

**Witness Name: Mrs Shazia Saddiq**  
**Statement No.: WITN0223\_01**  
**Exhibits: WITN0223\_01/1**  
**Dated:07.01.22**

## **THE POST OFFICE HORIZON INQUIRY**

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### **FIRST WITNESS STATEMENT OF MRS SHAZIA SADDIQ**

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I, MRS SHAZIA SADDIQ 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.
2. My childhood was not easy. As a child I worked in my family’s shop from 6am before school, and after returning from school, I would work in the shop till 10pm. I was not valued by my parents because I was a girl. For example, I had a deep desire to pursue my education, but was not permitted to by my parents. I was removed from school to work in the family shop and to look after my nieces and nephews. I was forced into a marriage at the age of 21. The marriage was very difficult.

3. In 2004 I managed to secure a role as cashier for Barclays Bank PLC, this changed my life. I was good at my job, and I finally had a chance to shine. My first child was born in 2006, and I had a deep desire to provide a good life for her.
4. In 2009 an opportunity arose to purchase a post office. One of my Barclays customers was fed up of his shop. After a chat the idea came in to my head that if I used my retail management skills that I had learned as a child, coupled with what I learnt at Barclays I could have a thriving business and not just getting a wage. I saw running a post office as a door to creating a safe and happy life for myself and my children.
5. I was driven by my difficult childhood and very difficult marriage, to build a strong business to provide safety and security for my children. As I detail below, despite many hurdles, challenges and difficulties, I managed to secure three post offices, which I ran very well. Those post offices did and would have thrived and would have provided the route to security for me and the future that I wanted for my children. Unfortunately, the Post Office and its Horizon system destroyed all of that hard work and the dreams I had worked so hard to make real.

#### **MY EXPERIENCES AS A SUBPOSTMASTER**

6. I was the subpostmistress of three post offices. They were:
  - a. Benwell Post Office, 65 Adelaide Terrace, Newcastle upon Tyne NE4 8BN from October 2009 to March 2012 (This post office was lost as part of my divorce);
  - b. Westgate Hill Post Office, 245 Westgate Road, Newcastle upon Tyne NE4 6AE from 25 September 2012 to 28 October 2016, and
  - c. Ryton Branch Post Office, 5 Dean Terrace, Ryton, Newcastle upon Tyne NE40 3HQ from 12 June 2013 to 28 October 2016.
7. The Ryton village post office was also home for me and my children.
8. I operated a retail businesses from all three branches, and I employed five assistants. As I have said, I poured all of my energies and efforts into making these post offices a

success to create security for myself, but particularly for my two children. These post offices were not businesses to me, they were my hopes and dreams for a safe, secure and happy life.

### **TRAINING AND SUPPORT ON THE HORIZON SYSTEM**

9. When I became subpostmistress of the Benwell Post Office in 2009 I received 2 days of classroom training before commencing the position as subpostmaster. I was told that I would need less training than most subpostmasters because I had previously worked at Barclays. I found the training very inadequate.
10. We were told that the version of Horizon that we were going to be using in the branch was different and would look completely different to the version that we were trained on. The branch had Horizon Online, and I was trained on the previous version of Horizon. So, I was trained on the wrong version of Horizon.
11. When I opened the post office branch a Post Office trainer shadowed me for 3 days. It was supposed to be 5 days, but he declared that he was satisfied within 3 days that I had been adequately trained. He watched as I served customers and helped with the end of day balance and showed me how to process giros.
12. The trainer told me that I did not receive training using the ATM as I had previously operated these at Barclays Bank. As a result I operated the same procedure as I had used at Barclays Bank and I now consider that this lack of training was a cause of the regular problems and discrepancies I experienced with the ATM.
13. In 2015 the Post Office introduced an aide memoir for operating the ATM which detailed an entirely different procedure on which I had never received any training.
14. Prior to working at the Post Office I had never sold scratch cards or used the Horizon Lottery terminal. I did not receive any training on how to use this and I regularly received transaction corrections and had to pay shortfalls. I called the Helpline and

asked for Lottery training on a number of occasions, and assistance with balancing the Lottery stock unit, but nothing ever came of my requests.

