



Rt Hon Liam Byrne MP
Chair of the Business and Trade Committee
House of Commons
London
SW1A 0AA

07 March 2024

Post Office Ltd
100 Wood Street
London
EC2V 7ER

Dear Mr Byrne,

Post Office and Horizon redress: Third Report of Session 2023-24

Post Office welcomes the direction of your Committee's report this morning into speeding redress for one of the worst miscarriages of justice in British history, and we are studying its recommendations carefully. While £179m has been delivered in redress to victims of this scandal, and settlements reached with 2700 postmasters, more needs to be done.

Post Office would have no objection to relinquishing our role in administering redress. Whatever is decided, we will continue to work with Government, Parliament and the independent Advisory Board to do everything possible to speed up justice and redress for victims of this terrible scandal.

To ensure the record is as accurate as possible, I would also like to clarify and correct a few points from your report.

Disclosure Reports

In your report, you state that *"only 55% of necessary disclosure reports have been issued"*. During the Select Committee evidence session of 27th February [Q485 & 486] Simon Recaldin confirmed that this figure was, at the time of the evidence session, 64%. As of today, it is 70.6%.

Reasonable Legal Fees

In the [conclusions and recommendations](#) section of your report, you state that to ensure that offers of redress are fast and fair, the Government must *"remove the cap on legal expenses for sub-postmasters to contest their claims"*. As Simon Recaldin stated in the evidence session of 27th February [Q507], victims are *"absolutely entitled to appropriate legal advice...it is not limited to £1,200; it is reasonable legal fees"*.

This was also clarified in the letter I sent to the committee on 1st March:

"In your letter, you highlight that there is no cap on 'reasonable legal fees' for claimants of the Horizon Shortfall Scheme and asked for clarity on when this was changed from an initial cap of £1,200. I can confirm this change took place in October 2022."

For the OC redress process, Post Office pays all reasonable legal fees and expert fees (e.g. medical, accountancy or property valuation) separately to redress.



Non-disclosure agreements and confidentiality clauses

In the report, you stated that I supplied “*misleading evidence*” to the Committee on two counts, relating to the Post Office’s use of, non-disclosure agreements and public relations firms.

During my first evidence session, on 16th January, I was asked about the use of NDAs, and in my follow-up letter of 5th February, I clarified my response. For reference, this clarification is below – in our view our evidence was not misleading.

“Firstly, there are no confidentiality provisions in the settlements being agreed through the Horizon Shortfall Scheme and Postmasters are free to discuss these in full with anyone they choose to once they have been agreed. The offer letters are marked 'Without Prejudice' so that they are confidential whilst settlements are being agreed. This is because our settlement offers explain the basis on which the offers have been made, and typically include concessions on the part of Post Office, comments and suggestions, with an invitation to negotiate in good faith if the Postmaster considers that the offer is inadequate. To date our view has been that operating in this manner facilitates open discussion with Postmasters and is an effective way of resolving disputes, should these arise.

“Applicants are offered reimbursement of reasonable costs for independent legal advice for this process. If they consider it would be useful to discuss their offers with individuals other than their legal advisers, or the legal advisers, they can ask Post Office to agree.

“On occasion Post Office enters into settlement agreements with Postmasters, for example, to resolve disputes that may arise between Post Office and Postmasters in the ordinary course of business. Such settlement agreements include confidentiality provisions, as is the case in most organisations. There is confidentiality between claimants and Post Office for some elements of the compensation and redress schemes that have been established and that Post Office is administering, in connection with matters arising out of the Group Litigation.

“For example, in the Overturned Convictions process, the terms of settlements including confidentiality provisions are the product of agreement with each individual claimant and their legal representatives. Many claimants have understandable privacy concerns and do not want the amount of compensation that they receive to be made public. For example, the clients of Messrs Hudgell noted in an open letter that they were left feeling “their privacy had been fundamentally breached” when the Government announced the voluntary option of £600,000 for full settlements without the need for a formal claim. It is always open to claimants to ask for a settlement without confidentiality restrictions, or to obtain agreement to allow disclosure of the details of the settlements they have reached, as the agreement permits them to do so. However, no Overturned Conviction claimant has made any such request to date.

“Post Office continues to listen to the Government’s Advisory Board, claimants and the lawyers representing them as we keep matters concerning redress and confidentiality under continual review. I would be happy to keep the Committee updated on any changes.”



Public Relations firm

In relation to Post Office's use of external communication agencies, as per your report's footnotes, the exchange was, in our view, accurate – all of our current agencies have been contracted since well before the broadcast of *Mr Bates vs Post Office*, working across a number of different workstreams. Please see the initial exchange below:

"Q121 Jonathan Gullis: A final question from me, Mr Read: can I ask whether the Post Office have hired any public relations companies to handle this crisis after the drama aired? If so, how much are the Post Office paying for that advice?"

"Nick Read: No, we haven't."

We remain determined to support the speeding up of justice and redress, and are happy to do all we can to support the Committee in its important work.

Yours sincerely,

Nick Read

Chief Executive, Post Office Limited