

WITNESS: HUGHIE NOEL THOMAS

STATEMENT NUMBER: WITN0162\_01

EXHIBITS: 0

DATED: Jan 12, 2022

**POST OFFICE HORIZON IT INQUIRY**

**FIRST WRITTEN STATEMENT OF MR HUGHIE NOEL THOMAS**

THIS STATEMENT IS PROVIDED IN RESPONSE TO THE RULE 9 REQUEST OF  
THE PUBLIC INQUIRY DATED 29/10/2021 TO ADDRESS THE HUMAN IMPACT OF  
THE FAILINGS OF THE HORIZON IT SYSTEM

I, MR HUGHIE NOEL THOMAS, DATE OF Birth  of

will say as follows:-

**PERSONAL BACKGROUND**

1. My given name is Hughie Noel Thomas, but I go by the name of Noel, which is my middle name. I was born in Malltraeth, Bogerd, Anglesey. I have lived in Anglesey my whole life. I am now 74 years old.
2. I am Welsh born and bred and Welsh is my first language. Growing up I was an only child and close to my family. It was a happy childhood, and I grew up in my grandmother's grocery shop that was attached to our house.

3. After leaving school I worked on the ships in Holyhead for around 2 years and then when I was 17 years old, I joined the Post Office as a Postman. This was on the 6 June 1965. These memories are marvellous, I would rise at 4am and over the course of a day would cycle 17 miles on the postman's round. I got to know a lot of people in the community.
4. I met **GRO** when I was 18. We married on 12 March 1969.
5. We have 3 children, two sons and a daughter **GRO**  
Sadly, my eldest son **GRO** This was a devastating blow to all of the family.
6. I have 3 grandchildren and I am also a great grandfather to **GRO** who was **GRO**
7. I love walking and gardening and railways/ train spotting. I also love watching football and doing jigsaws in the wintertime.
8. I've not had a holiday since 1992, the last one was in Ireland. I found it hard to take holidays over the years when working for the Post Office as it required relief support which could be difficult to find.

## **POST OFFICE HISTORY**

9. I started work as a Postman on 6 June 1965 and continued with this role until 1992.
10. My wife, **GRO**, and I ran my parent's Grocery Store Business from 1969 to 1980. During that time, we also ran the Post Office which was part of the business.
11. The business was sold in 1980 for £34,000 together with the stock. My wife and I bought a house in Malltraeth with the help of money left to me by my mother.

12. In 1981, [GRO] and I purchased the Gaewen Post Office. [GRO] ran the Post Office and I carried on as a Postman. In 1991 I took over as Postmaster in another Post Office and gave up my role as a Postman shortly following this. I also assisted my wife [GRO] at the Gaewen Post Office.
13. In 1994, [GRO] gave up her role as Sub-Post Mistress for the Gaewen Post Office and I took over as Sub-Postmaster.
14. Mr John Emlyn Hughes was my area manager, and was present at an interview the Post Office conducted with me following a discrepancy in the accounts alleged in 2003.
15. My conviction was quashed by the Court of Appeal on 23 April 2021.

#### **CRIMINAL ALLEGATIONS AND ANY PROCEEDINGS/CONVICTION**

16. The Horizon system was installed in 1999/2000. Before that time, it was always a case of keeping paper accounts.
17. Around 6 months before the Horizon installation, I was given 1.5 days of training. I was given no training after the Horizon system was installed and I was told that I would have to follow the Operating Manuals, which were difficult to understand, or to contact the Helpline if I had any difficulties.
18. Following the installation of the system, I noticed deficiencies and shortfalls. I telephoned the helpline for assistance, but they were not very helpful, and it was difficult to get through. In relation to any shortfalls, the helpline told me to carry on and they would sort themselves out. I had problems with cheques "doubling up" on the system when I was inputting or amending the information and also with Giro deposits being cut off.

