

Public Accounts Committee

Oral evidence: Government compensation schemes, HC 88

Thursday 4 June 2026

Ordered by the House of Commons to be published on 4 June 2026.

[Watch the meeting](#)

Members present: Sir Geoffrey Clifton-Brown (Chair); Mr Clive Betts; Anna Dixon; Rachel Gilmour; Sarah Green; Rupert Lowe; Tristan Osborne; Matt Turmaine.

Gareth Davies, Comptroller and Auditor General, National Audit Office, Lee Summerfield, Director, National Audit Office, and David Fairbrother, Treasury Officer of Accounts, HM Treasury, were in attendance.

Questions 47-112

Witnesses

I: Cat Little CB, Chief Operating Officer, Civil Service, and Permanent Secretary, Cabinet Office; Gareth Davies CB, Permanent Secretary, Home Office; Jeremy Pocklington CB, Permanent Secretary, Ministry of Defence; Carl Creswell, Director, Post Office Policy, Department for Business and Trade; David Foley, Chief Executive, Infected Blood Compensation Authority.

Report by the Comptroller and Auditor General

Government's compensation and financial recognition schemes (HC 1817)

Examination of witnesses

Witnesses: Cat Little, Gareth Davies, Jeremy Pocklington, Carl Creswell and David Foley.

Q47 Chair: Welcome to the Public Accounts Committee on Thursday 4 June 2026. Today is the second instalment of our compensation week, in which we are examining the Government's administration of compensation schemes. On Monday, we heard incredibly powerful testimony from expert witnesses on four of the Government's compensation schemes. I am sure you watched our session and, like us, found some of what they had to say very difficult to hear. What some of the people who have used these schemes have gone through is unacceptable. I would like us to bear in mind those people today when we are talking about what will seem colder and more distant concerns—value for money, scheme design and the working of inner Government. Of course, this is all about people who have suffered.

Today, we are joined by very senior officials from a variety of Government Departments and arm's length bodies, each of which has been responsible for administering at least one of the seven compensation schemes that the NAO examined as part of its Report on this subject. We will be looking to challenge the Departments about their administration of these schemes and examine the reasons why the experience of making a claim has varied substantially for affected individuals seeking fair redress from the schemes. We will also be exploring whether the schemes are doing enough to ensure that potential claimants apply, and that their needs are met during the claims process. We will be examining how the Government plans to apply lessons learned from the schemes to future schemes across Government.

I would like to take this opportunity to thank every individual who has engaged with the Committee via our survey. It has been incredibly valuable for us to hear from people about their lived experiences of applying for compensation schemes. We are extremely grateful to all those who took the time to complete the survey.

Good morning, everybody. Without any further ado, let me let everybody introduce themselves, starting with Cat Little. If you can tell us who you are and how long you have been in post, that would be helpful.

Cat Little: Thank you very much, Sir Geoffrey. Good morning to the Committee. My name is Cat Little. I am the permanent secretary at the Cabinet Office, and I am also the chief operating officer for the civil service. I have a couple of hats today. First, I am responsible for the



HOUSE OF COMMONS

overall policy for inquiries response, for the Public Office (Accountability) Bill, for the duty of candour, and also for co-ordinating cross-cutting work across Government. I am also the permanent secretary for the Department that sponsors the Infected Blood Compensation Authority.

Jeremy Pocklington: I am Jeremy Pocklington. I am the permanent secretary at the Ministry of Defence, and I have been here for six months.

Gareth Davies: I am Gareth Davies. I am permanent secretary at the Home Office, and I have been here for six weeks. Prior to that, I was in the Department for Business and Trade, where I was permanent secretary and responsible for the Post Office redress schemes with Carl.

Carl Creswell: I am Carl Creswell, and I am director for Post Office policy. I have been working on this area since 2019, when my role was established following Mr Justice Fraser's judgment.

David Foley: Good morning. I am David Foley, and I am chief executive of the Infected Blood Compensation Authority.

Chair: Thank you very much. Cat, you were warned about a question at the top of the session about promises to set up future schemes. I will turn to Sarah Green, who asked the Prime Minister a question yesterday on this subject.

Q48 **Sarah Green:** I should declare an interest: I chair the cross-party group that is campaigning for redress for victims of surgical mesh and sodium valproate. It is important that I put that on the record.

The Hughes report was commissioned in the previous Parliament by the Department of Health, which asked the Patient Safety Commissioner to look at how to implement a redress scheme. The case for a redress scheme had already been made in the Cumberlege review, so this was a question of how to implement, not whether we should implement. However, it has been sitting on a shelf for two and a half years and successive Health Ministers have indicated that the complexity of cross-Government working is what is delaying the implementation of that report. Permanent secretary, what is the delay? Why is it taking so long? What is happening at the centre to unblock the delays and to introduce a timetable for implementation?

Cat Little: First, thank you for letting me know that you were going to ask this question. I got in touch with the Department of Health last night to try to get to the bottom of some of the questions that you asked yesterday and would ask today.

The first thing to say is that these are really important issues, as you know better than anybody. I understand from the Department of Health that they have been taking the time to work across Government and make sure that they get the right collaborative input on the policy design from various parts of the public sector. My understanding is that Minister Ahmed, the previous Minister, recently met with the Patient Safety Commissioner and talked through the detail, but I am not privy to all the

detail that was disclosed in that discussion. With your permission, Chair, I would be very keen to meet with the Member to better understand some of your concerns to see if there is anything we can do, on a cross-cutting basis, to help.

Sarah Green: I would really like to take you up on that. Thank you very much.

Q49 **Chair:** Well done, Sarah. Thank you very much.

I will ask the first substantive questions. I am sorry to do this given your voice, Gareth, but I need to come to you, because I have one or two questions about the Horizon schemes. We know from the NAO Report that as of November 2020, 2,417 people had applied to the Post Office for these schemes. That was way in excess of what you expected, to the extent that you had to pause the scheme because there was not enough money. Why was it such a surprise that so many people wanted to apply for these schemes? I would have thought that it was possible to ask the Post Office to press the Horizon button and hope that it came up with the correct answer.

Once we have established why or whether it was a surprise, the question is: why did you have to pause the scheme because you did not have enough money? Surely, once the Government have decided to set up one of these schemes—I hope this will never happen to any of the schemes that Sarah spoke about—they should have decided that there is enough money to fund the scheme.

Gareth Davies: On the first point, about the scope and scale of the Post Office schemes, what surprised me when I came into the role in 2023 was the lack of grip on the data in the Post Office, which partly reflected the problems with the underlying Horizon scheme—the IT platform. Their ability to produce accurate estimates of the scale of the losses was consistently underwhelming, so we had a problem with identifying and getting our hands around exact numbers over that time. If you look at the process over the subsequent three years, the number of people who applied to HSS increased significantly—Carl will have the numbers, but I think it was almost tenfold.

The broader thing I was concerned about, as the accounting officer responsible for the collection of Post Office schemes, was that the budgeting for those schemes was originally through DEL—through our control totals. I worked with Treasury to shift that into AME to make sure that there were no artificial constraints on the amount we could pay out. Throughout that time, we always flexed our budgets to make sure that we could pay the right amount. We had it in AME for two reasons: to simplify the accounts and reconciliations, and to provide more assurance to people who had applied to the scheme that there were no false constraints on the amount to be paid.

Carl Creswell: To add just a little detail, as it is of wider relevance, the original Horizon shortfall scheme was set up with a deadline, and 2,417 people applied before that deadline. Funding was available at that point.



HOUSE OF COMMONS

What the Post Office discovered was that people continued to apply, and we have had a further figure of 11,669 on top of that.

The funding issue was how to fund the later applications beyond the original deadline. That was where, as you may have seen through Sir Wyn Williams's inquiry, we had to work with the Treasury to secure the extra funding for the Post Office. The fundamental point is that the Post Office thought there were going to be 300 people, and I think that reflects a broader misunderstanding of the depth and horror of the Horizon scandal. It has been only over a period of months and years that we have realised quite how many people were affected.

Q50 Chair: For me, the two things that came out powerfully at Monday's hearing were trust and co-design. Of course, we are speaking with hindsight, but it seems to me that we need to learn the lessons from what you two went through to try to work out what we need to do better in future. Having the sponsoring Department, let alone the sponsoring organisation, administering the schemes was a very poor way to establish trust, and I think if you had co-designed it better, you would have got a better idea of how many people were likely to make claims. Very briefly, either or both of you, what should we be learning from these schemes to not do in future?

Gareth Davies: I will give you a couple of reflections from my time being responsible before I pass to Carl. As the report set out, these schemes are trying to do three things. They are trying to provide accurate redress for the individuals, so there is something about being specific; do it with a sense of speed and pace, given the injustice they have faced; but also provide a level of voice and, essentially, restorative justice. Those are the three things we are constantly trying to balance when we are designing the schemes.

There are a couple of things that, with hindsight, we would have done differently. First, there was a series of initial decisions to resolve specific problems rather than standing back and understanding the full scale of the challenge. As Carl just touched on, the Post Office itself did not realise the scale of the challenge, and this has come out of the independent report. We now have four, potentially five, schemes, depending on how you describe it, all with slightly different rules and ways of working. We have learned along the way. Rolling back time, you would have wanted one scheme that was able to tackle all these issues at the same time. That is the first point.

The point about co-design is totally right. Being explicit about how we get the right balance between accuracy, speed and voice is at the heart of some of these things. Making those decisions explicit rather than implicit would be my reflection.

I have reflected on the report and the evidence, and on whether the organisation at fault should be the one to do the redress. This is a very delicate balance. On the one hand, I understand completely why there is deep scepticism and lack of trust. These organisations are not trustworthy,



HOUSE OF COMMONS

so you would want an independent organisation to deliver the redress. On the other hand, it is the organisation that has done wrong and catastrophically let these people down, so it should be responsible for—I hesitate to say righting a wrong, because I don't think you can right the wrong, but you can provide the redress, and it should be responsible rather than outsourcing it to another organisation. It is a very delicate balance. I can reflect more on the Windrush experience in the Home Office later.

Carl Creswell: I agree with Gareth. It was a mistake to have the Post Office deliver the Horizon shortfall scheme. There were reasons for that at the time. It was a commitment that was agreed with Sir Alan Bates's GLO group in December '19 when a settlement was reached. At that point it looked like it was going to be a viable delivery organisation to the claimants, but over time it became clear that, even though there are independent panel members making the final decisions, the claimants have low levels of trust in the Post Office. In retrospect, it was a mistake to have the Post Office do that.