15. I did not receive any further training when I became subpostmistress at Westgate Hill or Ryton.

### **HORIZON HELPLINE**

16. My recollections of the Horizon helpline are as follows:

17. I would initially call the Helpline approximately 2-3 times per day, especially in respect of the Lottery. All of my branches had high sales of scratch cards. I would call the Helpline and they would provide guidance on how to rectify balancing problems on the Lottery stock unit.

18. On one occasion I was on the telephone to an operative when I saw £2,000 disappear from the display while the operative was trying to reverse the error. I complained about this and the operative said that it would sort itself out by the next morning but I had so many experiences of Helpline operatives giving vague promises that the system would correct that I insisted that she stay on the line and reverse it. She did reverse it and I did not suffer any loss on that occasion, but I was always worried about the effect of operatives manipulating my account remotely and without my knowledge. I was not aware if there was any Lottery-specific Helpline. I always called the main Helpline for assistance.

19. I had regular problems with ATM balancing at Westgate Hill. I stopped calling the Helpline because they were never of any assistance. They did not understand what was happening, and on several occasions when they did try to assist me to reverse a transaction they caused the discrepancy to double on the system. After that I began to call Bank of Ireland (The Bank of Ireland owned the ATMs) directly who were often

- able to assist with the problems. I would only call the Helpline to obtain a reference number for the problems.
20. Generally it was difficult to get through to the Helpline. You would be put on hold until an operator was available to speak to you. On occasion I would put the call onto speakerphone so I could continue working while waiting for an answer. There were times where we were on hold for 2 hours before somebody answered.
21. There was one operator in particular (Sue) who would always quote parts of the Subpostmasters Contract to me and my staff. For some of this period I had not even seen a copy of that contract and was not able to challenge her. Whenever we called she said that we had to make good the losses. She would encourage my staff members to put the cash in without my authority.
22. I always found it difficult to resolve any problem by calling the Helpline or any of the other departments operated by the Post Office. For example, in early 2015 in the Westgate Branch the Post Office remitted a pouch with £36,000 cash in it even though it was labelled as £26,000, resulting in a gain to the branch of £10,000.
23. I reported this to the Helpline and I spent all day calling different departments trying to get the Post Office to acknowledge it and to send me a transaction correction debiting the branch £10,000. The Post Office had not been aware that any monies were missing.
24. This is an example of where there was a very serious discrepancy in my favour. I properly reported it to the Post Office, but they show no gratitude or interest into how they has mislaid £10,000 of their own money.
25. I was not aware of any procedure for disputing transaction corrections during my tenure.

## SHORTFALLS

26. 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.
27. I would estimate that throughout my position in the branches, I paid (or Post Office deducted) in excess of £10,846.36. I also suffered minor discrepancies also throughout the period, which are hard to account for, but over time amounted to a great deal of money.
28. At Benwell Post Office I paid the discrepancies from my personal savings. We experienced shortfalls, especially relating to the Lottery and ATM stock units, of up to £100 per week. I estimate that I made payments of £10,000 towards shortfalls in respect of all 3 branches between 2009 and 2016, with the exception of the shortfall referred to below. Of this, approximately £3,000 I paid while at the Benwell Post Office. I paid all of these shortfalls with cash or by cheque. I had tried to settle some shortfalls centrally but I had been refused this option as Helpline staff said that it was important that the cash in the branch match the record on the Horizon system.
29. On 30 January 2014 the Westgate Hill branch was cyber-hacked, by hackers representing themselves as being from Fujitsu or Post Office. My employee, Patricia Curry, was working at the branch when it happened.
30. While Patricia was serving customers the hackers managed to hack into Horizon using the Moneygram service and transferred money to Pakistan in several transfers. The Post Office wrote to me shortly afterwards and made it clear that if it could not recover the money through its own investigations then it would hold me responsible for the

