



Department for
Business, Energy
& Industrial Strategy

Kevin Hollinrake MP
Parliamentary Under-Secretary of State

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Dear GLO Postmaster,

POST OFFICE HORIZON: GLO EX GRATIA PAYMENT SCHEME

This letter gives more details about how the new compensation scheme will work, and asks you to

- **Appoint a lawyer (if you have not already done so) – we will meet your reasonable legal costs; and**
- **Work with your lawyer to develop your claim.**

Details of the scheme

Thank you to all those GLO members who responded to the letter of 2 September from my predecessor Jane Hunt MP consulting you on the options for further compensation. I attach a summary of your feedback, which has been invaluable in shaping our decisions.

We have decided to adopt Option 2, the scheme based on alternative dispute resolution, which was the unanimous preference of those who responded. Delivery will be led by BEIS, as preferred by the great majority of respondents. On more detailed issues we have been able to accommodate the majority of the comments made.

The scheme will aim to provide unconvicted GLO members with prompt and fair compensation in accordance with established legal principles. It will therefore be based on principles very similar to those of the Historical Shortfall Scheme (HSS).

There was particular concern that the scheme should be subject to independent oversight. To address this, we are establishing an Independent Advisory Board for the scheme chaired by Professor Chris Hodges, an expert in alternative dispute resolution. Its members will include Lord (James) Arbutnot Rt Hon Kevan Jones MP, who have been distinguished campaigners for postmasters affected by the scandal. Further details are on our website <https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmaster>.

We have today published <https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmaster> a note i.e. a version of the “process” paper which describes in more detail how the scheme will work. If you have concerns or questions about it, please email glocompensation GRO

Action to take

Jane Hunt MP's letter encouraged you to engage legal advisors: I urge you to do that if you have not already done so. We have undertaken to meet the reasonable legal costs involved in the scheme, so the process should not cost you anything. **I strongly advise you not to engage any lawyer who asks you to pay them, either now or when you receive compensation**, as this may mean your eventual compensation would be reduced by legal costs which you would not be able to recover. Details of the cost allowances of the initial stages of claim preparation are being sent to claimants' lawyers today. If your representative has not received details please ask them to contact glocompensation@gro.gov.uk. Further cost allowances for the remaining phases up to and including submission of claims will be published in early 2023.

You should now begin to gather your evidence and develop your claim. A copy of the proposed claim form is at <https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters>. We expect to ask lawyers to submit claim forms in the early Spring: you should **not** submit them now. We would welcome any feedback on the draft claim form by 11 January to the following email address: glocompensation@gro.gov.uk

We recognise that some people may need additional expert evidence – for instance in respect of any serious medical issues arising from their experience. We are inviting legal advisors to propose to us cases where they expect the commissioning of that to be necessary. Where it is agreed that expert evidence is needed, BEIS will meet the reasonable costs. The allowances for these will be published in the next few weeks.

Yours sincerely,

GRO

KEVIN HOLLINRAKE MP

Minister for Enterprise, Markets and Small Business