19. I estimate that I would have called the helpline around 13 times before I stopped, as they could not help. Each time I was told to carry on.
20. The training was inadequate and looking back Horizon was not compatible with the work. The system was brought in so quickly and the advice from the Helpline was inconsistent.
21. In the end, I just paid the shortfalls, but I knew that I could not afford to carry on doing this. I blocked it out of my mind whilst the shortfalls were low, but when they got larger, I started to worry about how I could afford to keep balancing the system.
22. I recall a shortfall in 2003 in the sum of £6000 when the Post Office agreed to pay half the amount if I paid the other half, which I did. I paid for this shortfall from my salary and from taking out a loan. This was settled on the interview I had with Mrs Van D Brogard and Mr John Emlyn Hughes (Area Manager). Mrs Van D Brogard was at the time Head of Post Office Wales and the Marches. Other shortfalls occurred from time to time which I also paid.
23. The Post Office did change the hardware to my system about 2 or 3 times.
24. I recall experiencing issues with power cuts, screen freezes, transfer interruptions and the need to remotely reboot the system. This caused me to experience "nil transactions" and consequently, shortfalls. I kept records of these incidents which the Investigators took away after the Audit in October 2005. The Post Office never returned these records and initially advised me that they had been destroyed in a fire or were water damaged.
25. The Post Office did carry out an Audit in late 2004/beginning of 2005. The Auditors confirmed that my accounts balanced and there were no issues, which I couldn't understand. As said, I was subject to a formal audit in October 2005.

At first, I was relieved to know of this. I asked the auditor for help as I thought that everything could be reconciled after I'd reported so many problems, but the opposite happened; the Post Office took away my personal papers, including papers relating to my role as a Councillor. These records were never returned to me despite requests being made to the Post Office. They also took my paper accounts and tax records, bank statements, cheque books, personal accounts, and all other personal paperwork. They cleared absolutely everything out.

26. I recall that the Auditor came at about 7:30am and agreed with me that there was a problem. I was told that there was a shortfall of £48,454.87, together with a cheque discrepancy in the sum of £1,803.02. I knew that the figure was around £50,000.

27. On the same day, two Investigators, a lady, and a gentleman, from the Post Office came to my Post Office and said that they wanted to interview me alone. I refused this as I wanted some representation. The Investigators left and returned with two Policemen. The lady investigator said to the Police "He is a Thief, cuff him, and take him to Holyhead Police Station".

28. The Police Officers asked me if I would come down to Holyhead Police Station voluntarily which I said that I would. It was about 2:00pm in the afternoon and I recall being driven to Holyhead Police Station by my daughter and sister-in-law.

29. Once we arrived at the Holyhead Police Station, we pulled up outside and Sian went in to report to the duty officer that I was in the car. The lady investigator insisted that I was cuffed and taken into an interview room. They did this when I was outside and then accompanied me into the Police Station, with my daughter and sister-in-law looking on. They treated me like I was a serious criminal.

30. I was provided with legal representation at the Police Station, a duty solicitor, whose name was Mr Eilian Williams. The Interview took 6 hours in total. I had to wait for Eilian to arrive beforehand and it was nerve wracking. It was about 1:00 am when I left the Police Station. I was fingerprinted. One lady investigator said to GRO that "if I had the money, then I could fight this." I had no choice but to take legal aid. The Investigators were a male and a female, the woman was very aggressive wanting to interview me on my own with no witnesses.
31. When the Investigators left the Post Office, they took the keys and all of my paperwork. I had lost all of my records. I couldn't access anything.
32. I was advised by the Investigators that I had been suspended by the Post Office and then about 11 days later, I received a letter confirming the termination of my Contract. The investigation by the Post Office lasted for about 12 months. I was then charged with one count of Theft.
33. The case started at the Court in Mold, it was then transferred to the Crown Court at Caernarfon. I was charged with Theft and False Accounting. It was when the case went from Magistrate level to Crown Court that I had to take advice and have representation from a Barrister. This was under the legal aid scheme.
34. For that we needed to travel to Chester, where he was based. My son would drive me there and GRO would accompany me too.
35. It was not until the last day of the Crown Court case in November 2006 that I was offered a plea bargain. The Post Office barrister said that they would drop the Theft charge if I accepted the lesser charge of False Accounting. I had no choice but to go with this, legal aid did not extend to further representation. There was a very tight structure with limited funds. I was told by the Barrister

that it couldn't go to a full trial under legal aid with me having the legal representation that I required to fight the case. It seemed so unfair at the time. My hands were tied. GRO in particular was very angry about this, but the Barrister simply said that there was little alternative.

