

**Witness Name: Mr Vinod Sharma**  
**Statement No.: WITN0226\_01**  
**Exhibits: None**  
**Dated:18/01/2022**

## **THE POST OFFICE HORIZON INQUIRY**

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### **FIRST WITNESS STATEMENT OF MR VINOD SHARMA**

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I, MR VINOD SHARMA WILL SAY as follows:

#### **INTRODUCTION**

1. I am grateful to the Chair to be invited to provide a “human impact” statement, concerning the physical, psychological, emotional, reputational and financial consequences to me and my family of being held responsible for shortfalls shown by the Horizon IT system and Post Office Limited’s actions toward me and my family. The initial paragraphs below provide a brief summary of my background, and provide context to the detail of the human impact of the Horizon scandal on me and my family. This statement does not reflect a full account of my experiences or those of my family and if necessary or required I will provide further witness statement evidence.

#### **BACKGROUND**

2. I am 74 years of age, married with 2 sons. I live in Bearsden, Glasgow and lived in this town for the last 35 years. I am always been in employment.
3. I started my career as an electrical engineer and I did this for 6- 7 years. I then went into self-employment by owning a news agent shop.

4. I then decided purchase the Post office so I applied and I was selected to become a Sub- postmaster in 1977.
5. The reason why I decided to become a subpostmaster was a continuation of the employment I had been doing, and there was the idea that the job of subpostmasters having good and reputable social status in the town. By taking on the role I hoped to have a steady increased income. This was important, as I was the only one providing for my family and to upkeep with the bills.
6. I was a Subpostmaster of 48 Broomton Road, Glasgow G21 3RU from September 1977 to August 2015 (FAD Code 2848325).
7. I operated a retail business from the premises, the newsagents was called Broomton Store. I employed an assistant for about 25 years.

### **TRAINING AND SUPPORT**

8. When I started the post office everything was done manually. I did the accounting manually but I do not recall having any significant shortfalls. The shortfalls were only £20.00- £30.00 a week. There was a general understanding that any shortfalls had to be made good. I used to balance the figures by paying out of my own pocket.
9. It was not until many years later that the Post Office introduced the Horizon System. This meant everything would be centralised and the running of the post office would be easier.
10. A trainee officer came in for a 2 days to show me how the system worked. Using the Horizon system was quite daunting, as I had been so used to operating manually of many years. The Horizon system had many functions and was complicated to use. I did not think 2 days of training was sufficient enough.

11. The trainer did not mention anything about experiencing shortfalls, rectifying any problems or any potential problems that could occur while using the system. I do not believe that the training was adequate, and it did take some time for the system to operate properly. It was more of a trial and error, and felt that I was left on my own and get on with it.
12. It was expected that any shortfall would have to be paid out of my own pocket and I was always told that there was no error and or error could be made while using the Horizon System. I was told that the system was working properly.
13. The Horizon system was updated years later and I did not receive any further training or any letters from the Post Office regarding updates and training for using the Horizon system.

#### **HELPLINE**

14. I contacted the Helpline less than once a month because there were few issues in the branch on a day to day basis. When I did call the help it was always due with shortfalls.
15. I remember simply being asked to make good of any shortfalls after a few weeks.
16. I was led to believe by the Helpline that any error was a mistake on my part.

#### **SHORTFALLS**

17. 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.

18. The Post Office was re-branding and offered me a retirement package of 53k. I decided this was a good opportunity to take as I decided to retire. It was great timing.
19. In June 2015, I went on holiday to **GRO** to visit my grandchildren for 4 weeks with my wife. While on holiday I received a call from my assistant who was running the branch in my absence that the Horizon system was showing a shortfall of £28,845.00. The shortfall had come out of the blue as I never experienced such a large amount of a shortfall.
20. My assistant was fully capable of running the branch in my absence and had done so on many occasions. She had been working at the branch for over 20 years.
21. In shock and worried as I was aboard. I contacted my union representative, George Thomson to look into the issue, the union representative went to the branch with another experienced subpostmaster and found that there was a shortfall.
22. I had to cut my holiday short and purchase new tickets to come back to the UK. I was worried about the repercussions it may have on my retirement from the branch. I thought if I was suspended then I would not get my retirement and I could possibly have a criminal conviction against me. There were so many thoughts running through my mind and the large amount of shortfall was just shocking.
23. I received no support in relation to this issue whatsoever. I remember my union representative saying "at the end of the day, if Post Office don't find anything in their investigation, they'll still make you put the money in anyway". I was strongly advised by my union representative that I would be suspended if the auditors found this shortfall, that an investigation could take months, and may jeopardise my retirement payment if I did not repay the sums immediately. The post office would be closed and I could be sued if I did not repay the shortfall. I later found out George Thompson was being paid by the Post Office Bureau.

24. 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.
25. I had think quickly on how I was going to repay the shortfall of £28,845.00. I had no option but to ask my family members to help me. Thankfully, my family members loaned me the money.
26. I repaid the Post Office in full for this shortfall from my bank account. Soon after the figures balanced.
27. I had run the post office for many years and it is difficult to recall the exact shortfall in total, as they were minimal amounting to £20.00- £30.00 a week. However, on audit in June 2015 the auditors identified a shortfall in the sum of £700.00. I had to make payment out of my own pocket as this was standard procedure.

