



Sir Wyn Williams
Chair to the Post Office Horizon IT Inquiry,
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Dear Sir Wyn,

Post Office Response to Volume 1 of the Post Office Horizon IT Inquiry Final Report

As I noted in my initial public response to your recommendations on 8 July 2025, Post Office welcomes the recommendations set out in Volume 1 of your final report. We acknowledge the care with which you and your team have examined the human impact of the Horizon scandal and the issue of redress and recognise the significance of this work and its importance to those affected.

Post Office also reiterates its clear and unequivocal apology to every person affected by the scandal. We remain acutely aware of the continuing impact on those affected and are committed to supporting them through the redress process.

Post Office supports the Inquiry's recommendations and is committed to working constructively with the Department for Business and Trade (DBT) to ensure that redress is delivered in a manner that is full, fair, and timely.

The majority of the recommendations contained within Volume 1 are directed at DBT. DBT has prepared a response, which, as you know, will be published by government. Where recommendations are jointly addressed to DBT and Post Office, DBT's response has been discussed and agreed with Post Office and vice versa.

For clarity, we consider the recommendations that are addressed to Post Office either wholly or in collaboration with others where appropriate, are Recommendations 1, 2, 3, 8, 13, 14, 15 and 19.



This letter constitutes Post Office's response under Recommendation 1. We make the following observations in respect of the other recommendations that we have collaborated on.

Recommendation 2: The Minister and/or the Department in conjunction with the Post Office shall make a public announcement explaining what is meant by the phrase “full and fair financial redress”. Such an explanation should indicate that claimants should be awarded sums which are equivalent to those which they would receive in civil litigation brought before a judge in England and Wales, assuming that the judge hearing the civil claims awarded damages at the top end of the appropriate range of damages. The explanation should also include a statement to the effect that, if fairness demands it in a particular case, a decision maker may depart from the established legal principles which would normally govern the assessment of damages in civil litigation.

Post Office worked with DBT to produce an explanation that we believe meets your recommendation, as we understand it, as far as practicable. In finalising this with DBT, we also sought input from the Independent Assessment Panel for the Horizon Shortfall Scheme (HSS). The Panel continues to play a key role in recommending full and fair outcomes under that scheme. We understand that DBT consulted senior independent advisers. Both we and DBT aimed to ensure that the explanation supports the Inquiry's aims and is written in accessible language.

We understand your reference to an “appropriate range of damages” relates to non-pecuniary loss such as personal injury or injury to feelings rather than pecuniary loss, where the goal is to calculate a specific figure to restore the claimant to the position they would have been in had the wrong not occurred. In non-pecuniary cases in civil claims there can occasionally be ranges of damages (such as set out in Vento guidelines in the context of injury to feelings) which can be very broad even within different bands. We do not understand your recommendation to be that all claimants should receive the highest level of damages on any particular scale regardless of the facts. That would not be fair to those whose circumstances justify compensation at the top of the scale.

The explanation agreed between Post Office and DBT offers an alternative approach, but which we believe addresses your intention, by expressly stating that where there is an appropriate range, decision makers should always apply a generous approach to assessing within that range.



Post Office notes that there may also be other issues to consider such as whether scheme applicants should systematically be put in a better position than civil litigants wherever there is an appropriate range of damages. Post Office recognises that this question and the impact of your recommendation on other ongoing and future government compensation schemes are matters for DBT.

Recommendation 3: The Post Office, the Department and the Minister shall ensure that all decision makers in HSS, GLOS and OCS/HCRS apply the meaning to be given to the words “full and fair” when assessing the amounts to be awarded to individual claimants.

Post Office shall ensure that decision makers in the HSS that we administer, including the Independent Assessment Panel, apply the meaning of the words “full and fair” (as set out in our published explanation) when assessing the amounts to be awarded to individual claimants.

Recommendation 8: In HSS the Post Office shall be obliged to make, and the Department shall be obliged to approve (when necessary) a first offer to a claimant which is no less than the sum recommended by the Independent Advisory Panel.

Post Office has always made first offers to claimants that are no less than the sum recommended by the Independent Advisory Panel for HSS and will continue to do so.

Recommendation 13: The current Dispute Resolution Procedure in HSS should be closed once all claimants currently within the Procedure have either (a) settled their claims or (b) transferred to HSSA. No claimant who is not in the Dispute Resolution Procedure when HSSA opens should be eligible to join the Dispute Resolution Procedure.

Post Office, in consultation with DBT, has carefully considered this recommendation, but both parties agree that it is fairer to postmasters to allow them to continue to opt to resolve their claims within the Dispute Resolution Procedure (“DRP”), should they wish to do so, and therefore will not adopt this recommendation. There are differences in the way in which claims are resolved in the DRP and the government’s HSSA process and we see a benefit to allowing postmasters to continue to assert free choice in deciding how they wish to bring closure to their claim.

Recommendation 14: During the nine-month period afforded to claimants to submit an appeal to the Department in HSSA, the Post Office shall engage in negotiations and/or mediation with any claimants who notify the Post Office of a desire to seek a negotiated or mediated settlement of their claim.



Prior to the publication of the Inquiry's report, DBT agreed that instead of a nine-month period for postmasters to submit a full appeal there should be a three-month deadline to notify the Department of an *intention* to appeal. Post Office will work with postmasters and their legal advisers to progress claims in the DRP during the three-month election window as advised by DBT and is actively corresponding with legal advisers to ensure that where postmasters wish to meet and try to settle their claims, we can do so in a timely manner.

Recommendation 15: No claims for financial redress under HSS shall be entertained after midnight 27 November 2025.

Post Office agrees that closure of the scheme represents an important milestone in providing overall closure for postmasters and we welcome the opportunity to do so. Nonetheless, we are and have always been sensitive to the difficulties experienced by many postmasters in formulating claims, both practical and emotional. After careful thought, and in consultation with DBT, Post Office suggested that a slightly longer timeframe for final applications to the scheme would be in line with good practice on other remediation schemes as well as giving more notice to potential applicants. Taking account of the very busy Christmas period for current postmasters and the sensitivities at this time for all who have yet to claim, we have agreed with DBT that 31 January 2026 is an appropriate timescale for closure.

Conclusions

For recommendations directed solely at DBT, Post Office acknowledges that it is properly for the Department to determine its response. However, given Post Office's operational role in the administration of the HSS and the assistance provided in relation to other schemes, we have provided DBT with Post Office's insights and views to inform its decision-making.

In addition, Post Office continues to work with DBT and Fujitsu to develop a programme of restorative justice in response to your nineteenth recommendation. It is our desire and expectation that the work led by the Restorative Justice Council will build upon the restorative justice work Post Office itself has undertaken since May 2023. We welcome DBT and Fujitsu's partnership in furthering this work and will respond to you more fully on our forward plans by 31 October 2025.



The Post Office will continue to cooperate fully with DBT to ensure that the recommendations are implemented in a way that delivers compensation as swiftly as possible.

Yours sincerely,

GRO

Nigel Railton
Chair