36. This offer was made on the proviso that I paid back the shortfall and made no mention of the issues which I had with the Horizon system. I discussed this offer at length with my Criminal Solicitor, and he advised me to accept it. My Solicitor suggested that it was likely that I would avoid a custodial sentence if I accepted a lesser charge of False Accounting.

37. On that basis, I accepted the charge of False Accounting. I had a family, and I was stuck between a rock and a hard place.

38. On the 6 November 2006, to my surprise, the Crown Court Judge gave me a 9-month custodial sentence. It was odd that there was a change of Judge that morning. I had the same Judge in Mold and Caernarfon, but that morning they changed the Judge. It seemed very last minute and inconsistent.

39. The Judge, when he sentenced me, noted that I was a Councillor and that I had experienced a massive fall from grace as a result of the criminal charges. I had approximately 100 letters of support from the community which were character references, and the Judge would have had these on his record. The Judge commented that he was shocked at how many people had written into the Court. These were letters from friends, ex-colleagues and people from the village. I had not asked people to do this, but they had supported me off their own back.

40. The sentencing was a living nightmare. I remember that the Judge ordered "take him down". It was unbelievable; it was the lowest day of my life.

41. I was initially taken to Walton Prison in Liverpool. I was imprisoned at Walton for about 8 days. I had no family contact during this time. The conditions involved a 24-hour lockdown, and I was only allowed out for meals and exercise. I was kept under lockdown for my own safety as there was so much fighting going on between other prisoners. I was terrified. It was pure hell.
42. I couldn't see my family, so I wrote them letters. It upset me that these were never sent as the prison authorities couldn't or wouldn't vet them as the letters were written in Welsh. I come from a Welsh speaking community, and it was natural for me to communicate in my native language. I find it outrageous to this day that a translator was not available within the prison service.
43. After the 8 days, I was transferred to Kirkham Prison in Blackpool, which was an open prison. I was at Kirkham Prison for 12-13 weeks. I spent my 60<sup>th</sup> birthday in prison which I will never forget. The other prisoners did organise a little party for me.
44. I will never forget my time in prison. I was seen in the medical wing and given some tablets for health issues relating to my heart and I was given tablets to help with my sleep. I worked in the greenhouses.
45. I was released on 19 January 2007. My son and daughter travelled all the way to collect me, they had to stay overnight so as they would be there for me for 9am pick up.
46. After I was released from Kirkham Prison, I was given a tag for just over 3 months. This was a horrible experience. Security people would come knocking on the door as they were unable to get a signal from the tag. It was humiliating. At one stage they were there in the middle of the night, insisting that I show them the tag was still on. It was like continued harassment.



47. My Post Office was closed for about 5-7 weeks and then a relief Sub-Postmaster was appointed. The irony was that soon after this appointment the relief Sub-Postmaster was experiencing shortfalls with the Horizon system. The Post Office was quickly closed and remained closed until McColl's bought it.

48. The Post Office was attached to the house. There was also a small shop contained together with counter that sold cards, tobacco, sweets, ice creams etc. My wife ran the shop and the Post Office took the keys to the shop as well as the Post Office, so she lost stock and was unable to run her shop. She couldn't physically access her business.

### **THE HUMAN IMPACT**

49. The human impact which the failings of the Horizon IT System have had and continue to have upon me and my family are set out in the remainder of this statement. The section headings follow the particular questions posed by the Inquiry.

### **WHAT WERE THE CONSEQUENCES OF BEING REQUIRED TO MAKE GOOD APPARENT SHORTFALLS SHOWN BY THE HORIZON IT SYSTEM?**

50. The Post Office were pursuing me for the money from the shortfall and I had to make money fast to pay it. They were harassing me for the funds from day one. I had previously made up the smaller shortfalls in the accounting system before the formal investigation. The Post Office wanted to be repaid the full amount that they said they were entitled to.

