

Witness Name: Joanne Foulger

Statement No: WITN0288\_01

Exhibits:None

Dated... 8 Feb 22

IN THE POST OFFICE HORIZON IT INQUIRY

FIRST WITNESS STATEMENT OF JOANNE FOULGER

I, Joanne Foulger, 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 initial paragraphs below provide a brief summary of my background and to 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.

Background

2. I ran the Boaler Street post office in Liverpool between February 2002 and September 2009.

3. I decided to become a subpostmistress because I had been working in the financial industry since I was 16 years old. I believed that it would be a sensible business opportunity and would provide a good standard of living for me and my family.
4. I fully intended to make a success of the business and was looking forward to a bright, happy future there.
5. I purchased the shop next door to the post office branch and the attached flat with my brother in December 2001.
6. I then purchased the branch shortly afterwards and my brother and I knocked through the upstairs of the adjoining properties to make one large residential accommodation.
7. We also knocked through the downstairs of the adjoining properties so that customers could access the shop from the branch and vice versa.

### **Training**

8. I received five full days of training at the branch when I took over the post office.
9. The trainer showed me how the Horizon system worked and took me through various transactions and balances.
10. Balances were initially done on a monthly basis but later went to a weekly basis.
11. The trainer did come back the following week for a couple of days to check we were doing okay as we had experienced a lot of system problems during the first week.
12. The trainer then came for one day when I was completing the monthly balance.

13. The training only dealt with matters as they happened so if matters came up afterwards that were out of the ordinary, I did not have any point of reference for them.
14. Overall, I felt that the training could have been a lot more detailed and should have focussed more on troubleshooting and identifying possible problems.
15. I did ask the Post Office for additional training as I lacked confidence in some of the transactions. The Post Office simply said that I had received all the training that they had to offer.

#### **Helpline/Support**

16. From my first day in the branch, I experienced system problems. The Horizon system was continually going down and needing rebooting.
17. I estimate I would contact the helpline approximately two to three times a week.
18. We referred to the helpline as the "Helpless Line" as staff did not have the knowledge or experience to assist.
19. It was difficult to get through and, on many occasions, they just did not know the answer.
20. On balance days (the days when you needed them the most) they never answered and closed early.
21. You could still be trying to balance at 1 o'clock in the morning and there was literally no-one to help. If the advisor could not help me, I would usually speak to my Area Manager, Paul Williams. However, my calls were never transferred to him, and the advisor would simply take my contact details and I would have to wait for Mr Williams to call me which often did not happen.

22. Similarly, when I had technical issues at the branch, the helpline would take my details and I would have to wait for an advisor from the Horizon helpline to contact me.
23. This was not practical if customers were waiting to be served.
24. The major points I remember are 22 May 2002, I requested help to set up single tills due to balancing problems and trying to identify a solution. I was told that an Area Manager would be paged to help me.
25. However, I received no call or visit, and no assistance was provided to me at all.
26. I also requested assistance when I had a staff issue. I was told that I was self-employed, and my staffing problems were not the responsibility of Post Office Limited.
27. I also requested help when I had shortages of £1,000 per week for 6 weeks in a row. Again, I was told that it was my responsibility, and they were not going to help.
28. Only other people who had been in this situation could possibly understand what I have been through. Every balancing day became a frightening experience, I would be scared all day, looking at the staff thinking 'is it you?'. I was becoming suspicious and paranoid.
29. The Police couldn't help me either as I could not point a finger of suspicion at anyone i.e., there was nowhere for the Police to start. I sought help from another subpostmaster from Blackpool who was also having problems and he installed cameras for me to ensure that no theft was taking place.

