

WITNESS: MARGERY LORRAINE WILLIAMS

STATEMENT NUMBER: WITN0174\_01

EXHIBITS: 0

DATED: Jan 11, 2022

**POST OFFICE HORIZON IT INQUIRY**

**FIRST WRITTEN STATEMENT OF MARGERY LORRAINE WILLIAMS**

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, MRS MARGERY LORRAINE WILLIAMS, Date of Birth: , of

will say as follows:-

**PERSONAL BACKGROUND**

1. I am 55 years of age and I live with my husband in Anglesey, Wales. We also have our grown-up daughter, who has just turned 21 years of age, who also lives with us.
2. I am currently employed as a teaching assistant for a local school. This was a role I started in October 2021 after finally having a clear DBS record.
3. I used to work in the local village shop and also helped out the previous Sub-Postmistress.

4. I was also previously employed as a Local Authority Sheltered Housing Warden for the elderly and fostered children too.
5. I eventually decided that I wanted to reduce my fostering and, to keep myself occupied, the role as a Sub-Postmistress at the Llanddaniel Branch appealed to me as it was limited to 17 hours a week and there was a Shop with the Post Office too.
6. Unfortunately, I cannot remember the name of my Post Office area manager.

### **POST OFFICE HISTORY**

7. I became Sub-Postmistress of the Llanddaniel branch of the Post Office in April 2009. When I applied for the position, some of the villagers had supported me in my application as they wanted to keep the Post Office open.
8. I paid £5,000 to the previous Sub-Postmistress for the goodwill of the business and then paid the Post Office £45 each week to run the Post Office.
9. I received a few days of training at the Branch a few weeks after I had opened it in April 2009. I did not seem to experience any significant difficulties up until July 2010 when I began using the Horizon system.

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

10. I was aware that I was responsible for paying any shortfall shown by Horizon. Therefore, I did everything I could to rectify any of the accounts when they showed as not balancing. At first, I did not suffer any shortfalls of note.
11. It was only after the installation of Horizon Online in my Post Office in July 2010 that I noticed a significant difference. Shortfalls would occur frequently following the installation, albeit small ones. However, I still didn't think it was

right for me to keep putting my hand in my pocket, so I made full use of the helpline that the Post Office had made me aware of.

12. The helpline was useless. The operators were so unhelpful and had no idea what I was going through in my shop. They also didn't try to understand what I was going through. I thought the helpline was very unprofessional and it was clear to me that it wasn't fit for purpose.
13. Other issues which had an impact over this period were power failures. My branch suffered from power failures such that transactions would be lost while the system was off. When I telephoned the helpline, they were of no help. I can recall instances where customers had paid a utility bill which I completed through the Horizon system as paid. However, they would subsequently receive a non-payment notice from the utility company.
14. In February 2011, I suffered my first large shortfall of around £2000-£3000. Due to my previous experiences with the helpline, I did not call them. I was too embarrassed and scared to. I was hopeful that the system would sort itself out and the shortfall would go away.
15. In my experience, a smaller shortfall was always harder to find than a large shortfall. However, whether small or large, I could not work out where the shortfalls had come from.
16. To make matters worse, in March 2011, the shortfall of £2000-£3000 had doubled. Over the next few months, I was just hoping that the shortfalls would resolve. I had always been good with figures and could not understand it or locate where the problem was.
17. The auditors arrived at my Post Office in June 2011. They carried out the audit and informed me there was a discrepancy of £14,633.57. They kept

asking me whether I had the money to pay the shortfalls. I said that I didn't.

The auditors took the keys for the Post Office, and I was suspended.

18. Following meetings with the Post Office, I received a number of calls from one of the investigators. He kept asking me whether I had found the money. I kept telling him the same thing which was that I could not find the money, nor had I taken any money. He responded by telling me not to worry.

19. My contract with the Post Office was terminated in July 2011.

20. I was then horrified in either September or October 2011 to be charged with theft and false accounting and to receive a summons to appear at Holyhead Magistrates Court on 25 November 2011. I could not believe this as the Post Office had never intimated to me that they would do this - especially when I had not taken any money.

21. As I initially pleaded Not Guilty to the charges, as I had not taken any money and had not done anything wrong, my case was sent to the Crown Court.

22. I believe it was at my first hearing at Caernarfon Crown Court that after stating a plea of not guilty, I remember the judge remarking along the lines of "the money has gone, it has to be somewhere, have a rethink about your plea." I was then sent out.