51. My wife and I went to live with my daughter for 12 months following my release from prison. We did this because I needed to pay the shortfall value to the Post Office and so sold our home to my son and his wife.
52. We were forced to move home and find somewhere that we were able to afford. I was not in employment and as a consequence we had to move in to live with our daughter. This would have undoubtedly caused a strain on our relationship with our daughter, but we are extremely thankful that she was able to put a roof over our head until we were able to rent a bungalow in our own right.
53. I could not afford to pay the exorbitant amounts and I was accused of living off the proceeds of crime and more Court proceedings followed. The Post Office tried to stop my pension, but the Judge did not agree to this. Eventually, they took my private pension and £9,000 of my savings. The £9,000 was given to me by my daughter to pay the proceeds of crime after she had sold her property.
54. I had to declare bankruptcy and I lost everything. They even tried to make my wife bankrupt. Papers were served on me whilst I was in Prison and on my wife shortly after, so I was unable to directly support her. As a family we did manage to fight **GRO** papers.
55. The financial implications were not just the loss of my Post Office earnings and those of the shop, but also my income as a local Councillor. We sold our home at an undervalue, just to get some money in as quickly as possible. Our private pensions were stripped away, and we put a financial strain on our daughter. I have had to pay for legal representation, Court fees and travel. The debts accrued interest. I have been unable to get credit and we have had to live a very frugal life. The implications have been far reaching and seem never ending.

**WHAT WERE THE COSTS OF MAKING GOOD ALLEGED SHORTFALLS SHOWN BY HORIZON?**

56. As a direct result of the Horizon system showing losses at my Post Office, I have incurred financial costs personally to try to rectify the system. I did this from my own pocket initially and also took out loans from the bank when I couldn't afford to rectify the situation myself.

57. However, when a shortfall was alleged at my Post Office following an audit, I refused to pay this amount.

**HOW WERE YOU AFFECTED WHEN ALLEGED TO BE RESPONSIBLE FOR SHORTFALLS OR DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

58. The twelve months leading to prosecution were horrendous, having to go to the first Magistrate's Court and then sent to Crown Court, on a monthly basis for short hearings. I had to go to Caernarfon Crown Court and then to Mold Crown Court, which was over fifty miles away, Caernarfon Crown Court was eight miles. My Criminal Barrister was in Chester. I felt like I was being dragged from pillar to post.

59. Sleep became an issue for me, it was a problem to the point I felt sleep deprived and extremely stressed. I would wake most nights worrying and trying to work out what had happened to the money and why losses were showing. Ever since my early childhood I had been around money in my grandmother's grocery shop and it was not something that had previously caused me any concerns.

60. I was stressed and constantly worried. I suffered from sleep disturbances and felt like my only outlet was to avoid people and go for long walks.

61. Undoubtedly there was an impact on my overall health. I was constantly stressed and anxious.

**WHAT WERE THE CONSEQUENCES OF BEING HELD RESPONSIBLE FOR SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

62. The consequence of being held responsible for the discrepancies within the horizon system have been immeasurable. I have been a convicted criminal and imprisoned, serving a criminal sentence. I have been humiliated and subject to an electronic tag. I have had all of my personal affairs scrutinised in public. I have been subject to lengthy and multiple Court proceedings. I have felt let down by the system.

63. I have been declared bankrupt and have been unable to find any meaningful work or have a livelihood since October 2005.

64. I lost stability and the stability that I was able to provide to my family.

65. Had the situation not occurred, then I would be living a comfortable and deserved retirement. There has been an impact on my health.

66. The 6 November 2006 was a devastating day for me and for my family, the worst. I was sent to prison a humiliated and broken man.

67. I spent the first eight days in Walton Prison in Liverpool; when I first arrived at Walton I had to go into a shower, there was no curtain or anything, but there was a prison officer watching me.

68. Then I was put in a prison cell under lock and key for 24hrs, I was only allowed out to have my food. I was then transferred to open prison in Kirkham near Blackpool and spent the rest of my sentence there.

