

Witness Name: Mrs Carol Riddell
Statement No.: WITN0333_01
Exhibits: None
Dated: 30 March 2022

THE POST OFFICE HORIZON INQUIRY

FIRST WITNESS STATEMENT OF MRS CAROL RIDDELL

I, MRS CAROL Riddell 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. 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.

BACKGROUND

2. I live with my husband, Alan Riddell in Sunderland, who was also a subpostmaster and a core participant in the inquiry. We have two daughters, five grandchildren and 1 great-grandson.

3. I have been shown and have read the human impact statement of my husband, Alan Riddell. Alan's statement accurately reflects the experiences that we had as a result of failures in the Horizon IT system and as a result of the Post Office Limited's actions against us.
4. I however, would like to expand on this and include my own thoughts and observations.

DECISION TO BECOME A SUBPOSTMISTRESS

5. I have a background in banking and I worked for the Post Office for several years prior to becoming subpostmistress in 1992. Prior to that I had run my own successful hairdressing business for many years.
6. Before the Horizon system was introduced in 1999, I ran the post office using the old manual balancing. The manual system worked well as I was always able to go back over the figures if there was a discrepancy and locate where an error was made and amend it accordingly. This was something sadly lacking on the Horizon system.
7. During my career with the Post Office Ltd I was also a relief subpostmistress when problems occurred in other branches. I felt I went from a highly respected subpostmistress to an incompetent one and lost all confidence in my ability to do a good job. This was a direct result of the supposedly 'flawless' Horizon system.

TRAINING AND SUPPORT ON THE HORIZON SYSTEM

8. I attended 1½ days training on the Horizon system in 1999. This took place at The Swallow Hotel in Gateshead and included a mixture of subpostmasters and counter clerks. There were 'dummy' terminals for us to practice on.

9. The trainers were simply reading from manuals to train us. The training did not cover all the types of transactions that would be carried out in the branch and it did not cover the balancing process or any back-office work.
10. At the end of the training, I received top marks which I found strange as I did not feel at all comfortable with the system.
11. On the day Horizon was introduced into my office there was no one present from the Post Office to offer me support. When I came to do my first balance, I didn't have a clue what I was doing, I just muddled through. I couldn't get the system to roll over and rang the Helpline. They were no help and just kept telling me to roll over and it would be ok, which the system would not let me do.
12. I had to enlist the help of another subpostmaster who was more familiar with the Horizon system to complete the balance.
13. When Horizon online was introduced I had a further ½ day of training in branch with my Area Manager Phil Allen. He also shadowed me and my staff on the morning Horizon online went live.

HELPLINE

14. The very first transaction I did on the new Horizon online system was a business banking transaction with Alliance and Leicester for £800. The £800 did not appear in the customer's account. I was told by the Helpline that the customer had removed his card too quickly from the pin pad. However, this was impossible as the card was a swipe card that had to be processed by the terminal behind the counter. I had to pay the customer £800 from my own pocket.
15. During my time as a subpostmistress I rang the Helpline on numerous occasions, often daily. The helpline advisors often could not answer the queries and it would

take days to resolve, usually by myself. Often their advice would cause more problems and, in some cases, the helplines advice caused the error to double.

16. I was of the opinion that the Helpline staff were reading from scripts and had no idea how the Horizon system actually worked.

SUSPENSION/TERMINATION

17. I was not suspended or termination from my position. The stress of running the branch become unbearable. For my health I could no longer continue. I was experiencing constant shortfalls that could not be explained.

18. The Post Office insisted there was no one else experiencing the same problems and that the shortfalls must be a result of theft in the branch. I reluctantly agreed to install covert CCTV (at my own expense), and the only thing that I discovered was how hard my staff worked. There was no evidence of any wrongdoing occurring in my branch. I felt extremely upset at not trusting my staff, especially when no evidence was found.

19. In 2000 my husband took over as subpostmaster, he gave up a well-paid managerial job to run the post office. Despite the problems with balancing, Post Office were happy for me to train my husband in all aspects of being a subpostmaster. It also impacted our financial situation as we lost my husband's income.

CRIMINAL/CIVIL PROCEEDINGS

20. I was not prosecuted by Post Office but I was threatened on several occasions with the possibility of prosecution. In 2010, my husband too began suffering with stress and anxiety due to the shortfalls he was experiencing and my area manager, Andy Carpenter agreed that I should step in. My husband was physically and mentally exhausted and too ill to run the branch.