Q51 **Rupert Lowe:** I have studied this Post Office situation in quite some depth—indeed, I have written articles about it—and I could not disagree with the both of you more. I think this is a massive state fraud. The flaw in the Fujitsu-written software was known about for a long time, and it was covered up. As you know, the Post Office has a Government covenant—an ability to prosecute people—and it was going around prosecuting people on the basis of a fraud that it knew about.

At the end of the day, this is another example, in my opinion, of the state making a series of bad and fraudulent decisions and then basically not dealing with the fallout in either a timely or an efficient way. I think the public are becoming increasingly irritated by the fact that the Government appear to be incapable of, first, making good decisions and, secondly, cleaning up the mess that they create, which they give themselves the job of doing. I am sorry, you can give as much verbal baby-food waffle as you want, but the fact is that we need to get this right.

Chair: I think we have got the point. Gareth and Carl, do you want to answer?

Carl Creswell: I think we should be judged on results and how much has been paid out at this point. If the Committee is looking at where we have got to with the different schemes, we have paid out over £1.5 billion to 12,600 claimants. There are definitely lessons to learn, and we are here today to talk about what we have done and how we have tried to apply them in later schemes. But fundamentally, we are in a place where 80% of the claimants have had the money and we should be through a lot of them by the end of this calendar year.

On your broader point about who exactly did what, I am sure there are failings that need to be revealed through the Horizon inquiry. I am expecting that to report later this year. Sir Wyn Williams already said in his first report last July that the Post Office executives should have, or



HOUSE OF COMMONS

could have, known what was going on in the organisation. To that extent, I agree with the thrust of what you are saying, but we have a stronger delivery record than you are giving us credit for.

- Q52 **Rupert Lowe:** Fine, but there are a lot of people who died without getting any compensation at all, as you know, because this has taken so long to be dealt with.

Carl Creswell: That is a matter of deep regret.

- Q53 **Chair:** I have one fundamental question, and I do not mind which one of you answers. Maybe this is a question for you, Cat, but I don't know; it may be a question for everybody who was involved with the Post Office. The public will want to know why we have still not got a single penny in compensation from Fujitsu. Why is it that the British taxpayer always has to bear the can for companies' mistakes? If they have made a mistake, they should surely be the ones that compensate. The same is probably true of the American blood companies in the infected blood scandal, and there may well be other liabilities in the other schemes. I would be grateful to know what the Government are doing about this, because it seems to me that the British taxpayer should not be bearing all the burden on these schemes.

Carl Creswell: I definitely agree with you in relation to Fujitsu; I will leave the infected blood question to others. My Ministers agree with you as well. They have been having conversations with Fujitsu about it, and we are in negotiations and discussions with Fujitsu about what a reasonable settlement would look like. At this point, we are awaiting the outcome of the Horizon inquiry because that will help us nail down Fujitsu on a specific number. They have not at this point offered a specific number, but they have made a commitment and recognised their moral obligation to contribute towards the costs of the scandal. We plan to hold them to that, but at this point I do not have a number to give to you.

- Q54 **Chair:** So there is an intention that Fujitsu should compensate. Can we be assured that the Government will push hard on that and, if necessary, take it to court?

Carl Creswell: I am sure that you can have that reassurance from me, yes. If you would like a private briefing about our negotiations with Fujitsu at a later point, I would be very happy to do that with my colleagues.

- Q55 **Chair:** We might well take you up on that, Carl; thank you. Does anybody want to talk about infected blood? Cat, I see you want to come in.

Cat Little: Could I just add to the Fujitsu side of the question? David should answer on infected blood. Fujitsu is a strategic supplier to Government. To add to Carl's offer, I would be very happy to come and talk to you about the wider commercial arrangements that we have put in place.

- Q56 **Chair:** That is helpful. David, do you have anything to add on infected blood? This is one of the really awful ones. We heard some really terrible testimony on Monday about children dying. I think people will be looking



HOUSE OF COMMONS

to know why we are not taking this up with the American blood suppliers.

David Foley: It is a truly terrible scandal. The inquiry uncovered awful testimony about what happened to people. Our authority is set up with one objective and one objective only, which is to pay the compensation that everybody is due. I understand that there are some police investigations under way about what was uncovered in the inquiry. As to where we are on seeking redress from American pharmaceutical companies, I do not know. Perhaps we could find out and write to you on that.

Cat Little: Could I perhaps offer, again, to talk to you privately, given the commercial sensitivities? The other thing I would add is the historical nature of some of this. Obviously, part of the damage that has been caused to victims of the infected blood scandal is the fact that it has taken so long for redress to take place. Sadly, it has also impacted our ability to go back historically and take some of the action that we would ideally want to have taken.

Chair: That is helpful. We may well take you both up on that; thank you for the offer, anyway.

Q57 **Mr Betts:** Coming back to Fujitsu for a second, clearly, there are discussions going on, as has been referred to. Cat Little, you said that they are a strategic partner supplier to Government as a company. People often scratch their heads and think, "They've made major failings here, which they engaged in a cover-up about, yet we're carrying on with awarding them new contracts."

Cat Little: Again, I am really sorry that I cannot go into the detail of some of that in this forum. Every single contract that is awarded in Government is assessed under the Procurement Act and under the procurement legislation that we have to undertake. I am very happy to take you through some of the more sensitive, and I think pertinent, information privately.

Q58 **Mr Betts:** It is true, isn't it, that the Government have changed the approach on procurement fairly recently, so that account can be taken of past performance in a more effective way when awarding contracts in the future?

Cat Little: That is correct. We have new powers under the Procurement Act 2024. That allows us to look at investigations that lead to debarment procedures.

Q59 **Mr Betts:** Right. Perhaps we could have a further briefing about this situation in the light of that.

Cat Little: I would be happy to give you a further briefing.

Chair: Before you go on, Clive, as a Committee, we need to be quite careful about accusing people of fraud. If we have specific evidence of that, that's fine, but in the absence of specific evidence, it is quite a big step, and it is a legal step, so just be a little bit careful.



HOUSE OF COMMONS

Q60 Mr Betts: I will move on to what was known about Horizon, and then I will come on to the issues of LGBT in the Ministry of Defence. Going back to the answers that Gareth and Carl gave to the Chair about the knowledge of likely numbers at the beginning, I just do not understand how the Post Office did not know who it had been pursuing and demanding payback from. They knew, didn't they? If they were not giving that information to you, they were either hiding it or denying it.

Carl Creswell: I suspect that their records were so poor, as Gareth was saying, that they did not know at that point how many people had experienced shortfalls through their system. We have, as Gareth mentioned, experienced quite a bit of difficulty getting disclosure of documents out of the Post Office records. There are millions and millions of documents. They obviously knew who they had prosecuted and how many people had been prosecuted, but we are talking here about the people who continued to work as postmasters but had experienced some issues, often quite small, for small sums of money, day to day in their time in the Post Office. It was only when the Horizon shortfall scheme was launched that they then experienced an influx of people.

Q61 Mr Betts: Is it that they did not know, or that they did not really want to find out?

Carl Creswell: My view is that the people who advised us at the time in 2019 did not know. They did not know the scale of it, because they would have had to have informed us as a Department and reflected that as a provision in their accounts. I think Sir Wyn will give the categoric assessment of what was known or not known at different points throughout that period, but I was not working with the Post Office nor in the Post Office, so I do not know.

Q62 Mr Betts: So the numbers were those people who were not prosecuted but were being squeezed and demanded of to pay back money, and did so without having to go to court about it? They just paid it back.

Carl Creswell: Exactly. There were different cohorts and different schemes that reflect those cohorts. It can sometimes sound a bit confusing, but Sir Alan Bates represents the GLO group, which went to court. Most of those people did not have convictions, but some did. The starting point was how to ensure that that group of 555 people got the compensation that they deserved. Partly, that required the overturning of convictions. There were then some other people outside that group who had convictions, who have now had their convictions overturned through legislation. Beyond that core group, there is a much larger number of people who experienced problems along the way but did not necessarily lose their job or do more than have to put a bit of money back into the till. That was obviously bad for them individually, but it is of a different nature of harm from those people who ended up in prison for months or years.

Q63 Chair: There is a bit of a quid pro quo in this. Some of the Post Office victims ended falsely up in prison, but it seems to me that somebody ought to be chasing those people up who either covered it up or gave false evidence in court. I am just wondering what Government are doing about



HOUSE OF COMMONS

that aspect.

Carl Creswell: Step one is the report of Sir Wyn's inquiry, which hopefully will come out later this year. Step two is follow-on investigations and potential action against anyone who is found guilty of a crime. That is where the Home Office has been working with the Metropolitan police through 100 officers already looking at the documents and preparing. They and presumably other regulators—if fault is found among solicitors, barristers or others who have committed bad acts—will on the back of the inquiry take robust enforcement action, which we all hope for and I know that the victims need. I am trying to be careful not to pre-empt what Sir Wyn finds, as there may well be legal action around this, as you say.

Chair: I think you have hit the nail on the head—if the victims are going to get closure. On the other hand, they expect those people responsible to be pursued fully.

Q64 **Rupert Lowe:** On data, the Post Office was quite confident about prosecuting people with the delegated authority that it had. To your point, Clive, often people were paying back money that was their own money, but ultimately the Fujitsu software was a double-entry bookkeeping system and a credit would have been thrown up the other side of it. The question is, what happened to the credit? A lot of these people were bankrupted, and they paid the money rather than being prosecuted—

Mr Betts: Absolutely.

Rupert Lowe: So this is a massive Government error. Basically, the Post Office is a Government organ, it is an organ of the state, so we need to get to the bottom of this. You say that the information was not there, but it was apparently there to prosecute people. At the end of the day, when I talk about fraud, people knew that the software was deficient—that has been proven, we know that, and people have admitted and apologised for it. This was a shocking abuse of honest, decent people, and that cannot be allowed to happen.

Mr Betts: To follow up, on the people who were not prosecuted, but paid money back, the Post Office must have had a record of all the payments back that were made to it. It must have that.

Rupert Lowe: We need to know what happened to the positive balance. I would like to know what happened to it, because a positive balance would have been thrown up the other side. If you have double-entry bookkeeping—this is in any company—there will be a positive balance. I bet you that got written back to P&L, and probably paid out in bonuses to the executives of the Post Office.

Chair: Mr Lowe has made a very interesting accusation. I do not know whether that is being followed up by any general inquiry or by Government themselves. It seems to me to be an important area that should be fully investigated.



HOUSE OF COMMONS

Carl Creswell: I agree that it is important. On Mr Betts's point, we are getting to the bottom of problems of individual branches through the disclosure process relating to the schemes. If an individual comes forward to us, we go to the Post Office and it accesses the records—for most years, it still has that information. It did not have it in aggregated form, but we can get justice for the individual people.

