

Witness Name: Ms Baljinder Dhadda
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Exhibits: None
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IN THE POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF BALJINDER DHADDA

I, BALJINDER DHADDA, 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. I am currently the subpostmistress at the Droitwich post office. I have been a subpostmaster for over 30 years and at one time I oversaw 8 sub post offices.
3. During my career with the Post Office, I also worked as a Horizon Field Support officer and helped with the migration of the old paper balancing system to the Horizon system during the initial rollout in June 1999.
4. The Horizon system has been justly discredited and those subpostmasters/mistresses who were accused of stealing from the Post Office can now rightly hold their heads high. However, I also know that the flaws in the system allowed dishonest employees to manipulate these flaws to their advantage.
5. I live with my husband. I have 3 daughters and a son. Their lives have also been impacted by the actions of Post Office Ltd.

BACKGROUND PRIOR TO APPOINTMENT AS SPM

6. I married young, when I was 16 years old I had an arranged marriage. After getting married I continued my education, I went to college and then straight into work.
7. Prior to joining Post Office I was an Executive Officer with the Department of Health & Social Security (DHSS). I loved the job. I worked hard and received a promotion. At the time however, I had 2 children. I was ambitious and I liked the idea of working for myself. As such the concept of running a post office branch seemed like a good fit.
8. At this time, the role of a subpostmaster was a profitable, highly sought-after position. I was about 25 years old, young and ambitious. My husband was earning a good wage as a factory employee and my wages from the DHSS went automatically into a separate savings account. By the age of 25 I had a savings pot of between £40-50,000. I was keen to invest this in a sound business idea.
9. I am extremely hard working and I had faith that one day I would oversee the running of many offices and retire with a good income and maintain a good lifestyle for myself and my family.
10. It was not easy to become a subpostmistress and there were many applicants. I went through a competitive application and interview process. I was one of five shortlisted and when I got accepted I was over the moon. I used my savings to buy my first branch in Wolverhampton in February 1987.
11. I worked in the branch in Wolverhampton for 5 to 6 years. I was then approached by the Post Office to take over the temporary running of a post office approximately 2 miles away. The subpostmaster there had been suspended. I did not ask about the details of his suspension. I was just happy to help and proud to be asked to do so.
12. Over the years, I was asked to take over the running of other post offices. I was not responsible for the day to day running of these offices, this was done by managers and assistants. However, the paperwork was all in my name and I was therefore, ultimately responsible for what went on in the branches.
13. In January 1999 I had a little boy after already having 3 girls and I thought I needed a break from such a hectic work schedule. I had barely spent any time with my girls when they were young and I wanted to prioritise them.

14. I sold the office in Wolverhampton and applied for job as a Horizon Field Support Officer. The job involved going into sub post offices and migrating the old paper accounting system into the new Horizon system. My job was to make the subpostmaster feel comfortable and allay any fears they may have with what was possibly for them, a daunting transition into a complex computerised system.
15. Whilst I was in the offices, the engineers would come in and install the new computer system, and I would upload all the stock and cash in the branch onto the Horizon system. I would then run through the basic workings of the system with the subpostmasters.
16. I myself undertook 2 weeks of training on the Horizon system before going into the branches when the roll out of the Horizon system took place. I was one of 15-16 other field support officers.
17. I did not immediately notice any problems with the Horizon system. However, I do remember that on one occasion when I was showing a subpostmaster how to balance the system, the figures just did not add up. I was in the office until 1am trying to work out why this was. In the end I just had to leave the subpostmaster to it.
18. After the roll out of the Horizon system was complete, I went back into being a migrant officer. This involved going into branches that would otherwise be closed down. On each occasion, the current serving postmaster had been suspended. I did not find it odd at the time but now, looking back I should have wondered why there were so many suspensions. I do wonder how the post office did not question, at the time what appeared to be a surge in dishonesty amongst its workers.
19. Nevertheless, my job was to keep the offices open and, on the whole, the suspended subpostmasters were grateful that I was able to do this. The Post Office were happy too and the branches would be signed over to me. I was also able to negotiate the rent myself with the suspended subpostmaster. I boosted business instead of bringing it down. I had a good mutual relationship with the subpostmasters and on occasions I helped them sell their businesses. I was earning a very good salary at this time.
20. Although I was not involved in the everyday running of the branches, I was responsible for any shortfalls that occurred and these increased over time.

