

Witness Name: Mr Iain Orr
Statement No.: WITN0207_01
Exhibits: None
Dated: 11 January 2022

IN THE POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF MR IAIN ORR

I, MR IAIN ORR 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 as a result of the Horizon IT system and Post Office Limited’s actions toward me and my family. The introductory paragraphs below provide a brief summary of my background and provide context to the detail of the human impact of the 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. I can confirm that I have been informed that a false statement verified by a statement of truth constitutes contempt of Court if made without honest belief in its truth.
2. I live in Motherwell, in Scotland. Before becoming a subpostmaster, I had had a successful career with management responsibilities. I felt that running my own business and being a subpostmaster would be a natural extension of this, as ambitious and wanted to build a successful business of my own.

3. I ran the Drip Road Post Office in Stirling as subpostmaster. I ran the branch between the 1 June 1999 and September 2005. The post office was inside the retail branch of a Londis convenience store.

TRAINING

4. At the time I commenced as a subpostmaster, the Horizon System was only newly being introduced. I undertook only a small amount of training prior to the Horizon system being installed. This took place off site. It was an evening session attended by other subpostmasters in the local area.
5. The training consisted of a presentation using an overhead projector. There was no equipment there, no computers or anything for us to gain practical, real-life demonstrations on.
6. Following on from this, a trainer was in branch for 5 days. They mainly used the spare terminal and served customers alongside me, helping me when necessary.
7. Throughout this time, only one balancing of the system was done with me.
8. On occasions I did attend ad hoc training, as and when new products/services were introduced.
9. On the whole I found the training to be inadequate in the light of the complexity of the Horizon system and the fact it was a big change from using a more paper-based system, even though I was computer literate.

SHORTFALLS

10. in this section, I set out in very brief detail my experience of shortfalls arising from deficiencies in the Horizon 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.
11. The training never covered what to do if shortfalls occurred. On balancing days, I remember spending entire evenings go through the system repeatedly to try to find where the shortfall was coming from and to make it balance. It was never possible.
 12. I have experience of delivering training in prior jobs and have never known it to be so lacking, particularly given that Horizon was such a complex system.
 13. I estimate that I initially contacted the helpline once a week about problems relating to alleged shortfalls and/or balancing; and once a month in relation to equipment or hardware errors.
 14. I estimate that during the first 20 weeks following the Horizon, I called 15 times with issues regarding shortfalls.
 15. It even got to the stage that I got to know the people on the helpline by name.
 16. I began using the helpline less after the first year. Many times, they were as baffled as me and were of no help.
 17. I was specifically told that I was to make good any shortfalls by putting in my own cash to balance the system.
 18. I was also advised that any errors would be caught in the next balance or when paperwork had been sent away from branch, for example to Girobank. However, I never received any corrected errors back.

19. I often found the advisors were reading from a script, giving very generic advice. They never followed up any issues. I was always led to believe that I was the only subpostmaster experiencing these issues and I was liable to make good the shortfalls.
20. I estimate that throughout my position in the branch, I paid or had deducted in excess of £13,000.
21. The small shortfalls I would just go ahead and pay the money. Luckily, the retail side of the business was making a small profit so I was able to do this.
22. The larger shortfalls, usually around £1,000 - £2,000 would occur quite regularly. I would call the helpline, again being advised it would right itself but always reminded that I was contractually obliged to pay them.
23. I was audited 3 times in the 6 years. I was not given notice of the audits.
24. One audit discovered a shortfall of only £100-£150. The others were smaller. I settled each of these on the day.
25. I remember being advised that I should balance each individual terminal and not the system as a whole. Hints were made by the helpline and Post Office area manager that my staff were stealing. My staff had been with me from the beginning. I trusted them but was questioning myself because so much money appeared to be going missing.
26. In the end I resigned from the Post Office, as I had become so completely disillusioned with the Post Office.
27. Dealing with shortfalls and spending hours trying to find the source of them with no real support from the Post Office was a major contributing factor.

28. I was also under pressure to 'upsell' more Post Office products and services, such as insurance and to meet Post Office targets. It was increasingly becoming more sales orientated, more profit driven, than a service to the community.

HUMAN IMPACT

29. Financially I have been put at serious loss. I had to use personal funds to cover any shortfalls. This caused financial distress when the shortfalls were £500+ on several occasions.

30. At the start I was in the early stages of being self-employed and running a Post Office. The diversion of these personal funds from paying mortgage and living costs caused great marital and family stress at the time.

31. My marriage became increasingly strained when personal monies earmarked to pay household bills were diverted to cover Post Office balance shortfalls.

32. We had taken out a loan against the mortgage on our house which put added pressure onto our marriage. We finally divorced.

33. I cannot put the blame for my marriage collapsing entirely onto the Horizon and the Post Office, but it certainly contributed to it.

34. Also, the relationship with my Post Office staff deteriorated due to these shortfalls. When I raised these regular shortfalls with my Post Office area manager, he suggested staff errors or dishonesty were likely to be the cause of the shortfalls.

35. Therefore, I introduced new controls and CCTV were installed which caused staff relations to deteriorate.

36. Before the introduction of Horizon, the weekly balance usually went without incident with balance overs/unders only ever amounting to a few pounds either way. In hindsight this should have alerted me to an issue with Horizon.

37. What was once a pleasant working environment for me, and my staff was became increasingly toxic.
38. This remains with me to this day. I was not the only one who was affected on a daily basis. My staff also suffered. They had been working for the post office for 10 to 12 years. They lived in the area. They were afraid for their jobs or of being accused of being called a thief. They looked to me for guidance and I was unable to support them.
39. I finally decided the stress of running the Post Office was too great and I decided to sell the business.
40. I should have been enjoying these years. I was a young, ambitious, successful man. I had previously worked with large companies in Senior Management. This was supposed to be my step into owning and running my own business. To fulfil my ambition of becoming self-employed.
41. Instead, I became anxious, continually stressed and questioning my ability. Not only to run a business but to provide for my family.
42. It would be impossible for someone who had not been a subpostmaster to understand what it was like to go through these problems with the Post Office, and the loss of livelihood and business.
43. The Post Office knew there was a problem with the Horizon system and yet I was made to believe that I was the only one this was happening to. They could have attempted to solve the issues and yet they sought to isolate, intimidate and threaten those who were the victims of it.
44. It took me many years to bounce back from this experience and has put me off running my own business.
45. I have only recently been able to get back on an even keel financially.

46. That period in my life I look back on with horror. It affected my reputation, my self-esteem, mental health and my marriage.

47. I would like some acknowledgment from the Post Office that they were entirely at fault. I would like an apology and I would like closure.

CONCLUSION

48. What happened to me, happened to hundreds if not thousands of other hard working, decent people who were only trying to make a living and make a positive contribution to their local communities. What was done to us is a disgrace that is beyond my ability to put into words.

STATEMENT OF TRUTH

I believe the contents of this statement to be true.

Signed.....

GRO

.....Dated.....

11-1-22

Iain Orr