Q65 **Mr Betts:** The Post Office must have had the individual cases. If money was paid back, there must be records of individual payments that were made.

Carl Creswell: That is what I am saying. That is what we are getting disclosed to us by the Post Office, when an individual makes a claim to one of our schemes.

On the broader point about where the money went, that is something I would expect Sir Wyn Williams's inquiry to pick up. You might well be right in your assessment.

Rupert Lowe: I suspect I am, but I do not know for sure. All these things are shrouded in so much "need to know", "can't tell", lack of transparency and time lapsing that no one knows where the truth lies.

Chair: I do not want to pursue this too much, because we have a lot to cover today, but I think that Rupert has made a really good point. If the inquiry does not cover it, I think that you should have in some forensic accountants to look at it. If it was siphoned off the other part of the two-part balance sheet into profit and loss, and therefore into people's pockets in bonuses and so on, that is disgraceful.

Rupert Lowe: It will have shown up somewhere.

Chair: We need to get that investigated.

Q66 **Mr Betts:** On this point, I understand that once a claim is made, you go back to the Post Office and look where the money was in the system, but surely before a claim is made there could be identification of the money that was paid back—it is there. You can chase individual examples of it and ask questions about them, so it seems almost as if there has been a passive approach of waiting for people to make a claim, rather than identifying the people who were made to pay money back and asking them whether they want to make a claim.

Carl Creswell: We are talking about millions and millions of documents. Even managing to find the information for those people who have claimed is a very big job. I have described to you the process that we have been taking. I realise that you might disagree, but what we have tried to do is respond to those who have come to us as victims and need compensation; we want to get that to them quickly.

Chair: Carl, you have heard where the Committee is on this and we will obviously be making some recommendation.

Mr Betts: Can I come back to Jeremy Pocklington on similar issues?

Chair: We are going to come on to—

Mr Betts: No, it is about poor estimates.

Chair: Okay, go on then.

Q67 **Mr Betts:** Regarding the LGBT dismissals and disciplinary action in the Ministry of Defence, again, wrong estimates were made in the beginning about the number of people affected or likely to make claims. The Department knew how many people had been dismissed and the reasons why were recorded in the dismissal and disciplinary proceedings, so why were the Department's initial estimates so poor?

Jeremy Pocklington: It was difficult for the Department to understand exactly who was affected by the ban. That is partly because of the challenges around service records but, secondly, the scheme set out in the report is actually divided into two parts. There is the scheme for those who were dismissed or discharged but also the impact scheme and impact payments. In the case of the impact payments, the horrific unacceptable impacts that the ban had on service personnel would not necessarily have been recorded.

The Department worked with GAD and adopted approaches to come up with estimates, but it was difficult to come up with robust estimates of the number of people who would apply for the scheme. I know there is concern about the time that it has taken to process the scheme. When we come on to discuss the scheme properly, I can go through the latest management information that is in front of me. We have made progress.

The other general issue across compensation schemes is that there was a fundamental choice to be made about when to open the scheme following the Government accepting all the recommendations of the Etherton review. The decision the Department took, in close consultation with stakeholders and attempting to listen to those impacted by the ban, was to open the scheme as soon as it possibly could. That was before all the application processing systems that we now use were ready and before the independent panel that assesses the impact scheme had been recruited, but that decision was taken so that we could get recognition payments to those who were in high-priority groups as quickly as we could. As the report sets out, we succeeded in doing that particularly for those who were identified as high priority. But—thinking about lessons learned for the future—we should have done more to manage expectations about where we were when we launched the scheme—“Yes, we’re opening it now because we can see from consultation with stakeholders that there is merit in getting early payments out where we can, but it will take longer to build the machine so that we can process more of the payments.”

Q68 **Mr Betts:** Okay, so it was fairly simple where someone was dismissed and told, “You’re gay; you’re out”. For the impact scheme it is more difficult, because of how were people impacted who were not removed from the service. Did you find examples of people who were dismissed for other reasons because some sort of agreement was reached—“We want you out



because you're gay, but we won't put that on the records as long as you don't create a fuss about it"? That went on, didn't it?

Jeremy Pocklington: Etherton recommended that we have a specific scheme for those who were dismissed or discharged—or subject to the equivalent process for those of officer rank—and that there be a specific payment recognising those who were dismissed or discharged for this reason, where that was recorded in the service records. The report argued that those people were subject to the highest impact. The Government decided to recognise that more people were affected and decided that they would also introduce an impact scheme for that other group. A legal challenge is underway on the very specific issue that you are talking about, where people were asked to resign. Like others, I am therefore limited in what I can say about that very narrow case that you are referring to.

Q69 **Mr Betts:** I understand. Let us move on quickly to Cat Little and David Foley. We have heard examples of the difficulties, and perhaps sometimes avoidable difficulties, in making accurate assessments of the numbers affected by these schemes at the beginning. Are lessons being learned from the infected blood compensation scheme that will hopefully make those estimates more accurate?

Cat Little: I will start; David, please do add to this. I have been involved in trying to assess the numbers of people involved in this scheme for several years, both in the Cabinet Office and in the Treasury. In the Treasury, that was because we were trying to understand the financial estimates when the scheme was established.

For the infected individuals, it has been a little bit easier because we have had a registered scheme in existence for several years run by the Department of Health. But for the affected, for loved ones, for families, for children and descendants, and for the estates of people who have been affected, we have really struggled to identify the very broad possible impact that this could have. We have developed very sophisticated modelling using a lot of demographic data and a lot of the information that is available to us through the infected records. We have done our very best, but as you will see, the modelling ranges are very broad for the affected.

David Foley: The ranges are broad. Tragically, it is a feature of the scandal. This was a scandal that affected many people in many ways a very long time ago. The inquiry engaged a number of statisticians to look at an estimate of how many people were infected. The best estimate they could come up with was that 30,000 people were directly infected. They recognised that that was an estimate. There is a question about how many of those are due to be quarantined. Tragically, for a lot of those people who were infected, nobody will ever know that they were infected. Tragically, they died before understanding how they had come to contract that disease.



HOUSE OF COMMONS

Also, if you look at what the inquiry found about the destruction of records and removal of documents—all of that which has happened and transpired over time—it becomes even harder to find those people. We start with a really wide range of estimates. We have worked to narrow those. Specifically, we have introduced a registration scheme that allows people to come forward and register an intent to make a compensation claim. We have surveyed people who we have already paid compensation to, to ask them how many people they think are connected, affected cases to their range¹.

With the help of GAD, we have also looked at what the right and appropriate expectation would be of the average number of affected people that a case may have². All of that is helping us to narrow the number, but the nature of the scandal is such that we will never know exactly how many people should be compensated.

Q70 Chair: I want to come back to Clive's question. Jeremy, you will have heard Peter Gibson's evidence on Monday. He was very critical about how the MOD went about promoting the availability of this scheme. I would have thought that it would be possible—he said this in his evidence to us on Monday—to write to every single one of those people who were definitely discharged, at least in that former category that you announced. After all, you had them on your payroll; you knew exactly who they were. I accept that the second category may well be subject to proceedings now, but why did you not write to the whole lot of the former category?

Jeremy Pocklington: The policy decision that was taken was that the right way to approach this was to do everything we could to promote awareness of the scheme. Unfortunately, service records are such that they are fragmented and not easily searchable in the way that you are indicating. Again, that is something that over time can be fixed, but it is very challenging to do that. The Department had a plan in place to promote the scheme, including providing grants to Fighting with Pride and Royal British Legion. That also involved using a variety of methods, such as working with local authorities, the NHS, regimental associations and a whole variety of veteran employers, military charities and others, in order to maximise awareness of the scheme.

Q71 Chair: Given the doubt that has emerged from this particular conversation, it seems to me quite dangerous that you have imposed a scheme closure date of 12 December because I am sure there will be people out there who will not have been aware of the scheme—or if they were, they were not in sufficient condition to apply to it; they might have had mental health problems, or they might be elderly and confused. They

¹ Mr Foley wishes to clarify that this survey has not yet taken place. As part of their ongoing work the IBCA is exploring different ways to refine their modelling to gain better insights on connected, affected cases, including through future survey work which they are currently preparing for.

² Mr Foley wishes to further clarify that that the IBCA had advice on this point from the Infected Blood Compensation Scheme Technical Expert Group, which has an actuary as a member. However, the IBCA has not formally engaged with GAD itself on this question.



HOUSE OF COMMONS

would want to claim, but will not be able to. Will there be a hard cut-off on 12 December, or will they still have some grace to apply?

Jeremy Pocklington: I offer two observations on that. First of all, the behaviour was unacceptable. Secondly, no amount of money can undo the injustices to those affected. These payments are recognition payments; formally, they are not compensation payments but recognition payments, as you know.

The first thing I would say is that we are doing everything we can to promote the scheme. We are making an additional investment in a specialist who will help us to promote the scheme for the remaining period that it is open.

We have a closure date because we only have legal powers to issue payments under the scheme for a defined period of time. Again, it was a policy choice that Ministers took following the Etherton review. Rather than taking longer and legislating for a bespoke scheme, the Department decided—Ministers decided—to use the Supply and Appropriation Act, which only enables the Department to issue payments under this scheme for two years. That is the issue that is driving us.

The best thing that we can do right now is for all of us to work to promote awareness of the scheme and to provide support for individuals—particularly the elderly or those who are ill, and who perhaps need additional help in applying. The Department will have the resources in place so that it can process all the applications that it receives.

Chair: Well, others may have a view on that reply, but I am grateful for it. We may well come back on that issue; I think Anna wishes to come back on it a little later. For now, we move on to Tris Osborne.

Q72 Tristan Osborne: By early 2026, £3.5 billion had been paid out across all the schemes. According to some sources, up to £11.4 billion more is estimated to have been paid out. What I am really focused on is where we have seen some successes in some of these schemes, and where lessons have been learned from those.

The NAO identifies that more work is needed on outreach, minimising delays and reaching eligible claimants. I will ask my first question in three parts. I do not need each of you to answer; I am just cautious of time. Where there has been success in outreach, do you agree that in future we need much more co-production of schemes at the earliest possible stage? It has been evidenced in previous interviews here that that just has not happened. That is the first part of the question.

The second part of the question is linked to fixed-sum or payment options. With some of the schemes, we have seen some early successes around fixed sums. In the earlier evidence session, we heard that that has had a mixed response, because some people might choose to take the fixed sum, because it is quick rather than because it is sensible for them to make that decision. Is there evidence to suggest that having a more fixed-sum redress scheme might be an early solution to that?



HOUSE OF COMMONS

Thirdly, on improving oversight and processes, I do not want to ask a question around central provision—that will be covered later—but have lessons been learned about where schemes have failed currently and where that has fed into what would be considered a more successful scheme?