### **Shortfalls**

30. 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.
31. Shortfalls began appearing almost immediately and on a regular basis.
32. It was made clear to me that I was responsible for any shortfalls and would have to make up the deficit myself.
33. The main consequence of being required to make good apparent shortfalls is the financial implication.
34. During times when the balance was over, funds were removed and placed in an envelope in the safe in case the discrepancy reappeared as a reversal the following week or if an error notice was being issued. This was a very rare occasion as most balancing issues were shortfalls.
35. I had to balance my office weekly on a Wednesday, should the office not balance, when I ran the reports, I was not able to open the following morning so not balancing the office was not an option.
36. Wednesdays for me at the beginning of me taking the office over, were business as usual and balancing took approximately 1 to 2 hours.
37. In the first year I paid around £800 in shortfalls, whilst this was more than the previous owner had declared, I was in a financial position to make good these losses and I was enjoying being a subpostmaster, so I thought it just went with the territory.
38. In approximately July 2003, I started to have a period of large discrepancies, I would spend hours reviewing the figures and recounting the cash and stock over and over but was never able to establish the cause.

39. I would call the helpline for assistance; this was a pointless exercise as quite often the office was closed, or the advisers just didn't know. I would ask to speak to my Manager, Paul Williams, who would never return my calls.
40. On many occasions, my mum, who had been minding my children, would bring them home to find me sitting on the steps of the office, upset, and distressed about the shortage. Sometimes I was still in the office past midnight.
41. In 2006, I received a phone call from Post Office Limited to advise that an error notice was on its way for £32,000. The adviser told me that this was for losses relating to the cash machine and the Horizon system.
42. The losses had accumulated over two years. I was in shock, I had no idea that there had been any discrepancies between the cash machine, and Horizon I was very angry and upset that they had not informed me sooner, Post Office Ltd had allowed the loss to become worse rather than dealing with it as soon as it had arisen, two years earlier.

#### **Audit and Investigation**

43. I was audited on five occasions. 19 July 2002, 3 August 2004, 22 November 2005, 31 January 2008 and 29 July 2009.
44. In addition to the audit, the area manager, Stephen Bradshaw would visit the branch on a couple of occasions to scold me because of the shortfalls. He again did not provide me with any possible reason why the shortfalls were occurring or any practical solutions.
45. I had received a call regarding another large error notice of approximately £26,000. I suspended the member of staff I had put in charge whilst an investigation took place.

46. I requested a visit from my new area manager. He had promised to come in on Friday 31 July 2009 to go through my paperwork to see if we could investigate the matter.
47. I just could not understand how this had happened. I knew I had not taken the money. It was a very frightening and lonely position to be in. I was scared.
48. Instead of the area manager coming into the branch, a surprise audit took place instead on the 29 July 2009.

#### Suspension and Termination

49. Following the audit on the 29 July 2009, my post office was closed, and I was immediately suspended.
50. My contract with Post Office Ltd was subsequently terminated due to the level of debt and that they had lost faith in my ability to manage the office.

#### Civil and Criminal Proceedings

51. The Post Office has not pursued civil proceedings against me for the recovery of the alleged shortfalls.
52. The Post Office did not pursue criminal proceedings against me

#### Losses

53. I did try to sell the business, but I was not able to. I did have a buyer in place due to my health suffering I was unable to face going into the Post Office during 2009.
54. I was unable to cover my business loans and the bank put me in receivership. I lost the Post Office and my shop to the Receivers. GRO who was my buyer, was then able to buy everything from the Receivers for a very low sum. Post Office Limited also charged him £11,000 for my business and no funds were given to me.

55. I lost the value of the business but am unable to quantify this without expert valuation evidence. The business was sold by the Receivers for £90,000 even though it had been valued at £420,000 including the properties.
56. I was declared bankrupt and myself and my children were evicted from our family home.
57. Had it not been for my experiences with Post Office I would have continued to run the branch until I retired at 65.
58. Based on my average annual salary of £66,000 I would have expected to earn approximately £1,782,000 between 2009 and 2036.

### **Human Impact**

59. It is hard to put into words what a devastating period of my life this was. What I state in this statement is only a fraction of what I have endured due to the actions of Post Office Ltd.
60. I slowly transformed into a person I didn't like, I lost my self-worth, lost all faith in my abilities. I became very anxious and distressed and the major worry was the affect it was having on my family.
61. I have worked in the Finance industry since the age of 16. I had been a Manager in a Bank for 15 years and I was very confident with cash handling, people management and IT. This should not have happened to me.
62. I was led to believe that working with Post Office Ltd would be a similar experience with good training, good facilities and a great support network. This was not the case.
63. Tensions arose at home. I would argue constantly with my husband as to why I was failing and not in control of the money going missing. The strain on my marriage took its toll and we were subsequently divorced.



