

Monthly Monitoring Meeting – Overturned Convictions and Horizon Shortfall Scheme 4 July 2024

Attendees:

Department for Business and Trade	Post Office Ltd	
Carl Creswell (CC)	Andrew Mortimer (AM)	Madeleine De Matteis (MM)
Charlotte Heyes (CH)	Catherine Connolly (CCo)	Matthew Nelson Hilton (MNH)
Ciara Lawrence (CL)	Caroline Whitehall (CW)	Mark Durrans (MD)
Ellen Wasden (EW)	David Firth (DF)	Neil McDaid (NMc)
Grace Cockerill (GC)	Evelyn Hocking (EH)	Nigel Machin (NM)
Mick Carling (MC)	George Day (GD)	Nicola Munden (NMu)
Katie Carr (KC)	Jamie Tebbutt (JT)	Pam Heap (PR)
Richard Howard (RH)	Jacki Adams (JA)	Paul Murray (PM)
Ross Fielding (RF)	Ken Kyriacou (KK)	Richard Paddington (RP)
Stephanie Cossom (SC)		Sarah Lambert (SL)
Eleri Wones (EW)		Simon Recaldin (SR)
Liam Butler (LB)		Susan Sannachan (SS)
Harry Fallowfield (HF)		
Beth White (BW)		
Stephanie Cossom (SC)		

Overturned Convictions

Item 1: Update on Case Progression

Case progression on the OC has been positive, with 48 claims now fully settled and over £49 million paid in redress to date.

The team is waiting for HMT to approve funding for those prosecuted but not convicted (PNC) cases involving volunteers or those cautioned. This approval will entitle these claimants to redress. However, cost estimates and further details on the cohort size will need to be identified.

The team is revisiting the first two settled claims (CC-027 and CC-003) now that principles are in place and understood.

Item 2: Legal Costs

CL highlighted that legal costs have become a significant issue on the OC side. Sir Gary Hickinbottom is willing to help resolve issues related to legal costs, which NM agrees is an important breakthrough. The first case that went to Master's (external costs draftsman) has been received and will be sent to the panel for review. The remaining three will follow, and we are hoping that getting an independent view on these cases will mark a positive step in resolving Hudgells' legal costs issues.

NMc raised concerns about the size and capacity of his team and the expected number of claims expected on OC, noting the complexity of these cases. CH and NMc will discuss this further offline.

NMc expressed confidence in POL's ability to analyse and assess reasonable legal costs, hoping this will set the parameters for HCRS. A legal tariff has been drafted for HCRS, though it is expected that lawyers may disagree with the proposal.

Item 3: Post-Election Priorities

The main items requiring ministerial decisions include gratuitous care and PNC funding.

On gratuitous care, the previous ministerial steer was to not compensate third-party members. However, with the change in Government, DBT's initial view was that a new Ministerial view may be required. CL emphasised the need to manage post-election expectations, particularly on timings, and that further work may be required on detailing consistency between schemes.

On PNC funding, KC has put a request to HMT to ensure there is funding cover for PNCs who worked in a voluntary capacity and those who were cautioned; this will need to go to Ministers for consideration. NM mentioned that there are approximately 200 cases in this cohort, including those cautioned or pursued without a POL contract. CL noted that HMT needs to be aware of this number. KC will follow up with JA offline to work up more detailed cost estimates for this projected cohort size.

NMc stated that the ministerial steer on the pace at which POL move away from being involved in redress on OC is critical and is a top priority. He also highlighted the need for progress on pension issues across all schemes. It was noted that the HCRS launch is likely to be a Ministerial priority, and the question on whether OC claims can be looked at via HCRS will be put to Ministers after the scheme launches. CL informed POL about a potential influx of correspondence which may have short deadlines once a Ministerial portfolio is announced.

HSS**Item 1: Update from POL on readiness to begin fixed sum payments**

SR noted that DBT had an expectation that fixed-back top-ups would be able to launch by the end of June, whereas POL's expectation was July. SR noted that POL are keen to start the £75k Top-Up as quickly as possible and were working hard towards this. SR explained that it had been relayed that there was some discomfort from the DBT Steering Committee on the POL amendments suggested to the Government-approved wording for the top-up letters.