- losses. The Post Office later represented in correspondence to me that the hacker had asked Patricia to send sums of cash using Moneygram under the pretence that this was being sent to the Post Office, and that she had made the transfers.
31. This was not true. I have seen a copy of the transaction log for the branch that day and it shows that 9 transfers of between £720 and £4,989 were sent between 10:20 and 11:32. Patricia did not send any transfers.
32. Moneygram transfers could not be sent by mistake. They would take around 15 minutes per transfer and we had to input customers' identity information in order to process a transaction. Patricia was busy serving customers throughout that time. I asked the Post Office to provide me with the data that had been inputted on Horizon to allow these transfers to go through but Post Office refused to do so. The Post Office employees also maintained over the telephone that only my branch was affected, but later admitted in correspondence that it affected 11 other branches.
33. I would emphasise that this cyber-attack/theft was facilitated by Horizon, the system that the Post Office required me to use. This is another example of the way Post Office treated subpostmasters and also of Post Office's dishonesty.
34. On 22 May 2014 the Post Office wrote to me to state that its investigations had not led to any recovery of the funds, and that it would be holding me responsible for the losses, calculated at £33,982.20. I contacted Ageas, the insurer that the Post Office had recommended to me specifically to cover a subpostmaster business, and I was informed that the fraud would not be covered because the Moneygram transfers were not a loss of "money".
35. On 20 August 2014 I met with Rachael Lax and Gayle Peacock, who described themselves as Post Office internal investigators. They reviewed my personal finances in detail to determine what payments I could afford to make towards this sum of money that was stolen via the Horizon system.

36. This was a deeply humiliating experience, as they were looking through all of my personal bank and other records. This was all done into a public area of a Holiday Inn Hotel. As they looked at my records, they made comments about where I bought my children's shoes from. This was none of their business. I was also very embarrassed, as I lived very humbly; I spent as little as I could on myself and maintaining my family. So it was humiliating to have strangers pour over my personal accounts in public and to see how little I spent on myself and my children.
37. At the end of this humiliating meeting, where it was made clear that I had no money to pay Post Office to make up for the crime (the MoneyGram cyber-attack) that had been perpetrated against my post office; the investigators said they would put a charge on my properties. They said this as it they were doing me a favour.
38. On 3 November 2014 the Post Office wrote to me stating that it would accept payment of £566.36 per month for 60 months. This would have been impossible for me and would have driven me out of business. I refused and the Post Office deducted the first instalment of £566.36 from my salary in March 2015.
39. I had a mental breakdown in August 2015 because of the prospect of having to pay this large amount. I again complained and David Southall (POL contracts manager). He had no sympathy for the fact that I was a victim of crime that had been perpetrated through the Post Office Horizon System. He made it clear to me that I would have to pay the £33,982.20. However, he agreed to deduct £20 per month towards the alleged debt from September 2015.
40. I understand that at the date of my suspension I had re-paid £846.36 towards the alleged debt, and that subsequently I have not received any pay so nothing further has been deducted.
41. From November 2015 I was unable to work at either of the branches as I have been too ill from the stress.



42. On 26 October 2016 I was texted by my manager at the Westgate Hill branch who informed me that the branch had been audited and closed because of an alleged shortfall of approximately £21,000.
43. I later received a letter from Post Office Ltd notifying me that I had been suspended from both branches (Westgate Hill and Ryton) on 26 October 2016, following which I was informed that the total shortfall was £39,269.97.
44. In later correspondence the Post Office's solicitor, Bond Dickinson LLP referred to the shortfall as being £41,097.37, but no explanation was offered as to how they have arrived at this increased figure.

#### **POST OFFICE AUDITS AND INVESTIGATIONS**

45. My post offices were audited a number of times. For example, the Westgate Hill branch was audited on 19 December 2013. The branch was £1.39 short, and this was made good on the day. I understand that the Westgate Hill branch was audited again on 26 October 2016, although I was not present for this as I was very ill at this time, and have never received the audit report.
46. Andy Carpenter, a Post Office contracts manager, telephoned me on that day to tell me that both of my branches were being audited and that I was being suspended, but he did not tell me any more than this. I was informed by email on 21 November 2016 that there had been an alleged shortfall at the branch of £39,269.97.
47. I understand that the Ryton branch was audited on 27 October 2016 but I was not informed as to the outcome of that audit. Despite this, the branch was also closed and I was suspended from it. However, later I was provided with disclosure during the Group Litigation (Bates & Others v Post Office Ltd) that showed that far from there being a shortfall there was actually a surplus of £1,026.68.

