

Monthly Monitoring Meeting – Overturned Convictions and Horizon Shortfall Scheme 5 September 2024

Attendees:

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

Horizon Shortfall Scheme

Item 1: POL to present MMM pack

SR highlighted that Post Office recognised the need to make more progress with late applications and that over 2,000 had now been received, and there was a good chance more would be received following the airing of the ITV follow-up documentary. SR and KK confirmed that the number of claims being received was dropping to around ~9 per week. SR explained that Post Office had developed a plan to make swift progress, with a need to increase resource at POL. SR explained that as part of negotiations on new contracts with HSF, it was expected that the firm would increase its resource to support with late applications.

SR explained that in terms of fixed-back offers, Post Office had sent ~1,600 offers, with only ~180 cases yet to receive one. POL had already paid out £6m and the process was working well. SR explained that there had mostly positive feedback from claimants, although some were concerned that the mailing could be spam. SR highlighted that it was crucial to replicate this positive story for fixed-forward offers.

CC thanked everyone at Post Office for their efforts, noting the quick progress on the fixed-back piece and the positive feedback that had been received.

CC queried whether those in dispute had begun to receive top-up offers, with KK flagging that these were considered part of the fixed forward population and Post Office was getting lined

up to provide offers to that cohort. CC queried whether they could be treated as a separate cohort and progressed quickly. SR confirmed Post Office were working with Hudgell on what could be done immediately to this end in regard to his cases but it was difficult more broadly, especially with unrepresented cases in the DRP.

HF, KK and CW highlighted that there are some challenges to work through to offer the £75k in the DRP (e.g. if a claimant has already received an interim payment which is taxable).

Furthermore, particularly amongst unrepresented cases, the way that Post Office could resolve these cases quickly (by telling postmasters to accept their current DRP offer, with a commitment to top this up afterwards), might not be trusted.

Item 2: £75,000 fixed forward deep dive (inc discussion of further funding). Next Steps/Timeframes to be discussed

CW flagged that she would send a Post Office-reviewed amended copy of the previous funding letter early w/c 09 September.

Separately, KK flagged that Post Office were considering the legal entity issue (whether claimants who changed their contract status should receive 1x, or 2x £75,000 fixed sum payments), noting that the DBT Steering Committee had relayed that this should be looked on more favourably. Post Office were now trying to confirm volumes and confirm how often this change of status would have happened. CC confirmed that this was DBT's view.

KK flagged that Post Office were waiting for an update on the decision on a £50,000 minimum payment. KK noted that there appeared to be appetite on the DBT side to remove this but would appreciate an update when decided. HF confirmed this advice was with Minister Thomas, and he would let Post Office know when a decision was reached.

HF provided an update on a proposed HSS Appeals process, highlighting that the proposal was awaiting HMT sign-off, but could be signed off and announced early w/c 9th September. SR acknowledged Post Office needed to plan for that eventuality, amending planned letters where appropriate.

KK also flagged that Post Office was undertaking work with Experian to try and validate 20,000 addresses for a future HSS mailout.

SR explained he was hopeful that the fixed-forward piece could be live by 24 September. KK flagged that this was tight timeframe wise but do-able.

Item 3: AOB

SR and SL provided CC an update on DRP progress, particularly with Hudgell (who represent a significant portion of DRP claimants). SL explained that Post Office were having weekly

meetings with Hudgell, and he was assessing and categorising his cases to determine which should proceed straight to mediation. SL explained that Hudgell had expressed his preference for face-to-face dialogue, although he did express some frustration with the panel process.

SR thanked DBT for the discretionary authority provided on mediations. SR highlighted that DBT and Post Office would need to discuss the interplay between the HSS appeals process and the GLO settlement.

CC highlighted that DBT was supportive of more resource at various stages to enable speed. CC also flagged that the announcement on HSS appeals was just a commitment rather than outlining the process, explaining the Post Office would be consulted on design along with others. CC explained it would not be up-and-running until early 2025 at the earliest.

Overtured Convictions

Item 1: Case Progression Update

POL is currently handling 13 active claims, each at different stages of progression, but all are progressing relatively well. Offers for those cases are expected by the end of the year, if not before.

To support case management, further clarification is needed regarding the timeline for Hudgell's claim submissions, which to date has been inconsistent.

CC requested a review of the OC stats process to refine the definitions of 'full claim' and 'offer' and to see if we can close the gap between the two headings in the data. A suggestion was made to adopt a similar methodology to the GLO, incorporating the number of RFI's. POL will explore options and collaborate with KC.

POL is in a strong position regarding the £200K top ups, with only 3 cases outstanding.

Item 2: Possible Inflation on Non-Pecuniary Claims

POL highlighted an upcoming paper regarding inflation on non-pecuniary claims, which will require a DBT decision.

The PI component of non-pecuniary claims has been updated in line with new inflation guidelines. However, there is a question around whether other heads of loss should also be adjusted, which may raise monetary impacts. At present, this would not apply to non-pecuniary claims that have already been settled, but this may be reconsidered.

CC said he is disinclined to reopen previously closed cases. CL raised concerns regarding the claims within the Dyson ENE, noting that inflation has been high for some time. While CL understands the rationale for the increase, there may be questions regarding the timing. NM emphasised this is more of a proactive measure rather than a direct request.

Item 3: Legal Costs

Legal fees for the three outstanding cases have now been settled, with Hudgell's counteroffer for legal costs being accepted, as it aligned with the Master's advice. NM feels confident about POL's position on legal costs.

POL is still awaiting some cost schedules from Howe & Co, and there are concerns regarding their high hourly rates. POL has challenged this, and it may need to be escalated to Sir Gary Hickinbottom or Peter Hurst for resolution.

Item 4: Paul Marshall Cases

CL noted the lack of significant progress on pecuniary claims under Paul Marshall (PM) and suggested developing a strategy to accelerate the submission of full claims.

NM mentioned that PM's current approach has been to request interim payments and then transfer cases to Simon Muirhead Burton (SMB).

Legal Privilege

Legal Privilege

CC mentioned that Minister Hollinrake has previously questioned this case.

PM is considering setting up an ENE to address both pecuniary and non-pecuniary claims simultaneously, but the lack of a medical claim complicates this approach potentially pushing it into the new year.

NM opposed the idea of seeking Sir Gary's advice without first receiving a full claim and proposing an offer. SR suggested presenting what is available to Sir Gary and highlighting the challenges in obtaining additional information. However, Sir Gary is regularly updated on the status of PM's claims.

POL will continue their efforts to engage with PM and SMB and chase for the full submission of claims. NM recommended maintaining pressure on PM to submit the full claims.

AOB: HCRS

SR reported that DBT and POL are collaborating effectively on HCRS. JA noted that they are awaiting final DSA ^(K1) approval for disclosure, although some technical issues have hindered progress. MC pushed for agreement as it is causing delays in other areas.

MC also raised an issue regarding Post Office charges on sub-postmaster's property. Legal Privilege

Legal Privilege

Legal Privilege JA will take this away and work on a way forward.

NM mentioned a spreadsheet detailing these charges, which could help identify the postmasters and facilitate the removal of charges.

Page 5 Comments

K(1 @Michael CARLING (DBT) is this correct? Not sure if I misheard!
Katie CARR (DBT), 11/09/2024 03:49 PM