21. In 2011, my husband was suspended from his position as subpostmaster because of the shortfalls and he was called to a disciplinary hearing. Despite me acting as temporary subpostmistress at the time, he was the one suspended. I stood in for my husband at the hearing.
22. I was accompanied by a Communications Worker's Union (CWU) representative. The interview was conducted by Andy Carpenter, my area manager. Mr Carpenter refused to let the representative be present at the interview. Fortunately, the representative was very experienced and insisted he be present. This was the first time the CWU had been involved in disciplinary hearings, previously it was only the Subpostmaster's Federation that were permitted to attend interviews.
23. During this interview Andy Carpenter was very threatening, and it was quite frightening. The union representative was very supportive of me. My husband's suspension was reluctantly lifted, and I am sure it was the presence of the union representative that influenced this decision.
24. One of the conditions of lifting the suspension was that my daughter and our friend who worked in the post office were banned from working in any post office branch.
25. I was promised a recording of the interview, but when I requested it, conveniently, I was told that the machine had malfunctioned and had not recorded the interview. I felt victimised by the Post Office and exposed by their threats and intimidation.

LOSSES

26. We suffered huge financial losses because of the Horizon shortfalls in our branch. We had to cash in our pension plans and endowments and borrow significant sums from family and friends. We had to enter into an Individual Voluntary Arrangement (IVA) as we were almost bankrupt.

27. We paid £1000 per month for 5 years under the IVA, during this time we were still paying shortfalls to the Post Office, this caused us significant financial hardship, and it also affected our credit rating which previously had been very good.
28. When my mother died, she left me a small amount of money. This was swallowed up paying back shortfalls. It was not a lot of money, but it broke my heart to have to use her hard-earned savings to pay the Post Office. We were left almost penniless and the retirement we had planned was impossible to fulfil as the entire amount of our investments and savings were swallowed up paying back shortfalls.
29. When we sold the post office business in 2013 it was at a loss, after 21 years of building up the business we had no option but to sell. Our house was attached to the post office, so we had to sell that at the same time. We sold it at significantly less than the market value as we had been unable to keep up with repairs and maintenance due to our financial position.
30. We had to use the money from the sale of the post office and our home to pay back money we owed to our family and friends, this left us with no choice but to buy another much smaller house and outside the area we had lived in for 21 years, because we were unable to afford to buy a property in our preferred area.
31. I would also like to mention the bond I had to pay when I first purchased the post office. It was just over £6000 which was a quarter of the previous subpostmaster's salary. I believe this was standard practice back then, in 1992. Eventually, the Post Office phased the bond out. My understanding was that this was a backup for Post Office in case I stole or embezzled any money. I did not receive this bond back on leaving the post office and it was never used to repay any shortfalls.

HUMAN IMPACT

32. I underwent years of mental health treatments and I still suffer to this day because of the stress. I found it difficult to leave the house as I felt I was being judged by the local community, where I had previously been highly respected.
33. My husband became ill with anxiety and depression in around 2010, caused by the continual shortfalls, as a result he was unable to run the post office and it was agreed with Andy Carpenter, my area manager that I could take over as temporary subpostmistress until my husband recovered.
34. My self-esteem was at rock bottom. I felt the local community lost respect for me. I was born and bred in the area where my post office was, so I was very well known. It was terrible thinking my community thought I could be a thief.
35. It was demoralising to have to keep asking my friends and family for financial help, I felt I was a failure and I found it very difficult to deal with. Fortunately, my friends and family helped me, and I will be forever grateful for their love and support, heaven knows where I would be without it.
36. I had an enormous amount of financial help and support from my friends and family, but it was upsetting for them to see the distress being caused to me by the continual shortfalls and the lack of support from the Post Office. My family and friends were incredulous that the Post Office, a trusted organisation could treat me and my husband as they did.
37. One of my daughters worked for me in the post office, her background was in banking and fraud. She was banned from working in any post office in 2011 after my husband's suspension. My friend who was managing the post office had the same ban imposed. She had managerial experience in retail, admin and finance. Both my

daughter and my friend were very badly affected by the ban and felt it impeded their careers.

CONCLUSION

38. As previously mentioned, the financial pressure put on us because of the shortfalls created by a flawed horizon system was immense. As a result, I became mentally ill and was unable to continue running the post office. A job I loved.

39. We lost our business and our home. I will never be the same person again because of the actions of the Post Office Ltd. I hope the Post Office realise what effect they have had on my husband and I along with many other subpostmasters. They have ruined lives.

STATEMENT OF TRUTH

I believe the content of this statement to be true.

Signed:

GRO

Dated: 30-3-2022

Carol Riddell