48. On 26 and 27 October 2016 the auditors took the keys to both branches and I was excluded from my own branches.
49. It is important to note that at no time was I provided with the computer and other data that the auditors looked at to reach their conclusions. I therefore had no opportunity whatsoever, to independently scrutinise their audit and the figures.
50. The Post Office maintained that it conducted an investigation with the police into the cyber-hacking attack. The investigation allegedly ran between 30 January and 22 May 2014 and it did not result in any recovery of the monies.
51. Again, I have never seen any evidence that any, or any adequate, investigation by the Post Office ever took place. I have seen a letter from Angela Van Den Bogerd to Chi Onwurah MP stating that the affected subpostmasters had failed to follow the correct procedures and to heed warnings that the Post Office sent about the scam.
52. This was untrue. The Post Office did not provide warnings or guidance about cyber-attacks against the Horizon System.
53. I understand that the Post Office have said that it conducted an investigation of me in respect of possible criminal offences. It is said by Post Office that this investigation commenced in January 2017. The Post Office has not provided any further clarification about the nature of its investigations. I do not believe that the Post Office did conduct such an investigation, or if they did, they did not provide me with any details of it.

#### **SUSPENSION AND TERMINATION**

54. I was suspended from my role as subpostmistress on 26 October 2016 from the Westgate Hill and Ryton branches.
55. Both branches were closed on 26 October 2016. I understand that Interim Enterprises, an agency that acts as temporary subpostmaster, began operating from Westgate Hill

- without my consent in January 2017. The Post Office also later opened the Ryton branch under an interim subpostmaster.
56. The post offices were closed down and my keys and records were taken. I have not had access to either branch or to my own retail businesses since.
57. The Post Office also took all of the stock, fixtures and fittings from my two post office. The stock and fixtures would have had a conservative value of £60,000 - £70,000.
58. I was suspended without pay from Westgate Hill and Ryton from 26 October 2016. This meant that I also lost my salary, which was a combined total of £66,000 per year (variable). This means that in the last five years I have lost some £330,000 in salary alone, not including the profits from my retail businesses.
59. The Post Office made it impossible for me to market or sell my properties because it took possession of Westgate Hill and would not give me the keys to my premises at Ryton. I instructed an estate agent to market the Ryton property, but my estate agent was unable to gain access to the property.

#### **CIVIL AND CRIMINAL PROCEEDINGS**

60. The Post Office did not pursue civil proceedings against me for the recovery of the alleged shortfalls however, they did threaten to place a charging order over my property.
61. The Post Office did not pursue criminal proceedings against me although they represented that they did undertake a criminal investigation of me for criminal offences.

#### **LOSSES**

62. I was led to believe by the Post Office that I had no alternative but to pay the shortfalls that the Post Office alleged. The Post Office maintained that it had conducted a thorough and fair investigation and determined that payment was due.
63. I paid the Post Office at least £10,846.36 in respect of alleged shortfalls, but my losses were much greater than this.
64. I have lost the full value of both branches and businesses. I purchased the Good Will of Westgate Hill Post Office for £62,500 in 2012. I also paid a £3,000 bond to the landlord that was returnable. I understand that the landlord determined the lease on 14 December 2016 and has not returned my bond on the basis that I have not made rental payments, which I have been unable to do because I have been suspended without pay by the Post Office. The value of the stock, fixtures and fittings were £10,000 - £20,000. These included a CCTV system, chiller cabinet and air conditioning.
65. I purchased the Ryton branch for £225,000 which included my family's residence. I renovated the branch and it had fixtures and fittings and stock valued at £50,000.
66. My brother is the guarantor of two business loans that I have with Lloyds Bank, in respect of £62,500 for Westgate Hill and £225,000 for Ryton. He is now making repayments towards these loans as I cannot afford to do so.
67. I always kept 2 pouches of £2,000 in cash in the safes at each branch of my personal money. The purpose of this money was for my staff to use in case of an emergency. These have been taken by the Post Office.
68. I also lost the cost of the insurance policy recommended by the Post Office, which failed to pay out following the cyber-attack. I did not renew the insurance again.
69. As I have said, I have also lost some £330,000 in salaries from my two post offices since October 2016.

70. The impact on my family of the Post Office's action has been devastating.

### **HUMAN IMPACT, STIGMA AND REPUTATIONAL DAMAGE**

71. Ryton is a very small village and everyone knows everyone there. Because my post office was closed, this meant that local people could not get access to post office services, including their benefit payments. As a result, there was a lot of anger directed towards me by local people.

