

Witness Name: Mr Graham Ward
Statement No.: WITN0104_01
Exhibits: None
Dated.....1/2/22.....

THE POST OFFICE HORIZON INQUIRY

FIRST WITNESS STATEMENT OF GRAHAM WARD

I, MR GRAHAM WARD 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.
2. Originally I am from Chelmsford, Essex. I currently live in a village called Silver End in Essex with my partner GRO
3. I am 55 years old. I have 4 boys, my eldest son is 25 and my youngest son is 16.

BACKGROUND

4. I went to high school and I have an A-level in computer science. I am also part qualified as an Accounts Technician.

5. I was a working branch stockbroker in Essex Southend for 4 years.
6. I worked for Tablogix which did storage and distribution for Coca Cola. I was a shift manager, however, because I had a good knowledge of computer system I was designated to special projects at the company. Although I enjoyed my job, my work hours were long and I did not get to see my sons a lot.
7. I decided to become a subpostmaster because I was getting older and I thought it would be a steady income, better work hours and I would be working from home which would allow me to see my kids.
8. I viewed the Post Office as family business. I thought that my wife at the time could help out and that my sons could maybe take it over once I retired. That we could all be in it together.
9. I was the first person in my family who was brave enough to own my own business.
10. I trusted the Post Office. My dad had worked for the General Post Office and in general he had positive experience, and so I thought that it would be a good experience for myself. I thought that the Post Office was a big trustworthy institution, that it was part of the government and would always be around.
11. I was a subpostmaster of Rivenhall Post Office, 9 Church Road, Rivenhall, Essex CM8 3PQ from 5 September 2002 to 21 November 2008. I was only provided with a letter of appointment dated 18 July 2002; there was no contract attached to the letter. I requested a copy of the contract and received an unsigned copy in May 2009 after I was terminated subject to appeal. The unsigned copy of the contract was a "September 1994 issue".
12. I was the subpostmaster of Feering Post Office, Police Houses, London Road, Kelvedon from 21 June 2005 to 21 November 2008. I did not get a contract. The Post Office had shut the Feering branch and approached me as a nearby subpostmaster

and asked if I wanted to take it on part-time. I agreed on the trust that I would get paid.

13. I resided in linked residential premises. It was a detached property with a garden right in the centre of the village. There was a 3 bed flat upstairs and the post office shop was downstairs.
14. I operated a retail business from the premises at Rivenhall, namely the Village General Store. I employed one part time assistant who would come in when I was at Feering post office on Tuesday and Thursday morning, at all other times I was at the Rivenhall post office.

TRAINING AND SUPPORT

15. The Horizon training was incorporated into the 4 weeks on-site training which started on the day I took over the branch. This dealt with normal trading transactions as and when the customers came in and required the services. I did not receive any classroom training. I picked it up quickly because of my previous computer knowledge and so the trainer, Sarah, was confident and happy from my second week that I knew what I was doing in the system. When she left she made it clear to me that she was happy with my work.
16. After being reinstated after the first suspension in September/October 2005, someone from the Post Office came to my Rivenhall post office once on a Wednesday for an hour or so to make sure I knew how to carry out the "end of day" balancing. They were satisfied with my balancing and did not come back again.
17. When the Post Office announced training events I would go to them, however, they would not cover training on the IT system.

HELPLINE

18. I contacted the helpline less than once a month. The first time I had problems balancing the accounts I called the helpline and told them I had a shortfall. They tried to talk me through the steps but their advice doubled my shortfall. I un-did the shortfall by doing the opposite of what the helpline told me to do.
19. They would not accept that anything was wrong with the system, which was very unhelpful and so I did not bother asking them in the future regarding shortfalls appearing on the system.
20. They had a poor understanding on how the computer system worked. They were reading from scripts, and their standard response was *"if you've got a deficit there will be a transaction correction that would sort it out"*.
21. I found their responses frustrating as they were the helpline and so should be able to help me, however they did not seem to understand how Horizon worked in practice. They were not able to provide any practical help.

APPARENT OR ALLEGED SHORTFALLS

22. 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.

