,000 in 1999. We sold it at a significant discount in 2006 for approximately £28 - £35,000.
62. Due to this loss of income, we had to sell my family home which belonged to my father, but I paid the mortgage on. I could not afford the mortgage repayments. I also had to sell another property which I owned and rented out for income.

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

63. When I was investigated by the Post Office, they put the blame on me for the shortfalls. One of the investigators seemed helpful, but the other one was hard on me. The second Investigator was saying things like "you're a criminal", "this was a criminal act", and "you took the money". I was very worried as initially I was hopeful that they would help me understand what was happening with the shortfalls. Instead, I realised they weren't going to help me.

64. I was so ashamed when I went home. I broke down and told my family about what had happened. I was the oldest sibling and was the main support for the family. I felt like I had let them down and I had let the Community down. It was one of the worst days of my life.
65. I was absolutely devastated by the accusations that came my way from the Post Office. At that point I paid the mortgage on my father's house and was also supporting my wife, two children as well as younger brothers and sisters and my parents. I was a hard worker during my time at the Post Office and had so many people that depended on me.
66. There were about 10 family members in total who lived with me, and they all depended on my income. After the accusations from the Post Office, I was suspended and shortly afterwards my income stopped. This put the entire family in a difficult position and was deeply upsetting.

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

67. As a result of being held responsible for the shortfalls and discrepancies shown by the Horizon IT System, I lost my job and my livelihood.
68. I was summoned to appear at Birmingham Magistrates Court on 18 July 2005 charged with False Accounting. I was terrified. I knew I had lost the Post Office, however I was terrified that I could end up in prison.
69. I was sentenced to nine months imprisonment.

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

70. We had to sell our branch at a significant loss; after purchasing it in 1999 for approximately £70-80,000, we sold it in 2006 for £28-35,000.
71. I have lost about £33,000 each year from the Post Office and approximately £10,000 each year from the Shop. This loss has continued since the Audit on 30 April 2005.
72. I am currently unemployed and reliant on benefits. I have tried to obtain work since my conviction. I have had some success in securing some short-term temporary work, however once prospective employers find out about my conviction, they no longer wish to employ me. Had the issues with the Post Office not occurred, I would have continued to run my branch and the shop until I retired when I would have passed it down to my children.

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?

73. I couldn't believe what was happening to me and neither could my lawyers. I had turned up at Court in my suit, with no bag nor any of my diabetic medication.
74. When my sentence was passed, I felt like the floor had gone from under me, I was dying inside, and my mind went blank. I had no opportunity to get my head around what had happened. It was all a bit of a whirlwind.
75. The situation with the Post Office has ruined my life. I have not been able to do the job that I wanted to do to support my family. I have not been able to find any suitable employment with a criminal conviction.

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

76. I have only recently told my children that I have been in Prison. I was too ashamed to tell them about it before. As my conviction has been quashed by the Court of Appeal, I felt that this was the right time to tell them.
77. I was released from Prison in February 2006. I then wore an electronic tag for the remaining 6 months of my sentence.
78. After my sentence, I was taken to Winson Green Prison in Birmingham which is a high security Prison.
79. This is a closed prison, where everyone was treated very badly. You were kept in your cell for most of the day and only allowed out to shower in the morning, to eat and for very short exercise breaks. Ordinarily I am much more active than this and this was a huge problem at the time.
80. I've been a diabetic since I was 25. Once in prison I had to wait for two days to get my diabetic medication.
81. Sharing a cell was horrible as it lacked any privacy whatsoever.
82. I feared for my life in prison. I'm not a violent man but I was worried that some of the inmates were. The very worst thoughts went through my mind, and I feared that I would be beaten up and killed.
83. There was so much noise in the prison at night, people were banging on doors and sometimes there was screaming. This made it hard to sleep.
84. I tried to be as strong as I could for my family. However, I felt that my life had been taken away from me. I kept my head down and kept myself to myself. I spent Christmas and the New Year in this Prison.