SHORTFALLS

21. 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.
22. For several years, whilst I was overseeing 7-8 different branches I experienced large losses in many of the offices. On every occasion I made the Post Office aware of the shortfalls and the amount. I specifically remember being told that my offices were the only ones having any issues with shortfalls. It therefore must be either myself or my staff stealing money. I believed that I was contractually liable for the losses.
23. I experienced shortfalls in all the offices at various times with different amounts. I lost £5000 in one office, £6500 in another, and I experienced several shortages between £1000 and £5000.
24. Each time I just paid the money into the post office myself. I believed that it must be members of my staff and therefore I was responsible to cover any losses.
25. I trusted the Horizon system, especially given that I was one of the people employed to train subpostmasters on the Horizon system. I believed the Horizon system worked perfectly and blamed the post office managers using loopholes in the system to their advantage. I also trusted the Post Office organisation who were totally convincing when they described the Horizon system as robust and infallible.
26. It did feel very strange to me that all my offices were experiencing shortfalls, but I did not suspect that it was because of the Horizon system. Throughout my career with the Post Office I have always worked with complete honesty and integrity and I believed that others did too.
27. Over the years I have had many experiences and encountered many honest and dishonest people. I have found Post office Ltd to mostly be fair & just and generally good at fixing problems and resolving issues around cash and stock discrepancies. I trusted them.
28. For many years I worked with the Horizon system. It is much better now but the flaws in the original system, I believe allowed clever people to play around and use the system to their advantage, for example, by carrying out reversals that were not easily detectable.

29. In my early experience with the Horizon system, usually when a mistake was made the errors always come back and corrected the loss or gain. I have always worked with total trust in the Horizon system and when errors were not resolved I put it down to human error. On a few occasions I ended up dismissing members of staff concerned with the shortfalls. My judgment was correct on occasions.
30. As I knew I had not taken any money I ended up sacking several managers who maintained they had done nothing wrong. One member of staff I let go claimed unfair dismissal and I had to appear before a tribunal. The case went in my favour as the employee admitted to lying about a signature on a document. I do however, now have my doubts about whether he ever actually stole from the branch.
31. There were a few other occasions where I terminated an employee's contract due to a large cash or stock loss. I felt confused and unsettled because it was not that person's character. They argued and pleaded their innocence, these situations were very unpleasant but I believed the Horizon system was faultless as such I had no other option.

HELPLINE

32. When the Horizon system showed a shortfall, I would contact the Helpline to inform the post office and ask for advice. However, this was a pointless process as the advisors very rarely had any working knowledge of the Horizon system. They were basically a call centre with staff trained in customer service skills, not IT skills.
33. The response from the Helpline was mostly to send a 'transaction correction' to enter into the system. The advisors would always insist that everything was perfect with the Horizon system. If there was a shortfall the only explanation for it was theft. I remember pulling my hair out and demanding audits. I was told that I could not demand an audit as these were done randomly.
34. I was always reminded by the helpline advisors that I was responsible for the shortfalls. I therefore had no option but to pay the amounts myself and on occasion, sack the member of staff most likely to have stolen the money. I knew I wasn't stealing it, I believed there was no fault with the Horizon system so it had to be one of my staff.

AUDITS AND INVESTIGATIONS

35. On 13th November 2009, an audit was carried out in all of the branches I was the subpostmistress of. Following the audit at the West Bromwich branch, the manager there, Neelam Hussain was arrested and subsequently imprisoned. Investigations discovered that she had stolen over £100,000 by carrying out large reversals on the Horizon system.
36. I feel it is important to note, and indicative of the Post Office culture at the time that, prior to her arrest, Neelam Hussain was lauded over for her high sales figures in the branch. Prior to her arrest she was actually due to take over from me as subpostmistress.
37. The experience of one of my managers being prosecuted for theft only entrenched my belief that it was people distorting figures and taking advantage of loopholes in the Horizon system that were causing the shortfalls, not the system itself.
38. Following the arrest of my manager, Neelam, I was suspended from all my offices, Birchfield Road, Arranway, West Bromwich, Stourbridge and Droitwich. I was bullied and harassed by the Area manager who tried to dictate who she wanted as an interim subpostmaster whilst I was in the process of having to sell my offices.
39. Subsequently, my contracts at West Bromwich, and Birchfield Road were terminated for '*Failure to maintain tight measures of control.*' I thought this was unfair because how could I be expected to maintain tight measures of control when the Horizon system is not robust and allows people to steal money without being easily detected.
40. Even though Neelam Hussain admitted stealing and was sent to prison, I was suspended and my contracts with most of the post office branches were terminated.
41. The Post Office pursued me for the £100,000 that was stolen. On 9th November 2012 I was summoned to the High Court in Bristol by the Post Office solicitors, Bond Pearce LLP. I instructed Paul Drew at Drew Jones solicitors to defend my case. This was someone who knew nothing about the Horizon system.
42. In order to prepare my case against the Post Office, Mr Drew asked to see any evidence I may have to show there was a possible fault with the Horizon system. Within an hour of me printing out reports from the Stourbridge branch Mr Drew said, "*This system is flawed.*"