Shortfall 1

23. £1,398.30 on 29 September 2005. The auditor threatened that if I did not pay the alleged shortfall they would close the Feering branch. I paid the £1,398.30 immediately that day by borrowing the money from the General shop and my wife's

parents. It was implied that if I paid the alleged shortfall I would be able to carry on. However, I was suspended without pay and my post office did not open for about 3 weeks. During this time my son became very unwell with **GRO** I had a meeting with Alan Lusher due to my suspension and I was allowed back as he could not figure out why there was a discrepancy and because I was going through a difficult time.

24. It was agreed with the Post Office's Contract and Service Manager, Alan Lusher, that there would be a review meeting in January 2006. Despite my repeated requests that they investigate the discrepancy, they did not provide me with a proper response.

Shortfall 2

25. £309 on 17 December 2005. I did not repay the Post Office. I had spotted that the discrepancy was caused due to a communication breakdown between the computer and system which made it seem like I did not have the cheque I was given and made the balance short, I kept the paperwork logs of this and I brought them to a meeting with Mr Lusher in January 2006 to show him the discrepancies, my wife came with me to this meeting. The paperwork showed that they had received the cheque but the figure appeared on my cheque line. Mr Lusher rang Andy Winn (the Post Office's expert on Horizon) and my account was credited by the Post Office and the discrepancy was removed.
26. I asked Mr Lusher to have look at my shortfall from 29 September 2005. Because I knew what had caused my second shortfall and so I knew what to look for and I found that my first shortfall was caused by the same problem of a communication breakdown between the computer and system. Mr Lusher said that he would look into my first shortfall but never did, I even asked the Federation but they weren't interested.

27. Following this, my wife at the time and myself lost trust in the Post Office and decided that we wanted to get out. At this time the Post Office were implementing the Network Transformation Programme and we hoped that the Post Office would pay us a lump sum to close our post office as we qualified for the programme. My wife at the time and myself started looking for something else that we could do to secure our income. We took out a loan and my wife found a gift shop business that she could run in Suffolk. We had hoped that I could move there and join her and the kids when the Post Office was sold or closed.
28. I was unable to sell the post office and I was told that my post office was not one of the branches that they were going to shut and so it did not qualify for Network Transformation Programme.

Shortfall 3

29. £351.72. This figure appeared on the cheque line of the balance every month from April 2006 to June 2006 inclusive. (I do not have the figures for July and August 2006). I settled this centrally. My understanding was that there was an option to "settle centrally" any discrepancies into a suspense account to be analysed and resolved subsequently, which I was told by Alan Lusher. However, subsequently the Post Office assumed that I had agreed to pay the alleged shortage.
30. I called the helpline and asked to speak to Alan Lusher because he was aware of what had happened previously with my alleged shortfalls and I thought that he could help. His assistant Mandy was sent out, she came and took the paperwork but nothing happened.
31. I also spoke to my Federation representative, George Thompson, the General Secretary of the Federation, responded that he was not aware of the problems with the Horizon system and that it was the best system used by subpostmasters.

32. I also contacted my local MP, Priti Patel, who was supportive because her family ran a post office and she was very aware of what was going on. She received letters from the Post Office that there was no problem with system.

Shortfall 4

33. £463 per month. The figure of £463 appeared on the cheque line of the balance recurring every month from September 2006 until June 2007 inclusive. I settled this centrally in the belief that the Post Office was an honourable company and would correct it.
34. I sent the documents to the Post Office which showed the cheques had been processed correctly and the Post Office could not explain how the difference had arisen or what could be done to correct it. No error notices were issued to me and therefore the figure kept recurring on the cheque listing line of the balance in the following months.

Shortfall 5

35. £830.49 per month. The figure of £830.49 appeared on the cheque line of the balance recurring every month from July 2007 to January 2008 inclusive. I settled this centrally.

Shortfall 6

36. £1384.29 per month. The figure of £1384.29 appeared on the cheque line of the balance recurring every month from February 2008 to July 2008 inclusive. I settled this centrally.