69. The effect of all this was devastating, I sleep with the bedroom door open, and I hate somebody banging the door, as it takes me back to the sound of the prison door closing.
70. I had consultations with my GP for stress. I was referred to a counsellor. I found that talking helped. I have been prescribed antidepressants but decided that I did not want to go down that road as I didn't want to be stuck relying on medication.
71. By 2009 I learned that there were more Postmasters like me, who were wrongly accused of theft by the Post Office. I was interviewed by a BBC reporter who was making a program on the scandal of wrongly accused Postmasters. I then started attending the meetings of Justice for Sub Postmasters Alliance (JFSA). The last few years have been a rollercoaster of emotions.
72. I have more recently seen a Consultant Psychiatrist and have been given a formal diagnosis for my psychological symptoms. I have been told that I suffered with an adjustment disorder, with stress and worries over the period that followed the Court proceedings. I've been prescribed antidepressant medication and feel as though I have benefited from counselling in the past.

**WHAT WERE YOUR FINANCIAL LOSSES CAUSED BY ACTION TAKEN  
AGAINST YOU IN RELIANCE UPON HORIZON DATA?**

73. Due to being held responsible for the alleged shortfall at my Post Office, I was forced to sell my shop. I was in a fortunate position in that my son wanted to buy the business, and I sold it to him for £100,000. However, in truth, the property alone was around this amount and the value of my business was nearly double this. I made a significant loss on the selling of my business.

74. My income stopped overnight. As soon as the audit had been conducted and I was informed I was suspended, my salary stopped and this never restarted.

75. I was also a councillor for my local community and earned an income through this stream. Although I remained a councillor for a few months after my suspension from the Post Office, I was eventually relieved from my duties from this post too.

76. My son also incurred some financial losses after having bought my business. The Post Office sought to impose a charge over the property. My son hired legal representation to defend this, which took around 3 years. He incurred legal costs as a result.

77. Interest accrued on the loans I took out from the bank, and this placed a huge financial burden to repay.

78. I incurred legal costs from hiring legal representation for the criminal proceedings.

**WHAT EFFECT DID IT HAVE TO BE ACCUSED OF COMMITTING CRIMINAL OFFENCES AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

79. The accusations caused me huge amounts of stress and anxiety. I felt ashamed and the fact that I was a convicted criminal really hurt. I suffered from nightmares and a feeling of lost control. I still do not like the door being shut at night.

80. I find it too traumatic to watch prison dramas or documentaries on TV; these can bring back bad memories, they cause tears and emotional distress. I dislike programmes with loud noises or bangs and find that they will startle me.
81. The whole situation has been very traumatic to me, and I have seen the good and bad in people. Luckily, I was able to make friends with some of the people in Kirkham Prison which helped me through. It has been very traumatic for my family too. When I was sent to Walton Prison, my family could not visit me. Also, when I was released from prison, I had to deal with the stigma of being convicted of a criminal offence and also being tagged at home.
82. My arrest was in the newspapers. I held a prominent position in the community, and I was well regarded. Most of Anglesey knew me. I remember that after the news broke, some people would just stare at me; some people who I thought were friends turned their backs on me. I found out who my real friends were. It was incredibly hard and upsetting. Words cannot describe how it felt.
83. It was at this point, I found myself going for long walks away from people; I found some peace in this, but I was surrounded by negative press.
84. The whole situation with the Post Office and the subsequent conviction, incarceration and bankruptcy have had a significant impact on my life and my family's life and on my reputation. I was a Pillar of the Community. I was a local Councillor, and I was very popular.

**WHAT WERE THE CONSEQUENCES OF BEING CONVICTED OF A CRIMINAL OFFENCE AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

85. I was unable to find work for about two years after I was released from prison. The stigma followed me around and people wanted to steer clear of me.
86. I then bought a van and got a job as a delivery driver for Yodel. I delivered parcels for Yodel for about 4 years and then I got a job at a garden centre. I still work here now, currently I do 3 days a week in the garden centre
87. Whilst in prison, I was sacked as a local Councillor. I had asked the chairman whether I should resign whilst my criminal charges were outstanding. He advised me not to. However, I was still sacked whilst I was in prison. It felt like I was being kicked when I was already down. I could have been saved some humiliation here. I felt like I had let down my local community and brought shame upon them.