85. At the beginning of January 2006, I was moved to an open prison, called Sudbury Prison, which was different to the closed one. It was more like being in the army than in prison experience. I was able to do some work to keep my mind busy. I worked in Woodwork, making beds and cupboards for Prisons. It was still very hard.
86. My father and brothers visited me whilst I was at Sudbury Prison. I did not allow my wife, my mother or my children to visit me as I was ashamed. I could not let them see me in this situation.
87. On two occasions whilst I was in prison, I was sent to the prison hospital due to my diabetic control being poor. I believe this can only be down to the stress that I had to put up with whilst I was being detained.
88. After a few months I was released on an electronic tag and was confined to my home. The only people who were allowed to meet me were my father and siblings.
89. During my sentence my wife was pregnant. When she gave birth on 18 January 2006 I could not attend as I was being held in the open prison. I was absolutely devastated about this because I had attended the birth of all of my other children.
90. The local Press reported about me being sent to Prison. This had a significant impact on my reputation within the community.
91. After I had completed my Prison sentence, I started to look for jobs. It was impossible to get any job with a criminal conviction. I am hopeful that this will change after my conviction is quashed by the Court of Appeal.

92. I did apply to become a Driving Instructor and had passed all the tests. However, my application failed when my employer found out that I had a criminal conviction. This was the case when I applied to be a Bus Driver.
93. I did find a part time job as a Night Porter through the Job Centre. However, once the Hotel found out about my criminal conviction, I lost this job.
94. I have done some casual work for my uncle who owns a car sales business.
95. I have been receiving welfare benefits since I was released from Prison, and this is still the position today.
96. Had the situation with the Post Office not occurred then I would have carried on running the Branch and Shop until I could retire and pass it on to my children.
97. I did not have any pension at the time of the Audit.

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

98. The impact has been greater to my reputation within the family. At family gatherings, I could hear people gossiping about me or staring at me. I found this difficult as some of them may have believed that I had taken the money. Now my criminal conviction is quashed, this should no longer be a problem.
99. I have only recently told my children that I had been in Prison. I was too ashamed to tell them about it before. As my conviction has been quashed by the Court of Appeal, I felt that this was the right time to tell them.
100. After I had served my sentence, I did not meet with any of my friends. I stopped contacting them as they must have known what was going on. I was worried that they would think badly of me and would not want to be friends with me anymore.

101. I remember going to funerals and recognising old friends there. They would stare at me, which made me feel out of place and an outsider.

102. The impact has been greater to my reputation within the family than outside it. At family gatherings, I could hear people gossiping about me or staring at me. I found this difficult as some of them may have believed that I had taken the money.

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

103. At the time of my conviction, I lived with my extended family including my parents and siblings as well as my wife and children, they all depended on my income. After the accusations and subsequent suspension from work my income stopped which put the entire family in a difficult position.

104. My subsequent criminal conviction has resulted in my being unable to secure employment since being released from Prison, so I am still unable to support my family.

105. As a consequence of being unable to work we had to sell my family home which my father owned, because I could no longer afford the mortgage. As mentioned above, I paid the mortgage on the house. This was devastating for the family members who lived with me in my house. I also owned a property that was rented out for income which I had to sell. I was left homeless. My family had to rely on homeless hostels for a period.

106. My brothers and sister moved away as I could no longer support them. They rented flats and ultimately qualified in their professional areas and are now independent.

107. Me, my wife and children remained in the homeless hostel for 8 months. My parents returned to Pakistan to my mother's extended family. This was despite the fact that, all of their children and grandchildren were in the UK. This was really hard for them as they would never have wanted to leave us behind, but they had no other choice.

108. My siblings also moved away. They rented flats and ultimately qualified in their professional areas and are now independent.

109. I felt that all of the security of the family had been taken away.

110. My wife and I eventually got a council accommodation and we still live there to this day. It makes me sad to think of the lovely busy home that we used to enjoy together with our family.

111. This was a very difficult time for everyone, but it had an impact on my mental health. However, I'm a very private person so did not consult with my General Practitioner or anybody else about this in a professional capacity. I simply relied on the support of my family and extended family.

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113. The effect on my mental health was significant. I was horrified by the sentence and felt like scum.

114. I continue to feel angry at what has happened; however, I do get strength from my relationship with my wife and from my deep religious faith.

CONCLUDING REMARKS

115. Nothing can undo what I have been subjected to and the impact this has had upon myself and my family. This will stay with me, and indeed all of us, for the rest of our lives.

Statement Of Truth

I believe that the facts stated in this witness statement are true.

Signed:

GRO
Tahir Mahmood (Jan 14, 2022 12:51 GMT)

Position Or

Office Held:

Print Full

Date of signature: Jan 14, 2022

Name: TAHIR MAHMOOD

FILE REFERENCE:

GRO