AUDIT AND INVESTIGATION

37. I can vividly remember the audits taking place.
38. The first audit was after 6 months' service on or about February 2003 on Rivenhall; there were no issues.
39. Following an audit in September 2005 on Rivenhall, I was suspended and then reinstated after I paid an alleged shortfall of £1,398.30. The next audit was on the Feering branch; there were no issues.
40. Following an audit on 2 September 2008 on Rivenhall, there was an alleged shortfall of £10,722.12. On 4 September 2008, the Post Office varied this figure to £10,339.26 and on 26 September 2008 the alleged shortfall was £10,952.12 (this included £612.86 for the Feering branch).
41. Despite my repeated requests for an investigation I have seen no evidence that any investigation had been properly carried out.
42. On or around September 2006, the figure of £463 appeared on the cheque listing line of the balance recurring every month for one year. I was paying back approximately £300 month out of my wages.
43. I sent the documents to Post Office which showed the cheques had been processed correctly and the Post Office could not explain how the difference had arisen or what could be done to correct it at that stage.
44. No error notices were issued to me and therefore the figure kept recurring on the cheque listing line of the balance in the following months and subsequently the figure increased.

45. I received a letter from the Post Office dated 6 May 2009 stating *"With regard to your query in respect of £463 appearing in the cheques line, I cannot provide a specific answer. What I can refer you to is my letter dated 23 April (sic)..."* which referred to shortfalls being my responsibility to pay.

SUSPENSION AND TERMINATION

46. I was suspended on 2 September 2008.
47. I insisted that Alun Lusher take my meeting following my suspension as I believed he was an honourable man and would help me. Mr Lusher said that he had no recollection of our previous meetings. I brought a federation representative to my meeting with Mr Lusher, however, he claimed that he couldn't understand it and was acting chummy with Mr Lusher.
48. By letter dated 23 September 2008, Alan Lusher stated that he had written *"on 2 September 2008 confirming suspension of your contract for services as subpostmaster"*. Mr Lusher stated that he will have to consider summary termination of my contract on grounds that *"there are shortages totalling £10,952.12 and that you had failed to make good in accordance with the Contract for services section 12 paragraph 12: The SPM is responsible for all losses caused through his own carelessness, negligence or error and for losses of all kinds caused by his assistants. Deficiencies due to such losses must be made good without delay'..."* I found this confusing as I had been settling the shortfalls centrally and it was hurtful to be accused of stealing.
49. They closed the branch as nobody in the Federation wanted to run it whilst I was suspended.
50. I was blocked from Horizon as soon as I was suspended.

51. My appointment was subsequently terminated by the Post Office by letter dated 21 November 2008 which stated *"After consideration I have decided to summarily terminate your contract for services ... from the date of your suspension, on the grounds that you have failed to make good accounting losses in accordance with your contract for services section 12 paragraph 3 and have made false declaration in your account in contravention of section 12 paragraph 4. You may if you wish appeal against my decision....* I was terminated for not being competent to operate system, not for the money.
52. My appointment was terminated after an appeal. I had asked for my appeal to be looked at by a computer literate expert. I was supposed to receive a response on my appeal within 2 weeks, however, it was not until 8 weeks later that I was told that my appeal failed but they could not give me a reason and did not tell me why.
53. After my appeal my computers were taken away. I asked the Post Office for my computers to be kept separate in case they needed to be investigated, however, they ignored me.
54. After my first suspension I was told that any further transgressions would lead to loss of office.
55. From January 2006, I had brought up issues with the discrepancies on the cheque listing line with the Post Office; twice in meetings, by letter dated 17 March 2006 and also to the Federation.
56. Subsequently, I repeatedly asked the Post Office to clarify how the discrepancies could arise on the cheque line of the balance and recur every month from April 2006 to September 2008. I asked for access to transaction logs. The Post Office's responses were unhelpful and reflected an unwillingness to carry out any proper investigation to resolve the problem. I was told that I was "the only one" experiencing the issues by Alan Lusher which I later discovered was not true.

57. During the appeal stage, I was provided with a Post Office internal email from Andy Wyn which stated that it was not possible for anyone to remotely access branch data to correct an error and that if they could it would cause the Post Office problems. However there are procedures in place to prevent adjustments being made without prior authorisation from the Post Office and Fujitsu.
58. The draft transcript of the appeal hearing was not an accurate transcript and I had to specifically request for amendments to be made to reflect what actually took place. The names, dates and locations were wrong and they had misinterpreted what I said and said that I had agreed when I had actually disagreed. It was skewed in their favour.