I am not after everyone to answer those questions. I do not know how you want to split them across the panel.

Cat Little: I will start; I probably have very brief answers to each of your questions. First, your question about co-design is really important. I obviously watched the testimony on Monday. What we have certainly found with the infected blood scheme and, I would observe, across all these schemes is that—we started this session on trust—trust is absolutely essential, and the only way you can build trust is if you co-design with the victims, the families and the communities that are impacted, to set up schemes that they understand, that are transparent and whose operation is designed around them.

This is a bit of a catch-all for all of this, for every single scheme that we have. There are tens of compensation schemes across Government operating at the moment, and they are all very different, but co-design as a core lesson and a core principle in building trust is absolutely essential.

On your question about fixed or variable sums, I think there is always a choice in the design of the scheme. What I learnt from the infected blood compensation set-up was this. We had already had interim fixed payments go out, but that simply wasn't enough and wasn't transparent enough. That is why we took the decision to spend significant time developing a very bespoke tiers and tariffs, expert-driven, regulated scheme.

As a Committee, you will know just how complex that scheme is. There is a trade-off between transparency, pace of payment, ease of understanding and being very tailored to the very broad range of circumstances that a scheme may be seeking to address. I don't think there is a generic answer to this. You have to weigh up the lessons learnt from both those—different—approaches and find the right answer.

Finally, on an example of failure from which we may have learned, I am very grateful, especially to David and Carl, who have spent a lot of time working across Government to make sure that we have a network and community of best practice to learn lessons. One of the first decisions I took as permanent secretary at the Cabinet Office in 2024 was to look at how you build trust and set up the structures independently of the organisation that caused the harm in the first place. The first bit of advice I gave Ministers was to set up IBCA at arm's length, independently, away from the Department of Health.

Carl Creswell: On outreach, Sir Alan did acknowledge on Monday that we had consulted and worked closely with the group. We met 10 times with Sir Alan and the legal representatives. I think that at the point when offers were issued to people, people became a bit unhappy with the amounts issued, but we did actually do the co-creation.



HOUSE OF COMMONS

We probably made it a bit too complicated, but some of that complication came from consulting the claimants, and we have learned from that and applied the learning—particularly to our most recent scheme, the Capture scheme. We have also learned from the infected blood scheme and its broad approach, whereby there is a holistic assessment rather than a very detailed, legalistic, head of loss by head of loss approach. In the light of my experience, I would advocate that for anyone who is setting up a compensation scheme now, and that, as I say, is what we are doing on Capture.

Finally, I think you rightly highlight fixed sums. That was a game changer for us on the Horizon redress schemes, and I wish that we had thought to introduce it when we first launched the schemes. The £600,000 payment for anyone who has had a conviction overturned is very meaningful. We have had 492 of the 535 people who have come forward following our legislation to overturn all the Horizon convictions accept the £600,000, and that gets them through very quickly. They of course don't need to accept that. They all have legal advice. We are not forcing them to take it. They can consider whether it is the right option for them. But I am convinced that for the vast majority it is a good deal.

Gareth Davies: Let me build on that, because I think you make a very good point on the issue about fixed payments versus tiers and tariffs. My reflection, particularly after watching the evidence session, is that—obviously—different claimants will have different views about how they want to be treated.

Some will want to be heard, have their specific situation heard, and to have the redress tailored around that specific situation. Frankly, others, because of the injustice in how they have been treated, want to have as little to do with Government as possible and to have the speed of a fixed payment. The reason why I was keen to bring fixed payments into the Post Office scheme when I was responsible for it was to have that option.

Again, there is a delicate balance to strike to make sure people do not feel forced to accept it. Given the unacceptable delays in payments today, people can just feel they need to. That is why the legal advice in the Post Office scheme is important. One of my reflections is about giving claimants the choice, the option, of tailoring and maybe taking a little longer but being heard, versus speed of redress.

Jeremy Pocklington: Can I give a concrete example of the importance of co-design? Co-design was at the heart of how the Department attempted to build the recognition scheme that I am responsible for. We had a stakeholder group of LGBT veterans advising us. We also employed an independent KC to advise us specifically on fairness as we were designing the scheme.

That engagement led to the advice and the decision to establish the impact scheme, which went beyond the recommendation in the Department's independent review. It also led to changes, for example, in

the identification of priority cases—we added the financial hardship criteria as well—so there is real benefit and it makes real change.

On your point at the start of the hearing, Sir Geoffrey, building trust and confidence is so important. That degree of co-design—responding to the points that have been raised and engaging openly and transparently—can really do that.

David Foley: We are working really hard to try to make co-design happen. We employ some people with lived experience—we call them user consultants—in our organisation who can both directly advise and look at what we are doing. We have got a community advisory panel that advises the board on all its decisions. We conduct our board in public so that everybody can see the decisions that it makes and how it arrives at them.

We have community-driven design. Before we decide on any big feature of how we are going to deliver the scheme, we engage with the community and its partners, and we have set up drop-in centres across the length and breadth of the UK where not only representative groups but individuals can come and ask about what is happening with the Infected Blood Compensation Authority and how it is going to work.

On payments, we offer both: we offer fixed payments or periodical payments, or indeed support scheme payments. That is a really big decision, and I think the key to getting that right is ensuring that people can get independent advice. We offer and pay for independent legal advice and independent financial advice so that people can make the appropriate choice for their position.

Q73 Anna Dixon: I want to come back to some of the points about the experience for those claiming, particularly for the LGBT veterans scheme. In response to questions from the Chair, we heard about the difficulties of finding people, but there have been problems even with those who have been identified and who have submitted evidence.

My constituent Victoria served for seven years in the Women's Royal Army Corps, before she was thrown out. Obviously, that was a very brutal experience, and in common with many other veterans, it led to family breakdown and splitting up from her parents as well—they disowned her. We have heard that the process is retraumatising—those were the words that were used in our pre-panel. That echoes the experience of my constituent.

Jeremy, could you give me and my constituent some reassurance that you are doing everything you can to ensure that the process of producing the evidence to get the claims is as humane and empathic as possible?

Jeremy Pocklington: First of all, I am distressed to hear about that case. Serving personnel were on the wrong end of unacceptable behaviour, and I do not think that money in itself can undo those injustices. This is very serious. We are very conscious of the impact of our scheme and the risk of retraumatising.

We have worked with stakeholders and with the community to make the scheme as simple as we possibly can. To apply for the dismissed or discharged scheme is a very simple process. On the impact scheme, by its nature we need to understand the impact that the applicant is seeking to be recognised, so we do ask for testimony of their experience from applicants.

Our approach is that we very deliberately have taken a decision to apply what we call a reverse burden of proof. We accept what we are told, and the independent panel make a judgment based on that, unless there is very clear evidence to the contrary. That is also why we have provided support to veterans' groups, including Fighting with Pride and others, in order to help applicants to make their application. We are very grateful to the individuals prepared to set out their testimony, so that we can offer a payment.

Q74 Anna Dixon: Can I clarify: there is no legal support, is there?

Jeremy Pocklington: We have deliberately made a decision to establish a scheme that does not require legal support, so we do not provide it. We are asking people to set out their testimony in their own words. We then have an independent panel established, which includes LGBT veteran representatives, that makes the assessment. This is a recognition scheme, not a compensation scheme. We have made policy choices to set the scheme up in this way.

Q75 Anna Dixon: Given that and the reverse burden of proof, I do not think that reflects the experience of all veterans. They feel they still have to provide proof, often many years and sometimes decades after the incident.

Can I come back to the point you made about management information? You said you have up-to-date information. The latest we have is that you are claiming that about 97% of payments have been approved or processed; the truth is that fewer than half have been paid out—that is, settled—so many veterans are still waiting to get their recognition payment. I was going to say “compensation”; I keep correcting.

Jeremy Pocklington: It is probably simplest for me to give you the figures that I have. The issue might be the distinction between the dismissed and discharged payments and the impact payments. First, for the dismissed and discharged payments we have received 1,097 applications and have made decisions on 1,067. So far, 930 have been approved and 924 payments have been made.

Q76 Anna Dixon: That does sound like a higher percentage. When you say they have been paid, does that mean veterans actually in receipt of that money?

Jeremy Pocklington: It means payments made. It does require the individual accepting that the payment be made. The impact payment is where there is further progress to be made. We have received 1,250 applications. Some 692 have been decided, 646 approved and 604 payments made. The issue with the impact payment scheme is that there

is an assessment regarding which of the three tiers the impact should qualify for. That is a decision for the independent panel to make.

We have expanded the capacity of the independent panel. We have appointed a second chair and the panels are now meeting multiple times each week to process those claims as quickly as we can. We will expand the number of panel hearings if we need to do that, but inevitably there is a delay because there is an additional step in this process.

Q77 Anna Dixon: How confident are you that you will clear this backlog, given that you are at about half of those cases at the moment? Is the main blocker the panel, or are there other factors?

Jeremy Pocklington: It is the process work being done through the panel. I am very grateful for the work of the panel members and the chairs. We are determined to get this through. We will process all the claimants that we receive within the time that the Department has available to do that, to make sure that we can pay everyone who has applied and has qualified.

Q78 Anna Dixon: I have a small supplementary question on the infected blood compensation. Again, we have received data that fewer than 500 people have been paid compensation since January. It seems there are significant delays and little progress.

One of my constituents is suggesting to me that if the process is delayed, there is also a risk that the total compensation received may actually be less than if the case is settled early. The delays are not only causing ongoing distress, but they may actually impact the amount that people will ultimately get. Could you address that point, David?

David Foley: Sure. We were created two years ago. At that point, there was just myself and the chair, and nobody else and nothing else. In those two years, we have managed to get to a point where we have started 4,466 claims and paid 3,287 of them, to a total of more than £2 billion.

We always knew that at this point the flow would slow down, because we had taken some very deliberate choices. We took a deliberate choice last year to really focus on the living infected and registered cohort. That is the group of people who were directly infected with contaminated blood. That is the group of people who had already been registered with a support scheme and had been supported through that and who, in many cases, have had a lifetime of disease. With the help of the inquiry, in its second set of hearings, we decided that that was the most important group to focus on.

We then knew that we would have to develop the other parts of the scheme. Those cohorts are the affected—parents, children, siblings, carers; the living infected never compensated—people who were either ineligible for previous schemes or had been unable to cross the burden of proof for those schemes; and then the deceased infected—people who had been infected but had died, and therefore a beneficiary of the estate would take it. It was a very deliberate decision that said that we would

concentrate on the registered living infected first and then we would develop the next set of schemes.

