

Horizon Compensation Programme Board Note

Chair: Carl Creswell (CC) Date: 28/05/2024

Attendees

Rob Brightwell (RB), Joshua Scott (JS), Eleri Wones (EW1), Ellen Wasden (EW2), Ciara Lawrence (CL1), Elena Michael (EM), Joel Miah (JM), Chris Hurne (CH), Ross Fielding (RF), Eleanor Brooks (EB)

External Attendees

Simon Recaldin (SR) [POL], Milo Kershaw (MK) [HMT], Ben Archibald (BA) [MoJ], Caroline Lawless (CL2) [HO]

Previous Actions

- JM updated the board on the actions, noting that the action to resume quarterly letters to the Select Committee would be paused until the election.
- JM Requested an update from EW2 on the admin spend action. This action was ongoing.

Upcoming Communications

- EM noted that during the election period no new announcements could be made, this had particularly affected announcements for the HSS Appeals Mechanisms.
- EM did however go on to say that there would still be a few comms that would continue to be transmitted, despite the election period; Monthly published Statistics, Inquiry Evidence Sessions, announcements for HCRS (scheduled for July, post-election).
- EW2 added that for the following two sets of monthly statistics publications, they would be uploaded on the 7th June and thereafter the 8th July. EW2 also made mention that usual flexibility was not available, hence the need to pre-agree publication dates.
- CC expressed some concern about the 8th of July publication and any potential ramifications of there being a new administration and any hurdles related to this set of circumstances.
- **Action:** SR noted that a company by the name of Little Gem would be putting out a documentary around August, to cover the impact of the ITV broadcast at the beginning of 2024. **Elena to log this on comms tracker.**

Programme Governance Update

- RB provided an overview of the item to the board – highlighting that in the build-up to this Programme Board, there had been much discussion and thought into how the programme's overall governance could be refined and streamlined.
- The group was invited to share feedback on the Terms of Reference via correspondence.
- RB also highlighted that as weight of delivery moves into DBT's court, that this refined governance would be necessary.
- RB also highlighted to the board that a programme level Plan on A Page would be a feature if the programme board deck, that the team was working on a finance slide for the next programme board and lastly, that the Programme Board would change its cadence going forward to take place once every four instead of six weeks.

Approach To Interim Payments Across the Schemes

- CC noted that this would be a verbal discussion about the consistency of interim payments across the schemes and that there was not a paper.

- CC highlighted that, from the finance team there had been an ask to place extra scrutiny on ensuring there was consistency across the schemes on Interim Payments.
- CC added that generally, hardship requests across the schemes were always turned around as quick as was reasonable, within the available headroom.
- CC expressed that as of late, there were a perceived growth of inconsistencies across the schemes in the approach to interim payments.
 - **GLO:** There were also a few more requests from claimants' lawyers to provide further interim payments in some cases where claimants had not received money for a year, and that the existing headroom should be looked into, as to whether or not an additional award could be provided.
 - **OC:** On this scheme it has been used in part as a lever, to incentivise with a £450k payment for the claims to be submitted.
 - **HSS:** when offers have been put out, it has been mentioned that 80% is available, which CC noted was also the case for GLO Claimants.
- CC invited the board to express their opinions and thoughts on what was the state of interim payments and how they were applied across the schemes.
- JS expressed concern about potential inconsistencies, and provided the GLO perspective, he highlighted that his key concern was around the operational impact on the delivery of the scheme, there had been a substantial influx of interim payment requests from Freeths, all of which were stated to be urgent with claimants in severe financial hardship. The consequence of these requests was that it pulled on both internal and AG's (Addleshaw Goddard) resource off from the cases. JS added that a triage approach had been implemented to get through them but that it has slowed down progress.
- JS added that the team had put some guidance and had also been using a process to deal with these requests in bulk. JS went on to say that the bulk process would aid in addressing some of the issues. But that there still existed a blocker where in certain cases there wasn't enough information at hand to process an interim payment request.
- CC highlighted the benefits and merit of the interim payment system, in that it was a good system to address a claimants' financial hardship.
- CL1 provided the OC perspective, the team was trying to move into a more principled way of providing interim payments, with the set £163k when individuals initially have their convictions overturned, with the following £450k when the full claim is submitted. The checks on overpayments had been removed, thus streamlining the process and removing a layer of governance.
- CL1 further mentioned that the £450k has been well received and responsibility of payments had been delegated to POL. The team was faced with a new issue, whereby claimants' lawyers were making further interim payment requests after an offer had been made, the specific request was if an interim payment could be made whilst they considered the offer.
- CL1 elaborated that this issue had been escalated from the working level and up to the programme level to ensure that the most appropriate steps were taken, in alignment and transparency with the rest of the schemes.
- Another issue, separate to the one CL1 had already mentioned, there were also some requests for large interim payments where there was not enough supporting evidence to make a sound judgement. Like the issue faced by the GLO. CL1 elaborated further that there was a growing concern that precedents were being set, where if a claimant was given a substantial sum of money to address hardships, then other claimant would expect to also receive similar treatment.