PM explained that POL were largely ready to launch once the letters were agreed. PM noted however that there was still some work to do on explaining the calculation and refining the Q&A before full rollout could happen.

BW highlighted that DBT was under the impression that the wording of the letters had been agreed earlier in June and only understood in the days prior to the MMM that this was not the case. DBT was keen for the fixed sum payments to be made as quickly as possible and was disappointed to see that the letters were not sent out in June. However, DBT was now of the view that it was crucial that the wording of these letters was correct and agreed by both DBT/POL. BW highlighted that because the letters were not sent out prior to the election, this created difficulties on the DBT side. The policy of fixed-sum payments (and the specific decision on whether legal support should be provided) was agreed by the previous minister and under a different government, depending on the outcome of the election. BW queried whether POL could still meet an end of July timetable.

PM highlighted that POL's best-case scenario was that it could issue letters in 2 weeks' time and be ready to pay out within 10 days of then.

HF queried whether a planned pilot approach was necessary (instead of going out to all claimants at once). PM explained that by issuing all letters at once, POL would have no opportunity to identify if there was something not quite right with the process. POL saw the pilot as providing assurance on the process which was important given the sensitivity around the policy. PM explained that he felt utilising a pilot approach would not cause significant delays and it would give POL the comfort to be able to launch the full process quickly. KK highlighted that POL did something similar with tax top-ups. PM concluded by highlighting that the outcome of the pilot would be flagged to DBT prior to the full launch.

HF explained that some elements of the letters may need to be tested with new ministers, particularly the question of how a prospective government led appeals process is mentioned, and whether legal costs are offered. HF explained that this may affect timings, but DBT would look to obtain a view as quickly as possible after Ministers had their introductory sessions on Post Office. SC highlighted that it was very difficult to provide specific timelines on when a view would be provided as it was unclear who the new Minister would be, or when they would be in place.

Given the need for Ministerial input, CW and BW agreed that it was now important to ensure that the drafting of letters is the best it can be prior to launch.

SR clarified whether the policy itself would require approval from the new Minister. BW confirmed that was the case, although they will be briefed on the background of the policy and the expectations that have arisen given that it has already been announced.

EW noted that the optics were not great given that the policy was announced several months ago, but there was merit in ensuring the comms were in the best place they could be while a swift decision from sought from the new Minister. SR noted that beyond optics, there would begin to be external pressure (e.g. from the Business and Trade Select Committee) if payments were not made in good time.

PM and CW offered to meet with DBT to see whether the letter drafting could be resolved quickly. SR and BW both noted that the issues were too significant to resolve quickly that same day, to get the letters out.

SR queried whether there would be any issues in terms of funding and BW said that she did not expect there would be.

CW highlighted that there was not a funding commitment letter in place for fixed-forward top-ups. HF explained it was felt from DBT's perspective that the previous funding letter agreed funding for both fixed-forward and fixed-back top-ups, noting that a specific number was not agreed for fixed-forward given the lack of certainty in who might come forward. CW noted that POL saw that letter as providing comfort, not commitment on fixed-forward cases. HF felt the drafting covered both, but if POL was not content, DBT/POL would need to come together to discuss.

Item 2: Latest on progress with late applications and forecast

KK explained that he would share a plan on late applications with DBT.

Item 3: Update on DRP

SL provided a brief update highlighting that there were 394 cases in the DRP, 213 of which were represented by Hudgell Solicitors. In 293 of those cases, POL was awaiting further information from applicants and/or legal representatives. SL explained that POL were

working closely with Hudgell to identify which of their clients would be happy to accept the £75,000 fixed-sum offer.

SR queried whether the delegated authority proposal for the DRP would be approved, given that Carl and Eleanor had expressed their desire to ensure swift resolution of claims. SL noted that DBT had some questions on this proposal and POL have reverted with a response just prior to the MMM.

AOB

SC highlighted that the team were under pressure from various areas of government to make sure that DBT had sufficient fraud mitigations in place across all schemes and would need POL's support on this.