At this point, it is really important—this is the test-and-learn approach that we are taking—that we invest the time to be able to understand what it takes to make those cases flow smoothly and quickly. You start with a small group and you learn really important lessons about that, but that means that the flow comes faster later.

I can evidence that in how the living registered infected group went. We paid the first living registered infected person in December 2024, which was only four months after the regulations had been created. We had about 244 live cases in the living registered infected cohort in March 2025—this is the learning phase, where you are starting with a small number of people—but by the end of the year, we had paid more than 3,000 people.

I expect exactly the same sort of acceleration to happen on all three cohorts that we are developing now. Indeed, if you asked me to make an estimate, my estimate would be that by the end of this financial year, we would have started all of the deceased infected cohort and all of the living infected never compensated cohort, and the vast majority of those would be paid; and we would have done more of the affected cohort as well. But it requires an investment in time and effort now, to be able to get that acceleration.

Q79 Anna Dixon: I think you need to explain this test and learn, because those representing claimants who gave us evidence did not really understand why everybody was not being processed in an orderly fashion. Obviously, my constituent is living and got infected with Hep C in the 1980s, and was also already proven and in receipt of the severe condition mechanism.

Can you touch on the point about those who are in receipt of ongoing payments and that being deducted from compensation? This is the point about delays for living people, when you are dealing with their case. If they were lucky enough to be in your early test and learn—great. If they weren't, they may end up getting money deducted further along.

David Foley: The calculation of the claim is exactly the same at each point at which you do it. What they are referring to there is the fact that the regulations, which we are duty bound to comply with, set out that, prior to the point at which the scheme came in, the Government should not discount any of the scheme support that you have already received. Subsequent to that, it says that it actually makes sense to count that as compensation that is part of the scheme. Whether you are paid in the first tranche or the last tranche, those rules apply equally to everybody.

Anna Dixon: I may want to follow this up in writing, because I do think there is some unfairness in the system, with prior compensation being deducted under the new scheme. I do not feel that I have quite had a full answer to that, but I do not want to take up any more of the panel's time.

Chair: All right; we will return to that subject. I am going to call Matt Turmaine now, after which we will take a break. In the second half, we will come more on to how we design schemes in the future.

Q80 Matt Turmaine: Thank you very much, Chair. I would like to ask some questions relating to the timeliness of the claims process in the Horizon and Windrush schemes. My questions are primarily directed at Mr Davies and Mr Creswell, but obviously anybody is welcome to make a contribution. Why do you think there is substantial variation in the time taken to claim on the Horizon and Windrush schemes?

Carl Creswell: Even now, we are still waiting for claims from a significant number of people on the different schemes. There are 21 people whose convictions were overturned by the courts who have not applied, even though their convictions were overturned in 2021. We talked to the claimant lawyers, because each of them is represented by a lawyer, and the lawyers tell us that it is hard to get instructions from these individuals, because they are either vulnerable or unwell, or because they want to wait until the Horizon inquiry completes.

Obviously, from our point of view, we are keen to get money out as quickly as possible, and we have paid interim payments. Those are factors that affect how long it takes for people to come forward. The same is also true of the GLO scheme, which is the one that Sir Alan Bates talked about on Monday, as there are still people who have not submitted a full claim. We are doing what we can to encourage people and to provide support for them.

Q81 Matt Turmaine: I think you said that the inquiry is due to complete in the autumn. Are you expecting a flurry of those 10 and 21 people to claim afterwards?

Carl Creswell: Yes. The timing of the inquiry is a matter for Sir Wyn, but my speculation is that it will be later this year. What we have also found in schemes is that when we announce a closure date, there is then a surge of people who come forward. On the GLO scheme, we have announced a closure date for new claims of the end of July, and we are obviously working with claimant lawyers to understand whether that is helping the individuals, or whether they need any more support. We have said that final payments under that scheme should be completed by the end of this calendar year. However, the scheme that is there for people who have convictions will remain open for longer than the end of this year. It is possible; after the last inquiry report, we saw more people come forward.

The other thing we have not talked about much is restorative justice, which we might want to come back to later. We have discovered that giving victims the opportunity to tell their story—and to get a personal apology from the Post Office, Fujitsu or even the Department—has been quite helpful in unlocking some of this concern and vulnerability to get people to trust the schemes a bit more.

Gareth Davies: Shall I come on to Windrush? Obviously, I had the opportunity to review the scheme when I came into the Department.

When I stand back—the NAO Report set this out very clearly—the original mistake was opening the scheme before the case-working capacity was stood up. Right from the start, you understandably had an initial rush of applications, but not the capacity and capability to actually deliver them. Frankly, the scheme was on the backfoot right from the start.

You then saw the backlog peak around 2023 at over 2,200, which is completely unacceptable. From speaking to the team and the unit, they have done excellent work to really reduce processing times. At the worst point, the processing time from start to finish was over 15 months, which is completely unacceptable. They have now increased that so it is seven times faster, or two months. What happens now? Applications have a preliminary assessment within six weeks, and if they are entitled, they will also get an initial payment of £10,000. The average time for applications in the last 12 months has been two months, as I touched on.

The other thing I was particularly concerned about was the number of applications that have been in the scheme for over 12 months, which are the really long ones at the tail end—sometimes, a lot can be hidden by averages. At its worst point, 368 of the work in progress—the WIP, as we call it—was over 12 months. That has now been reduced to 45 thanks to significant work from the team.

I still wanted to explore why any case should be over 12 months. That felt unacceptable to me, so I really wanted to understand where the barriers were. Typically, it is with the more complex cases, including where there is a deceased estate without probate, and we have to work with the family to put in place probate arrangements. Sometimes you need to establish power of attorney.

We will probably touch on this in the session about how we design for the future, but as ever it is about how we get the balance right between having a light-touch approach—Jeremy touched on the balance of probabilities—and getting fraud prevention right. Typically, the longest cases are where there is a deceased estate, where we have complications with power of attorney or where a claimant family, for understandable reasons, has wanted to pause the process and come back to it later.

Q82 Matt Turmaine: Do you think that some of those early complications have had a knock-on effect on people subsequently making a claim?

Gareth Davies: Yes, totally. The people who are applying to these schemes have suffered an incredible wrong—a horrific wrong. Quite rightly, we are not trustworthy in their eyes because of the failings of the state over those years. Large backlogs at early points just compound the sense of not taking this seriously.

We have needed to work through this. As I say, I think the team has done excellent work, in terms of both the process of accelerating the payments and the significant engagement that has gone on with the community and community groups over that period. But I think you are right: I completely



agree that setting up and opening a scheme before the capacity is in place is a real issue.

Q83 Matt Turmaine: Finally, you both touched on the reduction in the length of time. Can you talk a bit about what interventions you have made to achieve that? What has happened that is different?

Carl Creswell: The biggest intervention is the one that I mentioned earlier: fixed-sum offers. As you will see from the NAO Report, that has sped up how long it takes for claimants to get through the scheme very significantly.

We have also learned some lessons in the GLO scheme about the number of stages that you might describe as challenge or appeal stages. As I said earlier, we designed the scheme in consultation with the Justice for Subpostmasters Alliance, and we built in quite a lot of steps where a claimant could put in a claim, the Department would make an offer, and the claimant could then challenge it. That could happen three times. There would then be a non-binding panel—an independent panel—and then ultimately a binding panel. Obviously, the independence was critical. That is something that I hope we will return to later.

On reflection, that was too many steps, and was a bit of a cause of frustration for the claimants. It has led to a lengthening of how long it takes to deal with claims. As a result, we have looked with claimant lawyers where there were fundamental issues such as causation—where the claimant will say, “I had this thing happen to me,” but it is unclear whether it was really caused by Horizon or not. We try to fast-track cases to the independent panel as quickly as we can, rather than ending up going backwards and forwards, which can be traumatic—to take your colleague’s word—for the claimants. Moving to the panel more quickly is an intervention across schemes that, in some situations, will be helpful.

Gareth Davies: I will touch on four things. The most important thing is scaling up the unit. We now have more than 250 people working in the unit. Combined with that, probably the biggest thing that has made a difference is having a single named caseworker. Rather than it being a black box, you have consistency of relationship.

That is being combined with quality of training. We have a training programme called the Face Behind the Case, which is all about remembering the individual—the family who have suffered and had injustice done to them—rather than just seeing them as a number in a factory process.

I have been impressed by the advocacy and support groups like the Caribbean and African Health Network, the Croydon BME Forum and the Windrush National Organisation. They have been critical in helping us to simplify some of the schemes and the way in which the application forms and the process work, and in providing support to the victims through this.

Matt Turmaine: Thanks very much. That caseworker element came up very strongly on Monday.



HOUSE OF COMMONS

Q84 Chair: Just before we take a break, I do not want to leave this subject entirely because I want to establish a principle. Of the two schemes you have been talking about—Windrush and Horizon—the longest Windrush claim took 1,282 days, which is three and a half years, and the longest Horizon claim took 1,395 working days, which is 3.82 years. I hear what you say, Gareth, about an announcement before the infrastructure was set up, but as a principle, when the Government announce these schemes, an expectation is set that claims should be made and settled to a reasonably prompt and acceptable timetable. As a principle, can we all agree that the lengths of time for those longest claims are unacceptable?

Gareth Davies: Claimants should be able to get redress within an acceptable timeframe, and obviously 1,200 days sounds completely unacceptable. I dug into specific cases; I am cautious about how much individual detail we can reveal in a public forum, but as I touched on, the longest cases will typically—not always, but typically—be where there is a deceased estate. The claimant family may want to pause for understandable reasons, because of distress and grief, and the case will be paused and then reopened at a subsequent point. Some of it—I do not want to say all of it—will quite rightly reflect the claimant wanting to progress at their own pace. However, I am keen to ensure that, when the claimant wants to progress at speed, we have the system set up to deliver on that.

Carl Creswell: I agree with what Gareth has said. Broadly, of course, the principle seems sensible. We give people six months to consider a GLO offer, and they can extend that if they need more time. We need to be careful that the implication of your principle is not that we set deadlines that are tough on the claimants, because that would definitely be traumatic. We need to go at the pace that is right for the claimant, and some of the figures in the NAO Report mask the delays that are on the claimants' side.

Q85 Chair: Gareth, can I just clarify the figures that you gave Matt? Your figures may be—I am sure that they are—more up to date. There has to be a closure for the NAO's reporting, but in relation to Windrush, it says: "As of January 2026, there were 27 claims...that had been in progress for 12–18 months, and a further 15 claims which had been in progress for longer than 18 months, out of 528 claims in progress at the time." Are your figures more up to date than those figures?

Gareth Davies: Yes.

Q86 Chair: When are your figures up to date until?