**WHAT EFFECT DID THESE ISSUES HAVE UPON YOUR RELATIONSHIPS WITH YOUR FAMILY, FRIENDS, COLLEAGUES AND LOCAL COMMUNITY?**

88. My wife lost her side of the business and her livelihood as well as me losing mine. However, the emotional turmoil on her is unquantifiable. It still affects her, even now. Her confidence is low, I see that. She avoids friends, she doesn't want to go out.
89. Last year in March GRO he would have been overjoyed at the result of the Court of Appeal on the 23 April 2021. It is devastating that he wasn't there to witness this.
90. A strain was placed on our relationship with my daughter as we stayed with her after my prison release. I don't know what we would have done without her support, but it wasn't an easy time for her. I know that now she is having help as she still has nightmares about me being taken to the van in handcuffs.



91. One of the worst things was the sense of helplessness in that I could not protect my family, who had to take the force of the humiliation. They were shouted and screamed at, out in the open, by people crossing the road who we used to call friends. This was one of the hardest things that they had to deal with.
92. My family helped me through. [GRO] stood by me, she always had faith in me. [GRO] was always there for the meetings and was a second pair of eyes and ears to all the proceedings. She accompanied me where she could and provided support. [GRO] drove me hundreds of miles to the Court and to various appointments.
93. The Post Office had been such an integral part of family life, that my children all had nicknames. [GRO]  
[GRO] The nicknames were known in the community and used as much as their real names.
94. I've lost many friendships and so did my family. People who I thought were my friends turned their backs on me. I was an outcast in the community. I lost credibility. I've been called a thief.
95. At the time of the initial investigation and up until I was in prison, I was a councillor for the local community. I was an upstanding pillar of my region and well respected. I was a well-known face, being the local sub-postmaster, and got to know the people of the area very well.
96. After my conviction, the news was in the local paper. My reputation was in tatters after that. Everyone knew me in the area, and they would no longer speak to me. I lost my livelihood. My children were also stigmatised, which was incredibly hard for me. I felt so guilty for the anguish that they were facing. My whole family suffered.

97. However, I am a resilient person and I have gradually been able to return to being a fully active member of the community. The quashing of my conviction has helped. People actually started shaking my hand again. It is still upsetting to think back about how people treated me. I lost a lot of friends due to the false accusations and conviction. Even now that my reputation has been restored, I will never be able to return to the position that I was in prior to this dark chapter in my life.

**PLEASE DESCRIBE THE DIRECT AND INDIRECT EFFECT WHICH THESE ISSUES HAD UPON THE MEMBERS OF YOUR FAMILY?**

98. I know that my children put up with a lot. The grandchildren were at school at the time. We ended up telling them that I was holiday in Blackpool and we as a family went to find some sweet rock. They did find out eventually and were then egged on by their friends that their Grandad had stolen money and was a thief. I was stigmatised and so was the rest of my family.

**CONCLUDING REMARKS**

99. There has been so much loss, the loss of respect, the loss of character, the loss of quality of life, the loss of my local Councillor job (which I loved). The loss of freedom in having to go to prison and having an electronic tag. The loss of family life for over 3 months. The loss of good mental health and stability. Lost friendships, lost laughter, and celebrations. The loss of the sense of community. The financial losses, lost income, and the loss of self-respect of having to claim benefits following my release from prison. The loss of a steady

and secure retirement. Worst of all, the losses that have extended to my family.

This list goes on.

100. I am still working to make ends meet, 3 days a week at a local Garden Centre.

I turned 75 on 24 December 2021. It's been a long 16 years and unfortunately,

I am still fighting for compensation and to have things put right. I just want to

see justice all round. I continue to live with the loss.

### Statement Of Truth

I believe that the facts stated in this witness statement are true.

Signed:

**GRO**

Position Or

Office Held:

Print Full

Date of signature: Jan 12, 2022

Name: HUGHIE NOEL THOMAS

FILE REFERENCE: **GRO**

