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Liam Byrne MP
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6 July 2026

Dear Liam,

Thank you for publication of the Business and Trade Select Committee's report on 'Post Office Horizon scandal: justice for sub-postmasters', which contain your reflections on the Government response to your earlier recommendations.

I am writing today to respond to your Committee's further comments.

The Government shares the Committee's view that complexity should not be used as an excuse for delaying the settlement of any redress claims. The Department and the Post Office are absolutely committed to making every effort to ensure that claims are resolved by the end of 2026. It would be wrong, however, to place undue pressure to resolve complex claims on vulnerable claimants, or on families of affected postmasters who have recently passed away. We must acknowledge the complex elements of some claims given the vulnerability and age of some claimants which means some claims take longer to resolve than others – given that no two claimants are the same. The Department and Post Office are actively working to provide support to vulnerable claimants and their families to resolve any complex elements to claims that need due consideration as quickly as possible, in order that claimants can receive full and fair redress as quickly as possible. As such, we expect that the overwhelming majority of claimants will have resolved their claims by the end of this year. Whilst we cannot commit to resolving every single Horizon claim by the end of 2026, we are determined to ensure that the number of outstanding claims at that point is as small as possible.

The Committee has again raised the issue of the £600,000 Fixed Sum Offer for claimants in the Horizon Convictions Redress Scheme (HCRS). The £600,000 Fixed Sum Offer has enabled quicker resolution of claims, because postmasters are not required to follow the more detailed process of a fully assessed claim. As at 22 May 2026, 493 Fixed Sum settlements had been paid and 410 of these were paid in the first year of the scheme. As you will be aware, the Government accepted the Post Office Horizon IT Inquiry's recommendation to permit claimants to the HCRS to have 3 months from the receipt of their first detailed offer to revert to the Fixed Sum Offer, should they wish. In his recommendation, Sir Wyn Williams specified that "once the time period specified in the first sentence hereof [3 months] has expired, the claimant will have no right to accept the Fixed Sum Offer." With our acceptance and implementation of this recommendation, we

consider that we have removed jeopardy for the claimant from the HCRS and we still do not consider it would be appropriate to change the Fixed Sum Offer to an upfront minimum payment. HCRS claimants receive an upfront payment of £200,000, before a further amount of a payment of £250,000 to bring this to an interim payment of £450,000, once it has been confirmed that no further details are needed from the claimant to assess their claim. Claimants who wish to seek a full assessment have the flexibility, the time and the space to revert to the Fixed Sum Offer, should they so choose.

The Government shares your view that it is right that Fujitsu should provide a substantial contribution to the costs of the scandal. Fujitsu has also acknowledged its moral obligation in this area. Officials and ministers continue to engage with Fujitsu to ensure that the company understands the strength of feeling in Parliament and the country at large, and to ensure that any contribution is sufficient.

Fujitsu's contribution will be decided in the light of the Inquiry's second report, expected later this year. The Government would welcome a decision by the company to make an interim payment as soon as possible. The Government will carefully review any offer received from Fujitsu and will consider all options available to get the best result for British taxpayers.

I hope the above is helpful in terms of confirming the Government's position as this relates to the Committee's recent recommendations. I remain grateful to you and the Committee for your continued engagement and scrutiny of matters in relation to Horizon redress, as well as accountability for the Post Office Horizon IT Scandal.

Yours sincerely,



BLAIR McDOUGALL MP
Minister for Small Business and Economic Transformation