Gareth Davies: They are for up to the end of the financial year.

Chair: Fine. Thank you very much. I thank you all for what you have said so far. We will take a short break.

Sitting suspended.

On resuming—



Q87 **Mr Betts:** Gareth and Cat, on the availability of legal assistance to help people who are engaging—who are making claims or are not sure whether they can make a claim—is the funding for it adequate?

Cat Little: It is still quite early days. We are learning a lot from the assistance that we provided. I should say that we also provide financial assistance, because for many claimants these are life-changing sums of money. Quite often they choose to take that advice together and take time to think about it.

David might want to add to this, but I think that so far we have had very positive feedback and relatively good take-up. We were quiet concerned at the start because the take-up was not as high as we had expected, but I think that is changing as people understand the service and that it is independent and can be trusted.

David Foley: We offer everybody both sets of independent advice. So far, 46% of people have chosen to use the legal support and 34% have chosen to use the financial support. Of course, that is our offer; they may be getting financial advice, for example, somewhere else.

It has been a very strong element for people having trust in the scheme. The firms that we work with, particularly on the legal side, have experience of the contaminated blood scandal. They may well have supported people through the inquiry and have therefore built up bonds of trust. They have been very influential and important. As Cat says, these are big decisions for people about how they take a significant sum of money.

Gareth Davies: Coming into the Home Office, I was struck that the Windrush scheme does not offer legal support. In the Post Office scheme there is extensive legal support, which I am sure Carl will want to touch on.

I sat down with the team to understand the history and the policy decisions that had been made. Part of the original genesis of this was a desire to make sure that the scheme was not seen as confrontational and was seen as an opportunity for the victims' voices to be heard. A Member said previously that the risk is that the schemes become retraumatising or triggering—whatever language you want to use. However, there are different views about whether that is appropriate, and some claimant groups are in different places on this.

I am conscious of the JUSTICE report that has looked into this. I spoke with the Windrush Commissioner, Rev. Clive Foster, and he is looking at whether the impact of having legal representation or not changes the way in which the scheme functions. We have invested in advocacy and community engagement. A core question is over the policy decision not to have legal support, and I am looking forward to hearing what the Windrush Commissioner has to say.



HOUSE OF COMMONS

Carl Creswell: On the Horizon schemes, the DBT-led schemes do have access to legal advisers and funds, as I mentioned earlier, and we have very good relationships with those lawyers.

I have sometimes worried about the capacity in the small number of legal firms that have the expertise. For some of our later schemes we have tried to broaden the market by allowing a broader range of people to advertise their services. Effectively, if they sign up to a legal tariff, we will list them as a law firm. Any legal firm that is happy to sign up to the tariff is then offered to claimants. We have found that has diversified the range of lawyers who are available.

Sometimes there are capacity issues in a claimant's law firm, which I think have, in some cases, contributed to a delay in claims coming through. It is not just about, as we were discussing earlier, the vulnerability of the claimant. We keep an active eye on it and we discuss it regularly with the lawyers, who are essential to communicating to the claimants in the DBT schemes.

Q88 Mr Betts: Can I come back to Jeremy Pocklington? I think there is a slightly different position at the MOD, where a grant has been made to Fighting with Pride and the Royal British Legion to help to support applications. Fighting with Pride told the Committee that there is insufficient support and that essentially the MOD's attitude has been, "Well, the scheme has been designed so that claimants do not need legal advice." I think, as we discussed previously, legal advice may be necessary and appropriate for some claims where there is a dispute about the reasons for discharge or dismissal. Do you recognise a problem there that needs addressing?

Jeremy Pocklington: As we have already touched on, this scheme was deliberately designed not to be a formal compensation scheme. Policy decisions were taken that it was a recognition scheme that would require personal testimony in the case of the impact payment but did not need legal advice.

The specific legal challenge that we are referring to here relates to the technicalities of whether someone was dismissed or discharged. It is not actually about the testimony in the impact scheme. We have designed it this way. The judgment the Department made was to provide the additional support that you referred to, and we continue to monitor that.

We decided that at this stage additional support to a communications specialist—an outreach specialist—was the right thing to do to maximise the opportunity for people to apply before the closing date for the scheme. Obviously, these are judgments that we had to make. What is the adequate amount of support to offer? We think we are in broadly the right place, but we will continue to discuss this with Fighting with Pride and the Royal British Legion.

Q89 Mr Betts: Can I come back to a principle that might apply to all schemes? I am thinking of the Hillsborough law and the duty of candour, but also



about the fact that those who are affected by a disaster of whatever kind, or because of an act of public policy, should be entitled to the same legal advice as the public authorities are in dealing with any claims that are made. Presumably, in cases like the MOD LGBT claims the Department takes its own legal advice about whether to pay money. On that principle, shouldn't the same amount of assistance be available in all the schemes to those who are making claims?

Cat Little: One thing up front: I am glad you mentioned the public accountability Bill, because I think this is an important part of the lessons learned and how we avoid the need for compensation schemes in the future. We need to create that culture of candour and accountability at the heart of the state. The bit you are referring to about the parity of law is an important principle that is currently being debated as part of the passing of that legislation. What I would say up front is that that is designed with a future set of principles in mind, in respect of which we have different provisions and different professional and legal responsibilities. An important part of the debate is how much of that is prospective, as opposed to something that is meant to be a retrospective piece of thinking.

Ultimately, particularly from the experience that I have had and from what Gareth has said, I think that where you have very complex, legalistic schemes where you need to ensure you have thought through the legal ramifications for you, your family, your loved ones and your estate, it is absolutely appropriate and right for the state to put in place legal support, and for that to be part of the overall scheme design.

Q90 **Mr Betts:** So some of the changes are essentially about looking to the future—about future schemes and future arrangements. The question is whether, as you mentioned, they should apply retrospectively in any way at all.

Cat Little: I think yes—

Mr Betts: Who is going to make that decision, and when?

Cat Little: That will be for the Government and Parliament. The legislation has been carried forward into this Session and, as you know, is about to progress further, I hope. It is a live, important part of the policymaking procedure in both Houses.

Mr Betts: Okay. We will probably want to follow up on that in due course.

Jeremy Pocklington: Cat is the expert on that legislation. The additional thing I would say is that there are no lawyers on the independent panel—I have just checked—so it is not that we are assessing these things with lawyers around us. It has not been designed in that way. It has been designed as a recognition scheme, not as a formal compensation scheme. These are policy decisions that were taken following the Etherton review. On a very technical point, there is that case you referred to, but that is only a very small element of this. This is a different approach and a different style. Ultimately, the Committee can reach a view on whether

that is a potential approach to be used in future or whether a Department should adopt a different approach, but that is not the approach that we have decided to take here.

- Q91 **Mr Betts:** I have a question on the cut-off date. You referred to the fact that a two-year period had been agreed for there being supply available to meet any cost. I think most of us would feel that claims are bound to be put in after that date. As with the Horizon scheme, where there was a date and then it was extended effectively because claims came in, if more claims came in, could Ministers decide that that date could be extended?

Jeremy Pocklington: I would really encourage us to focus on doing everything we can to get the maximum number of applications in before the scheme deadline. That absolutely should be our top priority. My worry about indicating that we can extend the scheme is that the Department has legal powers to make payments only for two years. I do not know that there is a contingency that could be done easily, if Ministers were to want to do that. I recognise that the Committee may have a view on that question, but our focus right now should be on maximising the number of applications delivered by the deadline and putting all our effort into that. I am not here with a contingency that I know is workable.

- Q92 **Mr Betts:** I am not in any way disagreeing—nobody would—with the fact that claims ought to be made as soon as possible. I am encouraging it, and getting everyone to put a claim in and get paid in a good time is right. I am just a bit confused about why it would be so difficult to do a contingency if one were needed and agreed upon by Ministers.

Jeremy Pocklington: Ultimately, it comes down to the challenge of getting legal powers for something like this. That is the heart of the challenge. I recognise that the Committee may have strong views on that. The Etherton review itself recommended going down this route of using the Supply and Appropriation Act's two-year scheme. The alternative course of action would have been to legislate for a bespoke scheme that could have had different arrangements ultimately decided by Parliament. That was the core decision that was taken, because of the priority attached to making payments quickly. That is ultimately the key policy decision that was taken.

David Fairbrother: To clarify, the rule that Jeremy is talking about is the new services rule, which is in "Managing Public Money" and stems from a PAC recommendation in 1932 that ongoing services should not be done solely through Appropriation Acts and should have specific legislation attached to them. Although, as Jeremy says, anything up to two years can be done just through supply, if you want to do something beyond that, the requirement is that there be specific legislation attached to it.

- Q93 **Sarah Green:** I would like to turn to trust and transparency. Carl and Gareth, based on the pre-panel session we had earlier in the week, we would be interested to hear what feedback you have received about the level of transparency in the claims process and what steps you are taking to address that feedback for your respective claimants.

Carl Creswell: We have worked on this area during the passage of the different schemes. We have improved the guidance along the way, partly in response to feedback from claimants who have said that they would like more information about what to expect through the process. We include indicative tariffs, worked examples and so on, so that the claimant knows up front what to expect when entering.

In most of the DBT schemes we have claimant lawyers who represent the claimants, so on the question of how a claimant knows where their claim is, the best source of information is directly from their claimant lawyer. We meet regularly with the claimant lawyers to take stock of where we are on individual claims. I know that there has been some talk about whether there should be a tracker that could be externally accessed by a claimant. I have heard that suggestion, but it is not something that we currently do. My judgment is that because the claimant lawyers are in so much contact with us and with the claimant, it is probably not so much of an issue where there is a representative like that.

Sarah Green: But you have looked into it.

Carl Creswell: We have considered it, because it has been raised previously, but our emphasis instead has been on making sure that those relationships work well. On some of our schemes, we similarly have dedicated caseworkers who will track a claim to ensure that we have a good grip of where a claim is, so that we can then communicate that to the legal representative.

Gareth Davies: I have heard similar concerns about the level of transparency in the system. I think it is fair to say that when the scheme was initially set up it was, as I mentioned, a bit of a black box: you would put your application in and, because of capacity issues in the team, it would often take over five months before the initial allocation was made, which was obviously totally unacceptable. The team has done great work in turning that around, and allocations now happen within six weeks.

Q94 **Sarah Green:** What do you mean by allocations now happen within six weeks? I have submitted my claim—what does that mean?

Gareth Davies: It means that within six weeks, typically—that is the backstop—you will have a named caseworker. There will be an initial review of the claim, and if there is strong evidence supporting an entitlement, you will have an initial payment of £10,000. You have a named person you can speak to, and I think that has made a difference.