#### **AUDIT AND INVESTIGATION**

28. I had many audits over the years. Before the Horizon System was introduced, we used a paper based system, that was reliable and easy to check. After Horizon was introduce there was pretty much no way of checking transitions or working out errors.
29. An audit was conducted in June 2015, about a week to ten days after the very large shortfall was identified. However, on the advice of my Federation, I had already repaid the £28.845.00 detailed above.
30. This shortfall was not picked up as the figures balanced with the repayment. You can understand that I was desperate to resolve the issue as this would in effect affect my retirement. During this visit the auditors identified a shortfall of £700.00, I immediately made the payment to balance the figures. No further action was taken.
31. I have seen no evidence of any adequate investigation.

**SUSPENSION AND TERMINATION**

32. I was not suspended by the Post Office. I retired as planned, but the money I had to pay for this shortfall swallowed up a large amount of my remaining money.

**CIVIL AND CRIMINAL PROCEEDINGS**

33. The Post Office did not pursue civil or criminal proceedings against me for the recovery of the alleged shortfalls.
34. I was not really given an option but to pay for the shortfalls. However, I was fearful of such action that could result in suspension affecting my retirement. I did cross my mind that I could have criminal and civil proceedings against me.
35. In fact, it was the fear of the action that the Post Office would take against me, that made me pay for the large shortfall.

**HUMAN IMPACT**

36. I suffered serious problems with the Horizon system including alleged shortfalls. The alleged shortfall amounted to £28,845.00. I was left with no choice but to make the repayment and at the end of the day this came out of my retirement fund.
37. After 38 years of service to the Post Office I feel aggrieved that I was treated so poorly by an institution I devoted most of my working life to.
38. I was not involved in mediation in 2013, but I was party in the group litigation against Post Office Ltd, as a result I am excluded from the Historic Shortfall Scheme. I received very little from the group litigation, nowhere near my losses.

39. As I have said, I had gone to visit my son in GRO whom I had not seen for a few years and about 10 days after arriving I received a telephone call stating issues at the Post Office. The Horizon was showing a shortage of just over £28,000.00.
40. It was unbelievable. I immediately contacted our union branch secretary who offered to go in with a colleague and do a full balance (term used to account check). He phoned me the next day (time zone difference of 8 hours) and said they had done a full audit and the system was showing a shortage of around £29,000.00.
41. I immediately decided to return back to Glasgow having to purchase a new single ticket at a cost of around £1,100. On my return I immediately met with the Subpostmasters Union Mr George Thomson General Secretary and during our meeting I informed him that I had been as a subpostmaster for 37 years and I had not had anything like this happen at my office, and that the lady working in my office was 100% honest and had been working in my office for 20 years or so. I never ever had any issues like this in my life.
42. Nevertheless I checked my CCTV for the last ten days and there was no suspicious activity at the counter.
43. At my meeting with Mr George Thomson he insisted that the Horizon System does not make mistakes, he said if it shows your office being short the post office will assume that I have stolen the money. He advised me to avoid being suspended and losing my office I would need to raise the money and make good the shortage.
44. My worry was that I was giving up my branch after 37 years of service to the Post Office. With the plan to retire, the Post Office was down grading my branch as a result I will be getting a payment of £53,000.00. If I was suspended I would lose my retirement payment and I had to make good of the shortfall first before there was an audit. I had no choice except to make good the shortage shown by the Horizon System to balance the figures and before there was an audit.

45. When the auditor came I had made good the shortage however they still found a discrepancy of around £700.00 which I also made good to balance my office account. I later learnt that the Sub-postmasters Union was on the Post offices control and financially dependent on them.
46. The effects of the shortfall had a devastating effect on my life. I had been working for the Post Office for 37 years and I never experienced anything like this. The issue aroused only when the Horizon system was in place. This did not happen under the old manual system, using which one could easily identify errors.
47. I spent many months of sleepless nights due to this. I could not believe that after spending most of life working with the Post Office which was owned by the British Government I would end up in this state.
48. Luckily my family (my sons) were able to help quickly to make good with the shortfall. My whole family was worried but they supported me through this challenging time.
49. This matter was kept within the family but because of age and running the Post Office for many years I was well known to the locals. I was worried that someone would find out. I could not speak to anyone as I worried that reputation built over the years would be tarnished.
50. It crossed my mind that my alleged shortfall could make it the local paper. All of this added to my stress.

## **CONCLUSION**

51. I feel the Post Office have not treated me fairly and have been insincere on their part. It goes against everything of what a subpostmaster means to the community. Running a Post Office is a reputable job that hold the community together, this was one of the reasons why I chose to become a Sub- postmaster.



- 52. I worked as a subpostmaster for very many years. Previously we used a manual system that was easy to check. Any large shortfall was easily identifiable. It also gave you confidence, because you knew you could prove your transactions.
- 53. With the Horizon system this all changed. It was impossible to check transactions. Also the Post Office were clear, any shortfalls were your responsibility as a subpostmaster, regardless of how they happened.
- 54. I feel that I have been treated unfairly by the Post Office and other associated parties like the Subpostmaster Federation. Both the Federation and Post Office maintained that there cannot be any faults with the Horizon system and any errors occurred have simply been the fault of the subpostmaster. This was not true.
- 55. The Post Office would say, 'simply make good of the shortfalls' is not good enough. More investigations are needed and when an error is shown it should be logged and looked into thoroughly.
- 56. I have lost faith in the Post Office, they have had no sympathy for or appreciation of long standing Sub- postmasters.
- 57. I would like the Inquiry to get to the bottom of reliability of the Horizon System and the way the Post Office acted towards subpostmasters.

**STATEMENT OF TRUTH**

I believe the contents of this statement to be true.

**GRO**

Dated 12/1/2022  
Vinod Sharma