

Rt Hon Liam Byrne MP
Chair, Business and Trade Committee
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13 February 2024

Dear Liam,

Thank you for your letters of 22 and 23 January 2024 regarding the progress of the GLO Compensation Scheme. You will have received a copy of my response to Alan Bates' separate letter, to which you referred.

I welcome all suggestions on how to speed up the GLO compensation scheme, but I disagree with Alan Bates' suggestion that claims "hit a dead end once they go to the Department". The issue is not confined to the processing of claims by DBT but the pace at which they can be developed by claimants' lawyers. This is, quite understandably, taking time – not least because many of those involved need expert medical or accountancy advice (which my Department is funding). Of the 492 members of the GLO group, we had received just 58 full claims by 1 February.

Once they arrive, most claims are processed quickly. A minority of complex claims raise new issues and take longer to work through as a result. Of the 58 claims received we had already issued offers to 52 by the same date. Of our 52 initial offers, no fewer than 41 had been accepted and we were waiting for responses to a further 8. Only 3 people had challenged our offer to them, and we expect to be able to resolve many of those challenges bilaterally. So far no cases have needed to go to our independent panel. We have set a stretching target to issue initial offers to 90% of claims within 40 working days on receipt of a complete claim. We have committed to including our performance against this target in our next data publication, which can be found at <https://www.gov.uk/government/publications/post-office-horizon-compensation-data-for-2024>. As at 31 January we had made initial offers to 70% of complete claims within 40 working days.

My officials met Mr Bates on 26 January and had a productive session to discuss options to speed up the scheme and provide greater transparency. I have asked my officials to consider promptly the ideas that they discussed. I agree with you that we need to ensure that we bring claimants' legal representatives with us as much as we can, not least because of the horrific situations that they have faced over a number of years. My officials speak to claimants or their representatives very regularly about ways to improve the scheme's operation.

The Post Office (Horizon System) Compensation Bill was enacted in January to ensure that GLO claimants do not feel pressured to submit offers or agree claims by the previous arbitrary statutory deadline of August 2024. The major reason for introducing this legislation was because of concerns from Sir Wyn Williams, in the interim report produced by the Horizon Inquiry, that claimants might otherwise feel under pressure to accept offers. Having recently removed the deadline for the GLO scheme, I believe it would not be reasonable or proportionate to reintroduce a hard timetable. That said, the Department remains committed to the target of delivering compensation by August if we can. We are constantly reviewing any potential barriers to our ability to achieve this. I am not aware of any compensation scheme of similar complexity which is delivering to such a rapid timetable.

Regarding the Bill for overturning convictions, we do not require legislation to make amendments to the process for compensating postmasters. Any viable changes identified through discussion with Mr Bates and others can be implemented without the need for amendments to the Bill.

Thank you also for our helpful meeting last week about the Bill to overturn convictions. We will certainly keep your comments in mind as we develop our thinking. I hope that the explanations above will persuade you that it would be unwise to use this Bill as a vehicle to reintroduce a legislative deadline for compensation. I look forward to continuing working with you on the legislation.

Yours ever,

A handwritten signature in dark ink, appearing to read 'Kevin', with a stylized flourish at the end.

Kevin Hollinrake MP

Minister for Enterprise, Markets, and Small Business
Department for Business and Trade