There is a very valid question, which I have been reflecting on, and I would be interested in the Committee's views: should we make more of that easily and transparently available through online systems, rather than always having to work through an individual caseworker?

Q95 **Sarah Green:** And that is an active conversation you are having at the moment?

Gareth Davies: Yes.

Sarah Green: That is really helpful.

Q96 **Chair:** Can I add to that? The NHS now has an app that works pretty well and guards privacy. When we are designing new schemes, is there a case, across the board, for always having an app available from the beginning, so that every applicant can track where their case has got to?

Cat Little: I would say that we should have a range of channels to match the very broad range of people who are impacted. An app might work in certain circumstances, but I think about the infected blood scheme: there are many very sick and dying people who may not see that as the best or most appropriate way for us to communicate. Our job is to make sure that there are appropriate and transparent channels available across a number of different digital means.

Carl Creswell: May I quickly add to that? The Capture victims date from even further back than the Horizon victims, and we find that many in that group want to operate with us in paper form, through letters and so on. We would need to be careful that anything introduced did not exclude people who were vulnerable in that way.

Q97 **Matt Turmaine:** I want to continue asking about trust issues. What actions are you taking to rebuild trust with individuals affected by Government action or inaction, specifically in relation to the Windrush and LGBT compensation schemes?

Gareth Davies: The first thing to say is that you do not rebuild trust overnight. There has been a catastrophic failure of the state here, so we need to make ourselves trustworthy. That is the first point.

What is really important about these sorts of schemes is that the risk, when we start looking at metrics and performance data, is that we see it purely as a transactional process. That is important and, certainly for some claimants, they just want redress and to be able to move on. Others want to be heard.

We have been doing a number of things. One is around the extent of community engagement. We have established a £150,000 fund for community events, plus a £1.5 million fund to provide advocacy support. In particular, within the Windrush unit in my Department it is not just caseworkers; we also have people responsible for outreach and engagement with the community. We have attended more than 86 events in the last 12 months, just to give an indication of what we have been doing.

One of the biggest differences has been the creation of the Windrush Commissioner role. They can act as a focal point. I was pleased to see, coming into the Department, that it was not just about the operation of the scheme—important though that is—but also around how we can ensure that these sorts of scandals and failures do not happen again. That involves thinking through how we ensure that we have the voice of the British public at the heart of the Department. Like in any large organisation, there is always a risk that we look internally, not externally, and that is going to be a key part of it.



HOUSE OF COMMONS

Q98 Matt Turmaine: Do you have any intention to publish the outcome of that consideration in relation to ensuring that it will not happen again, and what the lessons learned are?

Gareth Davies: I do not want to give you false assurances. I do not have a plan in place in terms of timelines and deadlines, but yes, I want to come back to you on exactly what we are doing. I see this not as a once-and-done thing; this is changing the way in which the Department needs to operate and the way in which officials think through the consequences of their actions and ensure that Ministers have full and rounded advice.

Jeremy Pocklington: There are some additional key areas in the importance of building trust. First, this perhaps comes to the question of whether the Department or someone else should be responsible: the MOD established the independent Etherton review to engage with the community and provide recommendations to Government about what the appropriate way forward was. There is a case for providing a degree of independence. Reading that review and preparing for the hearing, the personal testimony from those affected was incredibly powerful, and it led to a rapid response from Government.

As well as the importance of co-design, the involvement of representatives from the community, being responsive to feedback and working with those representatives is important. An additional area we have not yet talked about that was particularly important for the Ministry of Defence was focusing on non-financial recommendations. I have said twice that money cannot undo the injustice that people experienced. For us, the non-financial recognition has been very important, whether the signed letter of apology from the service chief, the replacement medals, the replacement beret, the invitation to the regimental dinner, the Etherton Ribbon that we have introduced, the restoration of rank and service records. All those things have helped some, not everyone, but the Department has received a lot of positive testimony that they went some way to right the wrongs from the past.

Matt Turmaine: You pre-empted my next questions on the basis of what you just discussed about lessons learned in the MOD.

Q99 Chair: I want to follow Matt's question, because trust and co-design were the two things that came out for me on Monday. It seems that once you start a scheme, if you get it wrong, you start to lose that trust and you are always playing catch-up. Would anybody disagree that, in designing a new scheme, you should incorporate at the beginning what the outreach programme is? Both David and Gareth have discussed in detail what the outreach of their two schemes are. Does anybody disagree with that?

Cat Little: No.

Q100 Chair: That is one of the principles we need in establishing new schemes.

Jeremy, you mentioned the outreach firm that you employed. Fighting with Pride wrote to us to say that you employed this new agency at a cost of £60,000 sixteen months after the scheme had started and six months

before it was due to finish. They basically said that it was too late. Again, isn't that an example of something that should have been done at the beginning of the scheme rather than two-thirds of the way through?

Jeremy Pocklington: That was not the only form of outreach. That additional intervention has been specifically agreed to provide an additional level of outreach and awareness-raising for the scheme essentially in its final six months. We are all worried—I hear it from the Committee—about whether we will have received the applications by the closing date. The Department looked at that problem and was trying to get ahead of it with this additional support. We have already provided grants to Fighting with Pride and the Royal British Legion for a much longer duration of the scheme. We have worked closely with veterans' groups, local authorities, the NHS and regimental associations.

One of the things that we want to do with the additional level of support is to ensure that we continue to reach out to those who do not have another link with defence. We have already been doing that, but that is additional investment, because we are trying to give everyone the opportunity to apply because this scheme is time-limited for the reasons that we have talked about.

Q101 **Chair:** As yours is the most recent scheme, what lessons did you take from previous schemes—principally the Horizon scheme—and incorporate in your scheme?

Jeremy Pocklington: The team involved did engage closely with other schemes. I think we would say that we probably learned most from the Windrush scheme. To share our experience, we learned a lot about case working, processing. A very concrete example of something that we learned was the importance of thinking about the implications for someone's benefits upfront; the payments are exempt from means-tested benefits as a result of that.

It is about concrete, direct engagement feeding through into the policies of the scheme. There is a group—Cat or Carl may have space to talk about this—that brings together the expertise in Government. Again, it is always a choice about the balance of expertise you hold centrally versus in a Department, but this sort of matrix model can be very effective.

Q102 **Chair:** We are going to come on to the issue of where this all sits in Government. I want to ask you, David, because yours is unique from the other schemes in that it is its own delivery authority: yours is probably the largest and most complex of all the schemes, so can you tell us the advantages or disadvantages of having this type of delivery authority structure?

David Foley: First, I would describe the things that we have learned over the two years we have been in place. We learned very quickly that track record matters. I think it would have been difficult for the DHSC, for example, to deliver this compensation scheme. The inquiry was clear about what had happened—particularly the destruction of records—and about how individuals were treated by previous Government organisations.



HOUSE OF COMMONS

I think that track record is important and for this group of people, independence was really important.

The second thing is that infrastructure is valuable. In the two years we have been in existence, not only have we started the claims of 4,500 people and made offers of more than £2.7 billion, we have had to find locations in Glasgow and Newcastle, enrol a pension provider and get payroll systems for people—there has been a whole set of complications alongside what we have been doing. Infrastructure matters, and if it had been there when we started, I think that we could have gone even faster than we have.

The third thing I would say is engagement with communities that have suffered so much harm is difficult, complicated and takes effort, energy and investment. We have learned as we have gone along what that takes, and we are still learning now. I would say that there is not a standard approach that people should use for this, but something that they have to get involved in. We asked Ipsos MORI to survey confidence in us among the community, and when we started, unsurprisingly, it was incredibly low—33%. We have managed to build that up to 55%, which is encouraging, but there is still a long, long way to go.

Those three things were important. The other thing I would say is we are independent in the delivery of the scheme, and I think certainly when we started there was a great deal of confusion over who was responsible for the design of the scheme and who was responsible for its delivery. If I have a big regret, it is that we were not clear about that right from the beginning.

Q103 Chair: I am really pleased that you surveyed your claimants. It strikes me that perhaps 55% is not a huge endorsement of your scheme in terms of satisfaction.

David Foley: Well, I would love it to be much higher. I would say that when you talk to individuals in the community and understand what they have gone through, you realise what a big journey it is for them to have confidence in government. Successive organisations that were put in place to look after them all did great harm to them, and therefore, anything that looks political, or like Government or Parliament, is going to be difficult for them. I want that to be higher—we are working hard to make it higher—but those are incredible strides to have made in two years.

Q104 Chair: I accept that. As with a lot of things that this Committee looks at, it was gripped too late. Here we are with people going back to the '70s—they have waited for justice a long time.

David Foley: I entirely agree. That is part of the complication of this scheme. You have quite complicated regulations to recognise the different circumstances that people were in. The tiers and tariffs scheme makes it possible to allocate people to those relatively quickly; for example, our cycle time from when we start claims is less than 40 days, on average. But you also have incredibly complicated circumstances, because the harms that were done to people were done in many different ways, by many



HOUSE OF COMMONS

different organisations, all across the United Kingdom and over decades—and decades ago—and that makes for a very complicated picture.

Q105 Chair: This is my final question for you at the moment. I am not in any way criticising you or your organisation—you came to this and you were given the job—but I assume that, because of the complexity of it, and with people now claiming on behalf of the estates of people who have sadly died, you will be there for a long time.

David Foley: Our aim is to do this as quickly as possible. It was interesting hearing you talk about deadlines; in the regulations set out for the infected blood compensation scheme, the deadline for applications is 31 March 2031. My ambition is that we will have completed the claims that we have in front of us a long time before that. I think we also have a job to do on awareness raising, particularly in communities that are hard to reach, but our primary focus is currently the 19,000 claims in front of us, and making sure that those people get paid as quickly as possible.

Q106 Rachel Gilmour: Just before I ask my question, I was very pleased to hear you mention the Capture scheme. I would be grateful if I could have a word with you about that at the end of this meeting, because I have a constituent who has been very badly affected.

We have touched on this question, about these different schemes, and you obviously have some learnings from each, but can you tell me—it is not a difficult question—why do Government still lack a sort of permanent central body to oversee and advise how compensation schemes are established and administered? And is there any thought about creating one in the future?

Cat Little: It is a really important question, and it was obviously raised as part of your 2024 Report. Since then, a huge amount of work has gone on to share best practice, and I hope you have heard a lot about the benefits of that.

Certainly, there are huge merits in having a single place where you can administer compensation: there are huge efficiency gains; you can set up IT; you can provide that arm's length independence in a consistent way. There are also challenges from that; we come back to trust as one of the most important things. We have a wide variety of different people who have been impacted in lots of different ways, and, inevitably, you would come across instances where a single organisation could not, either legally or practically, build that kind of response that is bespoke, tailored and appropriate for the sorts of communities and victims that we are dealing with. We looked at this again when we set up the Infected Blood Compensation Authority, and we concluded that it was so bespoke and complex for applicants going through this that we wanted to take a very tailored approach.