43. As part of my defence, my solicitor had collated evidence that the Horizon system was flawed and he was going to use this to argue that I was not liable for the loss because my manager had successfully navigated a loophole in their system.
44. Whether the Post Office knew this and could not argue against this point, I do not know, but no one from the Post office or their Solicitors ever turned up and I never received any further correspondence from them regarding the repayment of the £100,000. However, I was left with another loss of £9013.28 incurred by way of legal costs.
45. I was very angry about the way the Post Office behaved towards me. They brought a case against me, summoned me to court and then had the nerve not to turn up without any communication, leaving me with a hefty legal bill. On the advice of my solicitor, I was told to wait 6 years and then apply for a wastage costs order against the Post Office. I have not done this purely out of fear that it would impact my current position of subpostmistress.
46. I only have one branch left and I feel that this case is connected to the flaws in the old Horizon system, and I too want justice for the wrong way that the Post Office handled my case.
47. In the interim period, following my suspension, I was harassed and bullied by the area manager who wanted to appoint a particular interim subpostmaster as she was more concerned with the low 'sales' figures than anything else. No one was concerned with the actual failings of the Post Office. When I was losing tens of thousands of pounds per week, sales figures were the least of my concerns.

SUSPENSION AND TERMINATION

48. My contract was terminated for *'failure to maintain tight measures of control'*. I continue to question how my management could be *'tight'* in the absence of any secure and reliable working systems.

LOSSES

49. I found the high court judgment made against the Post Office in the group litigation very unsettling because I then began to think about all of the shortfalls that I made good myself at all of the branches I was responsible for. This amounted to a substantial amount of money that I had to struggle to pay for. I now understand that I too was a victim of the faulty Horizon system.

50. In total I estimate that I have lost over £200,000 by having my position of subpostmistress wrongfully terminated.
51. I experienced shortfalls in my branches at Birchfield Road, Arranway, Kingshurst, Droitwich and Stourbridge. I estimate that I paid in to the post office more than £70,000 of my own money to make good the shortfalls.
52. I also had to pay the legal costs for attending the court case instigated by the Post Office at which they failed to attend. This cost me in excess of £9,000.
53. I was also forced to sell my West Bromwich and Birchfield branches at a huge loss as my contracts were unfairly terminated at both branches. I estimate that I lost over £100,000. I also lost the investment and remuneration I would have earned from the branches. I had to sell quickly as I was still responsible for all the rates and bills.
54. I bought our family home in 1992 with a mortgage of £110,000. However I borrowed additional money on the house to cover the purchase of Stourbridge & Droitwich franchise offices. My mortgage is now £328,000 outstanding is £328,000. I had intended to sell the sub post offices to pay back the mortgage. After everything that happened this was not possible, I need to sell the branches quickly which meant selling them at a loss. The mortgage is interest only and I have 7 years left on it. I have no way of clearing this amount and worry that we will be made homeless in 7 years.

HUMAN IMPACT

55. Over the years I have suffered as a result of the Post Offices actions and their flawed Horizon system. I suffered a huge financial loss; my business ambitions were thwarted and emotionally and psychologically I have been damaged. My whole life was severely impacted.
56. I thought of all the subpostmasters being wrongly accused and I began to think of the managers I employed who had pleaded their innocence and swore that there were unexplained shortages that they knew nothing of. I still feel a huge amount of guilt for the way I was forced to treat them.
57. I realised that I too was a victim of the faulty Horizon system and the Post Office's huge mishandling of the situation.
58. There were flaws and inadequacies in the Horizon system, but no one was prepared to listen to my arguments or offer me any explanation or support. I was humiliated

- and embarrassed. I suffered sleepless nights for 2-3 years. It was the worst experience of my life.
59. I got no support from the Post Office. In fact, I was made to feel like a “thief” myself - even though I had worked for the Post Office with honesty and integrity for over two decades.
60. I was summoned to Bristol High court and I had no option but to appoint a solicitor. As soon as my solicitor saw the workings of the Horizon system, he immediately stated that the system was flawed. Surprisingly, after summoning me to court, the Post Office failed to turn up at the hearing they themselves had instigated. I was left with a bill of over £9000.
61. Not only had I lost my self-respect and dignity I was financially at rock bottom. I was forced to sell my post-offices at a loss and my emotional, financial, and professional well-being remains impacted.
62. Overnight my whole life was destroyed. I ended up taking anti - depressants and my family that needed me most during their teenage years lost out.
63. I have suffered sleepless nights and trauma for years. On top of all that I was bullied and harassed by the area manager as all she was concerned with was “sales” figures.
64. I used to love my job. I was trusted. I was given two of the largest post offices in the country to run. I should not have been treated with the contempt I was.
65. The Post Office have never apologised or even tried to speak with me about my suspension, termination or my financial losses.
66. I was able to keep the contracts with Droitwich and Stourbridge but my enthusiasm for the job was tainted. As such, I sold my office in Stourbridge on 1st July 2020. I do still enjoy my job very much, but I no longer hold the respect I once had for the Post Office. I go into my office, I work hard, and I go home again, knowing I have served my community. Thankfully I no longer have the stress of the constant shortfalls.
67. However I am left with the very real possibility that my family and I will be made homeless. I am paying an interest only mortgage with 7 years left and no realistic prospect of being able to repay this.

