



Department for
Business, Energy
& Industrial Strategy

To: Minister Russell

From: James Lovesey – Post Office Team – **GRO**

SCS clearing: Rob Brightwell – Deputy Director, Services – **GRO**

Meeting Brief: Introductory meeting with Alan Bates

Monday 21 November, 12:45 – 13:05, online

Meeting attendees:

- Alan Bates, Leader and Founder of the Justice for Subpostmasters Alliance (JFSA)

Official attendees:

- Rob Brightwell, Deputy Director, Business Resilience Directorate
- James Lovesey, Senior Policy Advisor, Post Office Team

Overall objective

- Reassure Bates that the Government continues to regard compensation for those in the GLO as a high priority and is working hard to ensure it is delivered quickly.

Background

- Bates founded and chairs the JFSA, and led their 555 postmasters (advised by Freeths LLP) in the Group Litigation Order against the Post Office. The group received a settlement of £42.75m plus legal costs. However, after paying their funder's fees, the postmasters only received c.£10.5m between them.
- Government subsequently announced in March 2022 it would make further funding available for such compensation. In June 2022 the Government announced interim compensation of £19.5m would be paid to the group. To date £16.1m has been paid.
- Interim payments have been made to 419 of the 484 eligible postmasters. Of the remaining 65, 8 have not yet provided enough information. The remainder relate to complex cases, notably bankrupt or recently-deceased claimants. Unless we resolve these before paying, postmasters might not get the maximum benefit of both the interim payment and the final compensation. Following a previous public complaint, Bates now seems to accept that we are doing the right thing here.
- Officials have been meeting Bates and Freeths weekly to discuss delivery, including making interim payments.
- The JFSA, led by Bates, has submitted a complaint of maladministration against BEIS & HMG to the Parliamentary and Health Service Ombudsman for failing to regulate and oversee POL during the period in which the Horizon scandal took place. This has not been progressed recently: for Bates we suspect it is simply a piece of leverage over us.

Suggested approach

Welcome

- I want to continue the excellent progress made by my predecessors including Paul Scully, Jane Hunt and Dean Russell and am committed to the delivery of fair and timely compensation to all affected postmasters.
- Paul said publicly that this was his top priority: it is mine too.

Full compensation:

- I want us to get compensation out to your members as soon as possible. I know you and other Postmasters want us to get on with this as soon as possible. The team are currently taking detailed proposals through an assurance process.
- It will probably be December until those are agreed and ready to publish.
- [If Raised] – I envisage there will be an independent Governance Board for full GLO compensation, I have approached Lord Arbuthnot to sit on this Board.

Interim compensation:

- I share your desire to get all of the interim payments out promptly – but as you'll appreciate, we must resolve issues like bankruptcies. I believe you're now reasonably comfortable that we're doing the right thing?
- Officials have been trying to reach agreement with insolvency practitioners for 100% of interim payments to be paid to the bankrupt. They have sought counsel advice to clarify the position and hope to be able to make payments in the next few weeks based on this advice.
- [If Raised] on the Freeths contract officials are working as quickly as possible and hope to be in contact with Freeths on next steps shortly.

Meeting postmasters

- [If the Minister wishes -] I would like to meet some of the GLO postmasters, to understand their experience of this horrible scandal. Would you be able to help us set that up, please?

Closing remarks

- Very happy to continue to talk to you whenever it would help.

Annex – Biography



Alan Bates, Leader and Founder of the Justice for Subpostmasters Alliance (JFSA)

Alan Bates is a former subpostmaster who, in 2003, had his contract terminated when he refused to comply with Post Office policy. He subsequently formed the JFSA campaign group in 2009 with the aim of exposing the failures of the Post Office and its computer system, Horizon. In 2018, 555 subpostmasters, led by Bates, took the Post Office to court in a Group Litigation Action and won, paving the way for other subpostmasters to claim compensation and have their Horizon-related convictions quashed.

Because most of their settlement was absorbed by funders' fees, the group then campaigned for additional compensation, funding for which was agreed in March 2022.