There are lots of things that we have invested in—invested quite a lot of money in—which I hope are of constant value to Government for evermore. You asked about how long the compensation authority will be



HOUSE OF COMMONS

alive; ultimately, I hope we can transfer, use and deploy the assets, the intellectual property and the IT more broadly across Government.

However, on having one body covering the tens of different schemes that we are talking about, with the huge levels of variation involved, I would need to be persuaded that the outcomes that that would deliver would outweigh the benefits of having bespoke and very tailored arrangements. It is something that we should constantly come back to.

Rachel Gilmour: I am very pleased to hear that you recognise the importance of having very tailored systems, infrastructure and skills to deal with the unfortunate victims of whatever scheme you are dealing with.

Q107 **Chair:** I think there are two aspects to Rachel's question: the design of the scheme in the first place, and then the implementation of it. It is about whether one organisation can do both of those. What one needs to do, which is why I was very careful with my question to Jeremy, is learn the lessons from what went wrong with previous schemes. I just think that Rachel is right: there needs to be somewhere in Government where there is a sort of permanent presence that is learning the lessons from what went wrong with previous schemes.

Cat Little: Naturally, that is the Cabinet Office; we are the natural home for these sorts of cross-cutting policy matters. Obviously for large schemes such as Horizon, working groups have also been set up periodically.

The reason why the Cabinet Office has done so much in this space is because we are also looking at inquiries—the Public Office (Accountability) Bill. One of the most important policy questions of our day is: how do we get fast truth and reconciliation to people who have suffered injustice at the hands of the state?

We are looking at the policies around inquiries and how we change the culture in the state to recognise performance issues faster, better, more openly and more transparently, because if we can improve redress, and the pace of truth and reconciliation—and we will strain every sinew to try to improve it—that should prevent the need for these very expensive compensation schemes in generations to come.

However, it is really hard work to learn some of the lessons here. Time and time again, inquiries come up with very similar recommendations about culture, guidance, ways of working and what has actually driven state failure; and time and time again, we put in place more controls and different ways of working.

Having great people at the centre of Government trying to answer these knotty problems is one part of it. Having a state that puts the lessons learnt at the heart of how we operate every single day in our culture and our leadership is another part.

Q108 **Chair:** But with the best will in the world, and we heard from Sarah earlier at the top of the session, there will be things that go wrong in

Government.

Cat Little: There will be.

Q109 **Chair:** There will be a need for compensation schemes. Therefore, we have to think about how we do things in the future.

Cat, I wonder if you could just answer a question for me, because I am a little bit confused about something. On the one hand, the NAO tells us that the Cabinet Office reviews alternative arrangements, including structural arrangements, that would allow compensation to begin and operate in a more timely, efficient and effective manner. On the other hand, we are told by the NAO that "DBT is chairing a ministerial group to consider options for improving future delivery of redress and explore the feasibility of an independent body." It seems to me that there is possible overlap and confusion there.

Cat Little: I think this is modern Government, in that the Cabinet Office is obviously the convening, co-ordinating and cross-cutting centre of Government, but quite often we ask our line Departments—in this case DBT, given its extensive experience with Horizon—to lead on certain matters.

I have come to this Committee many times before to talk about the struggles of how you get Departments to work together. I actually think this is a very good example of open engagement. If the Cabinet Office did everything that was cross-cutting, we would be an even bigger and more complicated department than we are today.

Carl Creswell: Obviously we work very closely together. The Cabinet Office started by chairing the cross-Whitehall group; DBT is currently chairing it. We have a recommendation from Sir Wyn Williams in this area. He felt that there was merit in setting up an independent body in the future, so DBT has been doing some of the running on that. Sir Wyn also said that to move while the scheme is up and running could potentially delay things; at least that is how I interpret it.

While I have the floor, I will also say that it is worth being aware that, whatever structure we set up, some of the claimants will be unhappy with the offers they are given and therefore will criticise that body. A structural solution takes time and investment, and it does not necessarily lead to a very different outcome.

Chair: I don't think anybody is suggesting that we would want to set up a body that altered the whole thing partway through a scheme; these schemes have got to take their course now, and I think the victims would expect that.

Q110 **Sarah Green:** In the here and now, we have the five of you in front of us, who are working and collaborating. However, would an independent body not be a repository of institutional memory, in a way that what you are currently describing is not?



HOUSE OF COMMONS

Cat Little: On your point about a body having corporate memory, you implied that it should be independent, and part of the huge value of the work the NAO has done for us is in critiquing our corporate memory and how we have gone about learning lessons. My personal sense is that it is our job as leaders and as big Departments of State to make sure that we are retaining and sharing that corporate knowledge, and recording it for posterity. That is what we are doing.

Q111 Rupert Lowe: As usual, I would like to thank Gareth and his team. This is a fascinating document, and you have put together some great data in it—in particular, things like figure 3 on page 18—but I do not want to go into the detail, because it is now about getting the principle right, not looking at all the detail and failures of the past. When I read a document such as this, I am struck by the number of people who have suffered as a result of bad Government decisions. None of you are responsible for those bad Government decisions; you are trying to clear up the mess created by that bad decision making.

I was not here on Monday because I was at a Westminster Hall debate on the e-petition that I started about rape gangs—that will be the next compensation scheme you need to prepare yourselves for, and I will mention another in a minute—but I want to read out three quotes from that meeting. Speaking on the Horizon scheme, Sir Alan Bates said, “I think there is a fundamental problem with all these schemes: the fact that Government should not be involved with them” and that “the civil service just grinds them into the ground.” Then, Rev. Clive Foster, speaking on the Windrush scheme, said: “It is critical to have the people who were affected the most in the room to be a part of that design”. The third key thing was when, speaking on the infected blood scheme, Kate Burt said: “An independent body is absolutely critical, without having to constantly reinvent compensation schemes or have them attached to the Department that has done the most harm.”

There was a lot of wisdom in that meeting. Collectively, we as Government—I include myself in that—need to think long and hard about the grooming gang scandal, which will end up with compensation payments, particularly from the care homes from which girls were being abused, but even more importantly, about covid, as the worst decision making of all was around that and there will be vast compensation for it.

It also strikes me that continuity is so important to solving these problems, yet I look at all your CVs every time, particularly those of permanent secretaries, and you all move and hop around like jack-in-the-boxes. None of you stay in your Departments for more than five minutes. Gareth and Jeremy, as you both move around so much, if you are not there for more than five minutes, how can you possibly get your minds around solving the outcome of this bad decision making?

I would like to know that you will not consign what we are discussing to the bottom drawer for another year until you come back to the Committee, because you have some massive compensation rattling down the track. We have a duty to the public, and particularly to the taxpayer, to make



HOUSE OF COMMONS

sure that this time we actually put something in place that listens to the evidence of these very intelligent people who have suffered. I have studied the Post Office scheme in huge depth. I would like to think that, as a result of today's meeting, we can get something that is durable and fit for purpose.

As I say, it is Government's fault and you are trying to clear it up. Personally, I do not think the civil service should be anywhere near trying to clear it up, as it is a Government error and you are a function of Government. An independent body—to the point of another questioner—needs to oversee this. We also need some continuity in permanent secretaries; we do not want them moving around all the time. That is a terrible situation within the civil service. I would like you to tell me that you think we can get the next major compensation schemes right.

Cat Little: There is a lot in what you just said, so I will start with your final question. The whole point of this process is to make sure that we learnt lessons, and we are determined to do so. On your point, we are here to serve justice and to provide reconciliation for thousands of victims who have suffered: that is a core part of what public servants do and we take it very seriously. Ultimately, it is our job to learn those lessons, to make sure that we follow through on every single lesson we have learnt and to put them in place quickly as best we can. That is also about recognising that the civil service is here to oversee the system. I have a lot of sympathy for comments from community groups who do not trust the civil service, because they see us as part of the institutional failures that have happened in the past, and I understand that. The Infected Blood Compensation Authority is a good example of an entirely independent body. They are not civil servants; they are public officials independent of Government, undertaking the delivery of this work.

There is plenty that I recognise there, but if there is any assurance that I can give to the Committee, it is that we are determined to learn those lessons, and we will be ready for any further compensation schemes that the Government decide to discharge.

Rupert Lowe: Thank you. I don't think I can say any more to that, Geoffrey.

Q112 Chair: I want to come back on this point. I want to take the Committee and our witnesses to page 40, paragraph 2.24 of the NAO Report. I will read it out because it is so important.

The Wyn Williams inquiry "also recommended that the government should establish a standing public body to devise, administer and deliver schemes for providing financial redress to persons harmed by the action or inaction of public bodies, reflecting a similar recommendation in our 'Lessons learned: Government compensation schemes' report. In its response, DBT acknowledged the advantages of an independent body but noted that it was unlikely that one could be established in time to take over...existing time-limited compensation schemes." I have already asked that question.

The paragraph, importantly, goes on to say: "DBT is chairing a ministerial



HOUSE OF COMMONS

group to consider options for improving future delivery of redress and explore the feasibility of an independent body. The government plans to make a substantive statement on the matter by summer 2026.”

After listening to both your replies, Cat and Gareth, can I have your absolute assurance that you have an open mind on whether there should be an independent body for two aspects of these schemes—for the design and the delivery? I will repeat again what we heard on Monday. Trust and co-design are the two key aspects of these schemes. We can never again have schemes like the infected blood scheme—with great respect—Horizon, Windrush or any of the other ones, including Jeremy’s scheme. The least we can do when something goes wrong is put in place a body in which people have trust, which is designed so that they can operate it and it can pay out relatively quickly without being too litigious. I cannot stress the point more than that.

Cat Little: I can only assure you that we have a very open mind. We approach all this with humility. We have set out some of the merits and challenges of having such an independent body. Our job is to advise Ministers of the merits and benefits, and ultimately it is for the Government to decide how best to discharge the compensation schemes in practice. It is also our job to make sure that we take on board the important evidence from victims, communities, this Committee and other interest groups. We will faithfully represent that in any decisions that are made by Government off the back of your recommendations.

Chair: I thank you all very much. I address all the victims out there. Some of the subjects we have discussed this morning are pretty dry, but at the back of it all, there is somebody who has been damaged in some way or another, and it is those people we really should look after. It has been an important session and important evidence has been given to us. An uncorrected version of the transcript will be available in the next few days. We will, as usual, produce a report with recommendations, which we hope you will all look at very carefully. Again, you are all very busy people. It has been an important opportunity to get you all in one room. Thank you very much.