23. I believe this was when a plea bargain was discussed by the prosecutor and my barrister and it was said if I pleaded guilty to the false accounting charges they would drop the theft charge.

24. Upon the advice of my Barrister, I therefore pleaded Guilty to the False Accounting charges on 16<sup>th</sup> February 2012. This was in the hope that I would avoid a prison sentence. I had a young daughter and I could not go to prison and leave her.

25. On 3 May 2012, I was sentenced at Caernarfon Crown Court to 52 weeks in prison suspended for 18 months; a 12 month supervision order; a community order for 200 hours of unpaid work and £600 in prosecution costs.

26. During the hearing, my husband kept hold of my packed bag, as when I arrived at court, I still did not know whether I would be sent to prison. I had written letters to my husband, my daughter and family just in case I was. I sat in the dock with a locket with my daughter's photograph inside. I remember that the Judge commented that my case "was about the Horizon system again". He made comment that he would not see me in court again, as he had received good character references and I had a daughter.

27. My conviction was finally overturned in the Court of Appeal on 23<sup>rd</sup> April 2021.

## **THE HUMAN IMPACT**

28. 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?**

29. As detailed above, as well as the smaller shortfalls between 2010 and 2011, which I did pay, I was asked by the Post Office to pay the large shortfall identified following the audit of £14,633.57.

30. My husband and I did not have the money to pay this shortfall, so my brother-in-law kindly paid the shortfall for us, and we paid him back from increasing the

mortgage on our home. The mortgage had to be transferred to my husband's name because I was considered by the building society to be too high risk. The mortgage payments quadrupled following this.

31. Overall, we were left struggling financially as a result of having to pay these apparent shortfalls.

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

32. As explained above, we had to borrow money from my brother-in-law to pay the alleged shortfall identified following the audit and we had to increase our mortgage to pay him back.

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

33. I was relieved when the auditors arrived at my Post Office in June 2011. The secret of this large shortfall had become too much, and I was too ashamed and scared to reach out to the Post Office for help. I thought that the auditors would help me figure out why the balance was showing the way it did, and how to stop it from happening again.

34. After the auditors had left, I had to go home and tell my husband about the whole situation. I was so ashamed that I had not told him about the shortfalls, but I had thought that I could sort it out myself. It was a very difficult conversation with my husband, and I did not sleep that night.

35. When I was suspended, I was very upset, I lost my income from the Post Office, the Local Authority and the Shop.

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

36. The day after I was suspended, I was determined to open the shop for the community and I wanted to get a relief sub-postmaster for the Post Office. When the customers came into the shop and asked why the Post Office wasn't open, I told them that there was something up with the IT system.
37. The Post Office was closed for about two weeks before the relief sub-postmaster was appointed. As I was still paying rent for the business, I was told by the Post Office that they would pay me rent for the relief sub-postmaster, but they never paid me anything.
38. I attended a meeting with the Post Office's investigators on 27 June 2011 at the Crown Office in Rhyl. At this meeting, I could not explain where the shortfalls had come from. I confirmed that I had not taken the money and asked about issues with the Horizon system. I thought that surely they would have to investigate the Horizon system if I was having issues – they were investigators after all.
39. I attended a further meeting with the Post Office's investigators on 30 June 2011. This meeting took place at the Bangor Delivery Office. At this meeting, I confirmed that I had not done anything wrong and asked again about issues with the Horizon system. I was led to believe at this meeting that I was the only sub-postmaster who was having problems with shortfalls. It made me feel stupid that I was the only person who had these issues. I knew things were serious and I feared the outcome for me and my family.

40. After the meeting finished on 30 June 2011, the investigators came and searched my car and said that they wanted to search my house. The investigators followed me home.
41. At my home, the investigators sat in my living room. I remember giving one of them some squash and the other a cup of tea. They did not carry out any search of my home in the end. I gave them details of my bank account. They kept saying not to worry and repeated this when they left.
42. The names of the investigators for the Post Office that interviewed me were Stephen Bradshaw and Andrew Wise. There was also a lady from the Post Office involved called Sally Turner who I believe was a field adviser to the Post Office.
43. Upon the request of my solicitors, I have looked back through my paperwork for the names and job titles of other Post Office employees who I either had contact with or were named in the paperwork during the investigation/conviction against me. These were: Keith Bridges - Contracts Advisor, David Patrick - Area Sales Manager/Field Support Team, Lesley Frankland - Security Officer and Glenn Chester/Paul Williams Contracts Advisor.
44. From June 2011, I carried on working in the shop waiting to hear that the Post Office had found the shortfalls and the situation was all over. This was a very stressful time, even though I knew I had done nothing wrong. I was hoping that the investigators would take my comments on board about my issues with Horizon.
45. My contract with the Post Office was terminated in a letter dated 15 July 2011.



