

Quarterly Review Meeting – Overturned Convictions and Horizon Shortfall Scheme

6 June 2024

Attendees:

Department for Business and Trade	Post Office Ltd
Carl Creswell (CC)	Andrew Mortimer (AM)
Charlotte Heyes (CH)	Madeleine De Matteis (MM)
Ciara Lawrence (CL)	Matthew Nelson Hilton (MNH)
Ellen Wasden (EW)	Mark Durrans (MD)
Grace Cockerill (GC)	Neil McDaid (NMC)
Mick Carling (MC)	Nigel Machin (NM)
Richard Howard (RH)	Nicola Munden (NMU)
Ross Fielding (RF)	Pam Heap (PR)
Stephanie Cossom (SC)	Paul Murray (PM)
Eleri Wones (EW)	Richard Paddington (RP)
Liam Butler (LB)	Sarah Lambert (SL)
Harry Fallowfield (HF)	Simon Recaldin (SR)
Beth White (BW)	Susan Sannachan (SS)
Stephanie Cossom (SC)	

Overturned Convictions

Item 1 – OC1 update

SR gave an update on progress, noting that having exceptional case criteria in place will be helpful. Work is ongoing regarding POL's pension scheme and its impact on claims.

CC asked POL for their reflections on the 40 working-day target for making a final offer. NMc noted that POL are trying hard to deliver and are tracking all live cases against this target, though RFIs have impacts on timelines. NMc noted the limited flow of claims is making it difficult to decide on appropriate staffing levels for the CAT.

CL noted that DBT are making efforts to reduce timelines for approvals, including by seeking approval via correspondence. CL suggested splitting out exceptional heads of loss for HROC approval and treating the rest of the claim as non-exceptional. This will be discussed further offline.

On family members policy, CC noted there is no change to the policy but there are plans to go back to Ministers on this matter following the general election.

The group discussed ways to speed up submission of claims, and CC said he would raise in his next meeting with Hudgell.

SR asked whether there were any updates on possibility of cases switching from OC1 to HCRS. CH said this will need to be raised with new Ministers – Minister Hollinrake had previously alluded to this possibility but there is no policy agreed. CH noted clarity would be

needed ahead of the launch of the HCRS. CH explained that DBT have been clear that claimants will have consistent outcomes across the two schemes.

There was some discussion around a case currently working through the Appeal Courts in Scotland, which has garnered some media attention due to disclosure issues, but it may still be overturned by legislation in Scotland.

Item 2 – HCRS update

On the disclosure contract, it was noted that DBT will pay external legal fees, but it is expected that these fees will be less than for the GLO. The POL Board approved maintaining the GLO contract position on indemnity for the HCRS contract.

POL is working through REM packs for c.500 postmasters, with a delivery target of 12 July. DBT is continuing work on shortfall analysis following a Ministerial steer prior to the pre-election period.

CH explained that work is ongoing for a legal tariff for the HCRS and that legal advisors were due to be appointed on 14 June.

KK asked for any updates on the statement of truth. CC noted that a final decision will need to go through Ministers, but CH confirmed that the fraud statement will be light touch and criminal disclosure is not anticipated to be needed.

Item 3 - Horizon Shortfall Scheme

CCo provided an overview of progress over the previous quarter.

CC queried how POL was coping with the workload across the HSS. CCo highlighted that POL was now completing more eligibility checks than it was receiving applications. CCo explained that one challenge that POL had however was that it had identified c.500 claims that it believed would be open to accepting the £75,000 offer. CCo explained that POL was hopeful funding can be agreed and offer letters finalised so POL would be in a position to resolve those claims swiftly.

PM provided an update on tax top-ups, highlighting that he was working with the Dispute Team to ensure that 100% interim payments could be made in all DRP cases, opening the possibility of issuing tax-tops up to those claimants. SL agreed, highlighting that cases going to mediation would not receive a top-up payment, but it could be explored in other cases.

SR highlighted a success in regard to a mediation case. SR explained that the claimant was represented by Hudgell Solicitors, who engaged well with the mediation and expressed that they were happy with how the mediation was conducted.

CC thanked the POL team for the updates, noting that Hudgell Solicitors' engagement with the mediation was positive.

SC highlighted that DBT was conducting a review into fraud risk measures across compensation schemes (including the HSS) and would be looking to engage with POL on this in due course. SC explained that a particular area of interest in this review was the £75,000 fixed sum payment and how fraud risk would be managed on that specifically, but also more broadly how fraud is considered through POL governance on all compensation

schemes. CC acknowledged there was a balance to be struck between ensuring swift progress and ensuring robust fraud risk measures were in place.

SR queried whether DBT had any further considerations in regard to POL's request to increase POL's delegated authority to resolve cases earlier in the dispute process. HF explained that SteerCo had previously discussed this proposal, and their view was that dispute processes between the GLO and HSS should be aligned as far as possible. HF explained that he had since engaged with the GLO team, and he would now take the proposal to SteerCo again. HF highlighted that the SteerCo were broadly sympathetic to the proposal, noting that we should be streamlining where appropriate. However, HF confirmed that HMT's view would be needed.

HF explained that the funding letter for the fixed sum payments would be issued by the DBT CFO early w/c 10 June.

SR highlighted POL's preference to announce the HSS closure date prior to the election as it would save POL having to write to the same cohort twice, but POL understood that may not be possible during purdah.

HF provided an update on DBT's work on a potential HSS appeals process, explaining that the proposal was with HMT, but would not be able to be put forward for approval until after the election. Once new ministers are in place, HF explained that DBT would need to submit advice to them on scope and were working this up in advance of the election. HF explained that DBT were continuing to engage with HMT about the structure of the process.

CW highlighted that her team had been working on proposed solutions in terms of an appeals process and that she would look to present this to DBT via SR in the following days.

CW highlighted some concern about the current proposal to not offer legal support to those who have accepted the £75,000 fixed sum offer, and whether POL may need to be clearer in comms around what it means to accept the £75,000 offer. CC highlighted that he also recognised the risk, and that CW should engage with HF on the comms point to develop further guidance around this point.

AOB – CC thanked Jacki for her team's work on GLO disclosures, which had now been completed.

BW highlighted that she was keen that the investigation was started as soon as possible, and that DBT were awaiting POL's clearance of the data sharing agreement (DSA). BW asked for an update on governance approval of the DSA. SR confirmed that clearance would be sought offline, and it would be sent over to governance by the end of the day.