- CL1 summarised that the biggest concern she had was to do with post offer payments, consistency with the other schemes, and the potential knock-on impact on HCRS. Additionally, some interconnected concerns: would this disincentivise full and final settlements, would it slow down the overall case-assessment process.
- CC thanked JS and CL1 for their detailed inputs, highlighting that the specific policy question in this would need to be identified and then assessed as to whether it will require a ministerial view.
- CC also reflected on the points made about evidence for interim payments, commenting that this would be necessary to properly evaluate that the correct sum was being paid.
- CL2 was invited by CC to provide views from the Windrush compensation scheme – CL2 mentioned that the team had a few mechanisms at its disposal, before the scheme was officially set up and launched in 2019, a precursor to this was urgent and exceptional payments policy, to recognise those within the Windrush community whom were genuinely facing financial hardship, homelessness, eviction and other dire situations.
- CL2 added that this policy was, as of the board, still in operation, and that the eligibility criteria was that they would need to already be eligible for compensation under the official scheme, i.e. they were a member of the Windrush generation.
- CL2 further elaborated that any awards made under the mentioned policy were independent of what claimants would receive from the compensation scheme. But that those claiming on this policy would need to be able to demonstrate that they are facing genuine financial hardship.
- Each payment in this policy would be made up to £5k, though multiple claims could be made, and these could cover a range of things, such as home refurbishments, flights among other things.
- CL2 elaborated that if an individual of the Windrush generation went to make a claim via the compensation scheme. Then the amount of money they had received via the special policy would be deducted from the final sum.
- CL2 went onto highlight an additional mechanism, where within the first 6 weeks of a claimant's eligibility being confirmed, they would be considered for a £10k preliminary payment, as recognition that someone was affected in their ability to claim lawful status.
- SR was invited to input – Agreeing with CC that in relation to interim payments there were some notable inconsistencies between the schemes, on the HSS scheme was an offer was out, it was recorded that payments were made at 100%.
- SR shared the same concerns as was expressed for the other schemes, alluding to the issue of claimants being disincentivised for the full and final offer due to interim payments, though the view was maintained that providing interim payments to claimants was the right thing to do.
- SR concluded in agreement with the points made previously that the current process for interim payments was a contributing factor in the overall slowdown in full and final settlements being made.
- EW2 noted that from an analytical perspective that there could be assistance provided to the teams to unpick, and that some of the questions could be answered via the analysis team's evaluation work.
- RB suggested the creation of a one pager, setting out a comparison of what the schemes were doing, and that it would set out the stages of payments that each scheme was paying out, excluding the full and final settlement, thus allowing the reader to easily compare the circumstances between schemes as to how and why payments are made.

- RB alluded further, that perhaps in some cases, inconsistencies could be justified on case-by-case basis. Adding that on OC, it was actually useful to incentivise claimants and their lawyers to process their full and final settlements.
- JS agreed with RB, picking up however on a couple of points – alongside the consistent policy it would be useful to have internal guidance across schemes, and that JS had shared GLO's guidance with CL1. JS also exposed another angle of this issue, in that it wasn't the interim payments alone causing delays, but also an evidence issue, where in some cases there wasn't sufficient expert evidence or that evidence was delayed, contributing to an overall delay in case assessment.
- CC acknowledged that whilst on the GLO scheme the interim payments weren't causing delays, that the possible ramifications of inconsistencies on this policy and its ramifications across the board need to be addressed.
- EW1 suggested if there was some sort of engagement exercise that could be held to address the issue.

Project Dashboards

- **GLO**
 - CC noted that project was progressing well, with the bulk of £75k claims now through the door. Also noting that the pilot approach was being tested on accelerating complex claims.
- **OC**
 - CC shared there had been some useful input from Sir Gary. About a case every other week is the rate at which claims are being processed, given that the bill had contributed greatly to convictions being overturned.
- **HSS**
 - CC covered some policy changes, around £75k and that HSS Appeals would have to wait until post-election.
- **Post Office Process Review**
 - CC noted that with MK's help the pilot funding had been agreed.
- **HCRS**
 - CC highlighted that an open letter had been issued out to claimants at the tail end of w/c 20/05.
 - Some procurement activity had been started and CC was hopeful that the scheme launch for end of July would be met.
 - CC asked BA about the data situation, if more information (HMRC, MoJ, POL) was able to be obtained about those claimants whose convictions have been overturned. BA responded that HMRC was trickier due to legal obstacles, POL has provided some data on employment dates but that there would be a cohort of some size where the necessary information for that group may not be available.

Issues

- JM highlighted an updated resourcing issue and the existing capture issue. MK noted that whilst the system capacity issue was reflecting concerns on HCRS, that it should also consider the HSS appeals mechanism, late applicants and the impact that would have on resourcing too, reflecting that it's not only HCRS that is causing us to be concerned about system capacity issues.

- 1300-1400 cases on HSS that are above £75k - ACTION JM to feed this back to Steph and Harry

Risks

- JM highlighted the principal risk and sought out commentary from the board – MK added on xH29 it was characterised around what we control around funding, but that it would be worth reflecting on claimants and lawyers' behaviour and how that affects our ability to payout compensation, and that this also (outside of DBT control).
- RB Commented that the risks were quite specific and that it would be helpful to look at risks from the top-down and provide a more strategic view on the programme risk profile
- EB suggested the addition of an inquiry risk, that it would be looking into redress in the autumn. And that there would be much scrutiny on the programme itself.