CIVIL AND CRIMINAL PROCEEDINGS

59. The Post Office did not pursue civil or criminal proceedings against me in relation to the alleged shortfalls.
60. However, in or around August 2009 the Post Office sent me a letter demanding payment of money alleged to be owed by me, and again on 11 December 2009 and 16 February 2010. These letters threatened legal action and prosecution. These caused me unwarranted anxiety having already been terminated.
61. I found out during mediation that the Post Office had written off my debt but nobody told me. At mediation they also claimed I was sent a transaction correction which was not true as I never received one.
62. Following mediation I received £5,000 and approximately £21,500 following the high court settlement. This still does not go any way to fully compensating me for what I have endured.

LOSS

63. I was led to believe that I had no alternative but to pay the shortfalls and I believed that a thorough and fair investigation had determined that payment was due.
64. I paid £1,398.30 to the Post Office and the Post Office deducted £3,932.52 from my wages over a period of 22 months from December 2006 — October 2008. I also settled £14,569.11 centrally.
65. I lost some of the value of the business. I had initially bought the business for £44,000 plus stock. After my suspension it was sold for £21,000 plus stock and so I lost £23,000.
66. I was unable to earn from the Post Office during my suspension from September 2008 to November 2008 and so I lost £3,987.00. I only had the income from the General store, but the stores footfall went down because my customers lost trust in me as there was no post office anymore.
67. The Post Office failed to give me notice and so I lost £5,276.00, 3 months' salary.
68. At the time of my suspension in 2008 there was 8 years remaining on the lease as the lease of the Rivenhall branch was expiring in 2016. I had been earning around £19,000 p.a. from the Post Office prior to my suspension and termination. After my suspension and termination my earnings dropped to £1,000 p.a. in the 3 years after suspension. As I had a family to feed I felt that I had no choice but to take up employment elsewhere at a significantly lower salary of £16,000 p.a.
69. I am now a store manager at a marketing news agent. They also deal with the Post Office and so I had to keep my involvement with the Post Office a secret as I was worried I wouldn't get a job.

70. I entered into an Individual Voluntary Arrangement which cost me £5195.60

STIGMA AND REPUTATIONAL DAMAGE

71. The suspicion of theft was hanging over my name and still is. I was unable to return to the village without hearing distressing and embarrassing comments of being labelled a thief.

72. People had those opinions about me up until the press coverage of the Group Litigation, after which people thought that I was given a lot of money.

HUMAN IMPACT

73. I still drive past my Rivenhall post office as it is 2 miles away from where I live. Since I've sold the post office I have only ever been in there once, but it was not by choice. I only went because I needed paperwork for my ex-wife. It is hard for me driving past it as it brings back bad memories.

74. I suffered a litany of problems with the Horizon system that reported shortfalls. I was audited and suspended in 2005 and later reinstated. I was suspended again in 2008. I appealed but my contract was terminated. I lost approximately £110,000.

75. I was accused of having shortfalls twice. After the first time I was reinstated but losses started reoccurring within a year.

76. In order to repay the apparent shortfalls (eventually amounting to over £300 pounds per month), I was forced to sell my shop, which was also my home, at a reduced price and for less than market value. I had lost my main source of income which

resulted in me getting behind on shop rent and loan payments, whilst still trying to pay council tax and keep my business afloat. I was left with £45,000 debt.

77. During the year and a half before I sold the shop I had nothing to live on. All the money I had I spent on my kids and keeping the shop going. I felt that I had to keep the shop going for my sons, to provide them with some stability.
78. My ex-wife was putting pressure on me for her half of business and to contribute more financially for my kids.
79. I still feel guilt that I could not provide for sons. When I pictured being a dad I wanted to be able to take my sons to football and Alton towers. I wanted to be able to buy things for them and take them on holiday. These are moments and experiences that I can't get back and I feel robbed.
80. I found it quite hard mentally when my ex-wife was taking our sons on holiday and I could not afford to take them. I was unable to afford to go on holiday for 14 years.
81. I lost my family. I only got to see my kids every other weekend and I lost most of their growing years which is priceless and a source of great regret and pain to me. Being a weekend only dad was very difficult for me.
82. At the time I couldn't even afford to take my kids to McDonald's when I saw them on the weekend, we had to make our fun with no money and make do. I hope that my kids know that I tried my best.
83. As a result of the stress caused by the conduct by the Post Office, my marriage of 13 years broke down and my wife left me for another man. She claimed that I had abandoned her and left her in Suffolk by herself because I could not sell the post office and so could not move to Suffolk, she said I left her up there by herself with the children.

