

The Clerk of the Business and Trade Committee
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Dear Clerk,

POST OFFICE: COMPENSATION FOR HORIZON SCANDAL

I am writing to you in your capacity as the Clerk of the Business and Trade Committee while the position of Chair of the Committee is vacant.

I am writing to update you on the latest step that the Government is taking to ensure that postmasters affected by the Post Office Horizon scandal receive the redress that they deserve.

The scandal has caused significant damage to the lives of those affected and it is critical that there is continued engagement with postmasters to ensure that their experience of obtaining redress does not add to the pain that the Horizon scandal has caused.

We are grateful for the insight postmasters have shared to date on how the compensation schemes can be improved. We have listened to this feedback along with that provided by the Horizon Compensation Advisory Board, which includes Lord Arbuthnot and Lord Beamish, both of whom continue to be champions for those affected.

The Horizon Shortfall Scheme (HSS) was set up as part of the GLO settlement in 2019 to provide redress to postmasters who experienced shortfalls but were not part of the court case. The Post Office has made progress in providing redress to HSS claimants to this point. All the original 2,417 claimants have received an offer and 85% have received their full compensation award. The Post Office is also working hard to assess and issue offers to the 1,513 late applications that have been received since October 2022.

Earlier this year, it was announced that eligible claimants to the HSS could choose to receive a fixed-sum payment of £75,000, in line with the approach taken on other schemes, simplifying the claims process for those individuals and ensuring they received compensation in short order. I am pleased that, under this new Government, the Post Office has made significant progress in topping up claimants who had previously settled for lower awards. To date, Post Office has issued 1,936 in top-up payments and expect to be able issue offers of £75,000 to those who have not previously received offers shortly.

We know, however, that the fixed sum £75k offer will not suit everyone, and we know that some claimants feel that they did not have sufficient guidance to set out their claims in full when they first applied into the scheme. These concerns have been raised by postmasters and their representatives through the Post Office Horizon IT Inquiry. The Advisory Board recommended last year that an independent appeals process should be set-up to provide these individuals with a second opportunity to set out their claim in full.

That is why the Government has announced today that it will introduce an independent appeals process for the HSS, enabling these claimants to have their case re-assessed with the benefit of any new information that they were unable to include in their original application.

We will look to establish the new appeals process as quickly as possible and will develop and communicate details about eligibility criteria and the claims process in the coming months. It is likely that it will be launched in early 2025, following consultation with the Advisory Board, postmasters and their representatives, but we will make every effort to ensure that colleagues and postmasters are kept well informed of its development.

Separately, we are pressing ahead with the Horizon Convictions Redress Scheme (HCRS), announced in July. I can confirm that the department will be setting a target to issue a first offer to 90% of HCRS claimants who have submitted a full claim, within 40 working days.

Providing justice and fair redress to victims of the Horizon scandal is a priority for this Government and I know that this objective has support across the House. We will continue to take action to deliver on it.

Best wishes,



THE RT HON JONATHAN REYNOLDS MP

Secretary of State for Business & Trade and President of the Board of Trade