46. Due to the situation with the Post Office and my dwindling customers, I closed the shop in December 2011.
47. At my first visit with the probation office after my sentencing hearing, she said to me that there was no chance that I would be able to work in a charity shop due to the crimes which I had done.
48. However, I did my community service work with a charity, Tyddyn Mon, which helped disabled people. I liked the job, and the Manager was nice. The first day was very hard, but I got used to it after that. I had become a recluse by then, so it was good to get out. I carried out my community service at the charity every day whilst my daughter was at school, and I just managed to finish this before the school summer holidays.
49. I was also suspended from my job as a warden at the time of my suspension from the Post Office. After my conviction, I was reinstated. However, one of the residents objected and I lost my job as a warden in October 2012. I had done this job for 10 years and we lived in the warden's house. I therefore had to leave the place I had called home for 10 years.
50. At the time when I was suspended by the Post Office, my family and I were living in accommodation provided by the Local Authority for my role as a Warden. We rented out a house which we had bought for extra income. When I was suspended by the Post Office and subsequently lost my Warden's job, we had to move back into the house which we had been renting.
51. After I had lost my job as a warden, I saw GRO, who was the HR Manager of the Tyddyn Mon Charity when I was walking my dog and she asked how I was getting on. She asked if I wanted to do some voluntary work with them. To

keep me busy, I accepted and started back at the charity in October 2012. I was doing this unpaid work for 2-3 days a week.

52. I had been a youth worker and a foster mum previously. I could no longer carry out those roles with a criminal conviction.

53. In January 2013, I started claiming welfare benefits as I was still doing voluntary work for the charity and unable to gain employment elsewhere. In June 2013, I managed to get a job through my sister-in-law as a driver. Eventually, I became a supervisor in charge of the paperwork.

54. I then applied for a role as a support worker for the Tyddyn Mon Charity, again where I had carried out my community service. I was not hopeful that I would get the job due to my criminal conviction. However, thanks to a recommendation from the HR Manager and due to my previous voluntary work, I was successful in my application. A couple of years ago, all support workers had to re-register, and I was worried that my criminal conviction would have an impact on my job. My employer helped me with this, and I kept my job, but even when I had moved on and started again, my conviction continued to cause me issues, which was very frustrating.

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

55. As detailed above, when I was suspended the Post Office branch was closed for about two weeks before a relief sub-postmaster was put in place. I did not own the Post Office building and did not live on the Post Office site so I was not impacted by that. As detailed above, I had however paid £5,000.00 to the

previous sub-postmistress for the goodwill of the business when I originally took over.

56. I did also lose my income from the Post Office, the Local Authority and the Shop. Even after I was suspended, I still had to pay rent for the building (with the Post Office and shop in it) of £45 a week until my contract was terminated and I was never reimbursed for this.

57. After my suspension in June 2011 I continued to run the shop however due to dwindling customer numbers this became less and less viable and ultimately I had to close the shop in December 2011.

58. I was also suspended from my job as a warden at the time of my suspension from the Post Office. After my conviction, I was reinstated. However, one of the residents objected and I lost my job as a warden in October 2012. I had done this job for 10 years and we lived in the warden's house. I therefore had to leave the place I had called home for 10 years.

59. As explained above, at the time when I was suspended by the Post Office, my family and I were living in accommodation provided by the Local Authority for my role as a Warden. We rented out a house which we had bought for extra income. When I was suspended by the Post Office and subsequently lost my Warden's job, we had to move back into the house which we had been renting. We lost out on this rental income.

60. As detailed above, to pay the alleged shortfall amounts we ultimately re-mortgaged our home which quadrupled the mortgage payments.

61. In respect of my legal costs, I received legal aid however I believe I did have to pay a contribution towards the legal costs. I struggle to remember the amounts due to the stress I was under at the time.