84. After my ex-wife left me I went to see my GP, they were going to give me drugs but I couldn't afford to be zonked as I had too much work.
85. After the first shortfall my ex-wife stopped trusting me. I stopped trusting myself and suffered a total loss of confidence.
86. After we got divorced, my ex-wife accused me stealing money in front of our sons. I had managed to buy my sons an old Nintendo Wii and my ex-wife said "*I suppose you got that out of the money you stole*". I found this very upsetting and it added to my hurt that someone who I had once pictured spending my life with and was meant to trust me was accusing me of theft.
87. If I ever bought anything my ex-wife would say to me "*how can you afford that, you don't give me enough money*". She would use the Post Office and my lack of money against me and initially it hurt.
88. I consistently argued my innocence to the Post Office, Federation and anyone who would listen to me but for a long time it fell on deaf ears. I knew that I had not taken any money and I knew how the shortfall had occurred but no one would listen to me.
89. Financially, as a consequence of losing the post office income, I ended up with an IVA of around £43,000 which took me 6 years to come out of. I am okay financially now but I still get up at 5am to work 45 hours a week. It has been a long hard struggle.
90. I was never accused of a criminal act as I consistently asked the Post Office to prove I had stolen anything which they could not do. However, after I sold the shop the new owners reinstated the post office and were told by the Post Office trainers that I had stolen money from the Post Office. When one of the neighbours from the shop told

me this it upset me to be accused of theft in the community but I kept it to myself and put a brave face on, I didn't want anyone to know that they had gotten to me.

91. I always try to put on a front to seem confident but I am not confident. I have learnt to hide my feelings which is tiring. I would like to talk to people but they wouldn't understand. This makes me feel lonely.
92. I haven't seen my friends from the area since being accused by the Post Office and I try to avoid them. I don't have friends now, I have people I know. After what happened with the Post Office I withdrew into myself and stopped trusting people and myself. My mind would make me think that people were talking about me which would make me embarrassed. I get annoyed with myself for thinking like that.
93. I stopped going to family events because I was embarrassed. I felt I wasn't worthy and was not good enough. It's in my head that my family would think that I robbed the money even though I know they're not like that.
94. Initially I was at the forefront of the JFSA but I had to step back as it was affecting my mood. The disappointment and frustration would get to me, I can get very hopeful and optimistic, however, when I get bad news I can get very low which makes me withdraw into myself and stop talking to people. I start spending a lot of time on my own and on phone.
95. I get affected by the ups and downs of the processes that we have been forced to go through. It is very hard to not get affected by the supposed highs and then the horrific lows when things are delayed again.
96. What's going on now is not good for me and I am feeling low at the moment. I feel that we are being further punished because we can't get proper compensation. I feel like we are being scapegoated for speaking up.

CONCLUSION

97. The Impact was at the time more devastating than I thought. It has taken a long time to get back to near normal.
98. Financially I am back to being okay, but mentally I am not.
99. I have my happy times if I know that my kids are happy. A lot of my happiness comes from my children.
100. Sometimes I feel like I would have been better off had I been prosecuted because I would have been compensated.
101. I would like to think that Post Office Limited were just doing their job and what they were told. I would like to think, that they did not maliciously target me.
102. I think that no one knows what's going on in the Post Office, even now.
103. I would like to think that the shortfalls were accidental and that the Post Office didn't know how to get out so let it run.
104. I don't want Post Office Limited employees going to jail and ruining their families as that would not fair on their kids. I don't want another family to go through what my family has gone through.
105. I would like the Inquiry to confirm that it wasn't me, that I'm not a bad person and that it wasn't personal but just something that happened. I want to put it all to bed in my head and settle it once and for all. I do not want this dragging out for another 5/10 years.
106. I would like the Inquiry to get Compensation for all the subpostmasters who have suffered.

STATEMENT OF TRUTH

I believe the contents of this statement to be true.

Signed.....**GRO**.....Dated.....1/2/22.....

Graham Ward