72. After losing my post offices, my children and I were abused in the street. I went to the Ryton Post Office, which had been my home. I was near the entry to my home when a group of men began shouting at me and threatening me and calling me a thief. They threw, eggs, flour and stones at me and my children.

73. We managed to get inside, but I was covered in flour and eggs. This happened right in front of my children.

74. This attack on me and my children was a direct result of the action taken against me by Post Office Ltd. The local people believed that I was a thief and that the closure of the post office was my fault and this was why they could not get payment of their benefits.

75. There was a long period when I was scared to return to my home over my post office at Ryton. My home at the Ryton Branch post office was no longer safe for my family or I to live in.

76. On the evening of the day the eggs, flour and stones were thrown at me and my children, and I was called a thief. We fled our home with just my children's teddy bears

- and a few belongings that we stuffed into a giraffe that hung in my youngest child's nursery.
77. **EXHIBITED at SS1** to this statement is a picture that I took at the time showing the only things we had when we fled our home in fear: Snowy, Naughty bear and a giraffe stuffed with our few belongings.
78. When we were forced to flee our home, I told my children that were off on an adventure. As such, the two teddies were the things that my children packed first. One was called Snowy and the one was called Naughty bear. This is all Post Office left us with.
79. I had a total breakdown in August 2015 due to the constant pressure from the Post Office that I would have to repay the sums alleged by the Post Office as being outstanding, and also because of its sustained pressure on me to accept network transformation payments.
80. I suffered from stomach aches, an irregular heartbeat, headaches, insomnia and extreme anxiety. I also lost a lot of my hair from stress.
81. The cyber-hacking, and the Post Office's allegation that we were responsible for the hacking, led to the breakdown of my relationship with my employee, Patricia, and her early retirement after 12 years in the branch.
82. I have received threatening calls to my mobile phone and emails from Stephen Bradshaw and Brian Trotter. Mr Bradshaw was a Post Office security officer and Mr Trotter was a Post Office contracts manager.
83. I have received particularly intimidating telephone calls from Stephen Bradshaw who began calling me before I knew he worked for the Post Office. He did not identify himself in his calls, he just made demands of me.

84. On 29 November 2016 at 13:44 Stephen Bradshaw called me and I refused to speak to him because I did not know who he was or who he worked for. In that telephone call, which was witnessed by my husband on loudspeaker, he called me a "bitch", which I found extremely distressing.
85. After my suspension I was not been able to pay my utilities bills at the branches. After being suspended I had to take a part-time job to support me and my family, and I also had to borrow approximately £5,000 from my husband. I continued to pay a higher rate of tax as I am technically employed by the Post Office, but not earning the wage.
86. I have been trying to sell the Ryton branch and residence. I have paid £986 to the estate agent Pattisons to market the property but they were unable to gain access because the Post Office had taken the keys. I am still until unable to gain entry to my former home and business at Ryton. As a result, I was force to sign this property (my home) over to my brother.

## **CONCLUSION**

87. I hope I have been able to give a reasonable account of my experiences. I pulled myself up from a very difficult childhood and early life, and managed to build a chain of successful post offices as a result of my very hard work; during most of this time I was a single mother.
88. Anyone who has not run a long hours local post office and convenience store will not understand how long the hours are or how hard you must work. I ran three post offices, and did not stop working from dawn till dusk every day of the week. I did this work gladly, because I was building a life for myself and my children through my efforts.
89. The Post Office stole my life and the dreams that I had for myself and my children.

90. The Post Office treated me like a criminal, when in fact any criminal behaviour was committed by the post office.

91. I still, 6 years on, struggle financial and emotionally with the impact of having my livelihood and business stolen from me.

92. It cannot be right that a national body like the Post Office can simply turn up at a post office and demand money with menaces from a subpostmaster without any evidence to support such allegations and threats. However, this is exactly what happened to me and others. The Post Office would say that there was a shortfall, they would provide no evidence or access to evidence of whether this was true or not; and then they would simply say pay up, or we will prosecute you, sue you or shut you down.

93. I am an ordinary, honest and very hard working woman. I have always tried to be a good mother and a good person. I feel like I was raped in public by the Post Office and no one in authority has done anything about it

**STATEMENT OF TRUTH**

I believe the contents of this statement to be true.

Signed: **GRO** Dated: 07.01.2022

Mrs. Shazia Saddiq