62. Following my conviction and sentencing, I was ordered to pay £600.00 in prosecution legal costs.

**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?**

63. I was absolutely devastated. I remember asking my friend to look after my daughter when I attended the Magistrates Court. When I returned to pick up my daughter, I just broke down in front of my friend and told her everything.

64. Up to that point, only my husband knew about my problems with the Post Office.

65. My friend supported me throughout the criminal proceedings. With her husband, they found details of other sub-postmasters and mistresses who were suffering from the same situation as me with the Post Office. I was not the only one. For a brief moment, I didn't feel alone.

66. I initially pleaded not guilty and the case was transferred to the Crown Court.

67. By this time, I was not in a good place. I had given the shop up as my customers had dwindled, I was being shunned by the community, I had lost my job and my house as a warden with the local authority and I was facing prison. It was absolutely horrible, like a bad dream and it was very humiliating.

68. I remember attending my first hearing at Caenarfon Crown Court and when I pleaded not guilty. The judge told me to go out and then come back and tell everyone where the money had gone to. This was completely embarrassing, and I felt like a child being told off by a parent.

69. Upon the advice of my barrister, I pleaded guilty to the false accounting charges. This was in the hope that I would avoid a prison sentence. I had a young daughter, and I could not go to prison and leave her. I felt horrible pleading guilty to something that I had not actually done and it was after this that I went into a very dark place.

70. I was also advised to pay the shortfall in full too. As my husband and I did not have the money, my brother-in-law kindly paid the shortfall for us. We paid back my brother-in-law after we re-mortgaged our house and received the money from the bank.

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

71. I received a 52 week prison sentence, suspended for 18 months; a 12 month supervision order; a community order for 200 hours of unpaid work and had to repay £600 in prosecution costs.

72. Under the supervision order, I had to attend the probation officer every week. It was awful and I cried every time that I went. I went every week for a year, and I had to confirm that I had done the crime every time that I went, when I knew that I had not done anything wrong. My Barrister told me I had to say this or I could be sent to prison.

73. Following the situation with the Post Office, I have suffered with physical and mental health problems. I was diagnosed with Type 2 Diabetes in 2013 and I take medication. I also started to suffer with high blood pressure and was put on medication. I have managed to work on my blood pressure and no longer

take any medication for this. I was also diagnosed with scarring alopecia which means that when my hair falls out, it will never return. I have bald patches on my head. The alopecia can be controlled with medication.

However, the medication which I take has an impact on my immune system and due to the Coronavirus pandemic, I had to come off this medication.

74. Psychologically, after my suspension by the Post Office and whilst being prosecuted, I was in a very dark place and even contemplated suicide. Only thoughts of my daughter saved me. I did not go to my GP as I felt that this was too local, and the community was shunning me. I kept myself to myself and became a recluse. My mother and brother had suffered from nervous breakdowns in the past and I wanted to do all I could to avoid this.

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

75. I have become quite reclusive and withdrawn as a result of what happened and avoid talking to friends or family about it.

76. My husband has been supportive but he was understandably upset that I had kept the problems with the Horizon shortfalls from him and not felt I could confide in him sooner.

77. During the investigation and criminal proceedings, I would only venture out to take my daughter to school. I remember an occasion where one of the mothers at school said that she liked me as a person but not what I'd done, which I found very upsetting.

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

78. The situation with the Post Office has had an impact on my family too. My husband's mental health has suffered, and my daughter was bullied and beaten up at school due to my criminal proceedings and conviction. My daughter has self-harmed too. She lost a lot of friends sadly.

79. My husband was diagnosed as suffering from cancer in December 2019 but he only told me in February 2020. He had always been in good health previously and I have wondered if the strain of the situation with the Post Office made him ill.

**CONCLUDING REMARKS**

80. I am no longer the happy go lucky person that I was before and I have lost all my confidence. With my mental health, I now have good and bad days. What happened has changed me as a person and I will never be the same again. I can no longer trust people and I sometimes feel uncontrollably angry about what happened to me. I will never get over the feeling of being tricked and misled by the Post Office, who implied to me that I was the only person who had experienced problems with shortfalls.

81. Despite being acquitted recently, I feel that what my family and I went through will stay with us for ever.

**Statement Of Truth**

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

Signed:

Position Or

**GRO**

Office Held:

Print Full

Date of signature: Jan 11, 2022

Name: MARGERY LORRAINE WILLIAMS

FILE REFERENCE: **GRO**