64. Things came to a head one day when I went to the doctors and told him I didn't want to be alive anymore.
65. In the first few years, if I had the money, I would make it good, if I didn't, I would borrow it from my parents.
66. I still owe my parents a lot of money. They are both in their late seventies and are still working full time because of me. I feel extremely guilty and responsible.
67. My parents should have long retired and should be enjoying life but instead, they must work as they have been housing me and four or five of my children since I was declared bankrupt and evicted from my home.
68. I don't really recall three years of my life in full as the medication I was given by my GP was so strong, I was numb. I lost that time with my children.
69. By the end of the whole experience, I was a frail, anxious individual who had lost all faith in her abilities with a failed marriage and medicated to numbness.
70. I was the subject of idle gossip and became the talk of the community. My parents lived on the same street as the branch I managed, and my children went to the local school. It was traumatic and hurtful for them.
71. Whilst I was not convicted of a criminal offence, being evicted made me and my children homeless.
72. The bankruptcy also meant that I could no longer work for the Royal Bank of Scotland, with whom I had a 23-year career, as their staff are not allowed any adverse data.
73. It also meant I was unable to get a mortgage again and buy a home for my family.

74. The bankruptcy has been on my record for years preventing me from progressing with my life.
75. My married life and home life for the children was significantly impacted due to money and stress issues which subsequently led to my divorce. My relationship with my ex-husband is still very bitter, all these years later which has impacted the children through their lives.
76. I no longer have a relationship with either of my brothers as they believed it was all my own fault and that my parents struggled financially due to trying to help me with the discrepancies with Horizon.
77. Whilst my brothers now completely understand what went on and that I was not responsible, the damage has been done and we no longer speak or have contact.
78. Luckily, my relationship with my parents has survived, we did have a couple of occasions where they were upset with me and disowned me for 12 months.
79. During that time, they didn't see their grandchildren and we all missed out on a few memorable events that we should have all enjoyed together. However, they have been my rock since losing the Post Office and supported me through my bankruptcy and provided a roof over our heads for the last few years.
80. I lost friends and colleagues that I had worked with for years in the bank due to my depression and having to leave my career due to bankruptcy. I became very withdrawn, not socialising and a lonely person.
81. The local community gossiped about me, but I had to get on with life and still take my children to school.

82. I am still on medication due to what I went through, but I am on a lower dosage now and am trying to rebuild my life as best I can.
83. The behaviour of the Post Office and the inadequacies in the Horizon system led to the breakup of my marriage, had a significant effect on my ex-husband and children, left us homeless, resulting in my children being insecure and fearful.
84. My children suffered when I was severely medicated as I was not 100% able to look after them, I had fall outs with my family, and they lost their family network for a long period of time.
85. My parents invested a lot of money in me. They helped me buy the Post Office with some retirement savings, thinking they would get it back. They also covered shortfalls and gave me money to live on, to pay bills and feed my children. They are both 75 and still need to work full time, this must be my biggest regret.
86. My mum and dad have also homed me and my family for many years now, firstly as we were made homeless and due to my bankruptcy was unable to rent or rebuild any financial credit history. Secondly, to support me and my mental health.
87. What has been taken from me can never be replaced. I want the Post Office to publicly acknowledge what they have done to me and to hundreds of other hard working, decent people.

### **Conclusion**

88. I still have difficulty putting into words exactly what the Post Office has taken from me. My marriage, my family home, my security, my mental health.
89. I can never get back what was taken from me, but I would like, at the very least, to know that the Post Office acknowledge what they have done.

**Statement of Truth**

I believe the content of this statement to be true.

Signed:

**GRO**

Dated:

8/02/22