



Department for
Business, Energy
& Industrial Strategy

Paul Scully MP

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Dear Darren,

POST OFFICE: INTERIM COMPENSATION PAYMENTS FOR POSTMASTERS WITH OVERTURNED CRIMINAL CONVICTIONS

Your Committee has always taken a strong interest in the Post Office and, in particular, issues relating to the Post Office Horizon IT system. I am writing to you in your role as the Chair of the Select Committee to provide an update on compensation for postmasters who see their Horizon convictions quashed.

You will be aware of the longstanding Horizon issues. A number of postmasters were prosecuted and convicted on the basis of Horizon evidence, which we now know to be unreliable. On 23 April 2021, the Court of Appeal handed down a landmark judgment which quashed the convictions of 39 postmasters. This is in addition to 8 which have been quashed in the Crown Court. A further 12 convictions were quashed earlier this week in the Court of Appeal. The affected postmasters are now rightly turning to the question of compensation. I have been clear in Parliament that Government wants to see postmasters fairly compensated as quickly as possible.

I am pleased to inform you, and members of the committee, that Government has decided to support the Post Office to make interim compensation payments of up to £100,000 per eligible postmaster whose Horizon conviction is quashed. The Secretary of State for the Department for Business, Energy and Industrial Strategy is providing this support in his capacity as sole shareholder in the Post Office.

We have listened to affected postmasters and want them to receive compensation quickly. We recognise that an interim payment may not represent the full sum that postmasters may ultimately receive but believe that this is a helpful and welcome step. It is for Post Office and the individuals concerned to determine the full compensation sum. As this process will take time, an interim payment will give money to individuals at an early stage in the claims process, beginning to address the hardships they have faced.

Post Office is contacting the legal representatives of postmasters whose convictions have been quashed with further information about interim payments. We expect Post Office to issue offer letters for interim payments within 28 days of receiving a claim from eligible postmasters. Post Office will manage these payments with oversight from my Department.

This decision is in line with the Government's priorities to support and maintain the Post Office network, in which postmasters play an integral role in providing essential services to communities across our nation. Government thanks the affected postmasters for their patience, recognising the impact that being wrongfully prosecuted has had on these individuals.

My Department continues to actively engage with Post Office on progress for determining and delivering the full compensation. I am committed to seeing these longstanding Horizon issues resolved, learning what went wrong through the Post Office Horizon IT Inquiry, and ensuring something like this cannot happen again.

The Secretary of State today notified the House of this decision in a Written Ministerial Statement, which you will find attached.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Paul Scully', is centered below the closing text.

PAUL SCULLY MP

Minister for Small Business, Consumers & Labour Markets
Minister for London