



Department for
Business & Trade

Post Office

Transparency data

July 2024: report on GLO Compensation Scheme progress

Published 13 August 2024

Contents

1. Introduction
2. Process overview
3. Observations
4. GLO Scheme data
5. Glossary of terms for GLO Scheme data
6. Post office data



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gov.uk

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at <https://www.gov.uk/government/publications/glo-compensation-scheme-financial-redress-reports-for-2024/july-2024-report-on-glo-compensation-scheme-progress>

The information contained in this report is correct as at 28 June 2024.

1. Introduction

This report was commissioned to Dentons by the former Minister Hollinrake following discussion with the Horizon Compensation Advisory Board^[footnote 1].

The ex-gratia Group Litigation Order (GLO) Compensation Scheme was launched in March 2023 for the postmasters who were claimants in Alan Bates and Others v Post Office Limited (POL) and not eligible to seek financial redress from POL. The stated central aim of the GLO Scheme is to deliver full and fair redress to eligible postmasters. The Department for Business and Trade (DBT) is responsible for delivery of the GLO Scheme.

Our role is to act as independent claims facilitators for the administration of the GLO Scheme. This means that we are the central point of contact for both parties (the claimants and DBT) and responsible for:

- facilitating discussions between the parties with the aim of reaching a mutually acceptable resolution as quickly as possible
- ensuring claims are being progressed in a timely manner
- procuring the independent panel of legal, accounting, medical and retail experts (the Panel) and the independent reviewer, Sir Ross Cranston (the Reviewer)
- assisting with the submission of claims to the Panel and Reviewer, as appropriate

2. Process overview

The GLO Scheme process begins with an eligible postmaster (the claimant) presenting all claimed losses to DBT by completing an application form and including with that form all relevant information and evidence. On receipt of an application form, the claim is assessed by DBT and its legal advisors, Addleshaw Goddard, who will respond with an initial offer of financial redress or a request for further information and/or evidence.

Claimants to the GLO Scheme can choose between accepting a Fixed Sum offer of £75,000 (the Fixed Sum Award) or having their claims individually assessed. Those who had been made offers below £75,000 before the Fixed Sum Award was introduced have had their offers topped up to that level.

If DBT's initial offer (whether for the Fixed Sum Award or on an individually assessed claim) is accepted, the financial redress payment is made and the claim process concludes. If, on an individually assessed claim, the claimant does not accept all or part of DBT's initial offer, the claim will enter the "claims facilitation" phase whereby Dentons will engage with the parties to encourage them to reach an agreement and propose next steps if they are unable to.

These next steps will vary on a case-by-case basis, but may include all-party telephone calls and/or meetings. In appropriate cases, the claim may be referred to the Panel.

The Panel is an independent group of experts with the skills and experience to appraise the claim. Initially, it will make a non-binding assessment of a suitable financial redress sum. If the parties cannot agree on an adequate financial redress sum following receipt of the Panel's initial assessment, the matter returns to the Panel for further consideration and determination. The second and final assessment by the Panel is binding on the parties.

The final step in the process is exceptional review, conducted by the Reviewer. If, after the conclusion of the Panel process, the claimant (or DBT) considers there has been a manifest error, procedural irregularity or substantive error of principle in the Panel's final assessment of the claim, or if the Panel's final assessment is substantially inconsistent with the guidance and principles, an application for reference to the Reviewer can be made.

The length of time it takes for a claim for individual assessment^[footnote 2] (not a claim for the Fixed Sum Award) to resolve from submission of a full claim^[footnote 3] varies from case to case. One of the overriding factors influencing the length of time to resolution is the complexity of the claim.

Claims for individual assessment are categorised by the Dentons Claims Facilitation Team on submission, in accordance with the criteria set out in Annex A to the GLO Scheme Tariff of Reasonable Legal Costs (<https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters>), as either straightforward, moderate or complex.

Most, if not all, of the straightforward claims – and a number of moderate claims – have been, or will be, resolved through the Fixed Sum Award. Claimants with complex claims for more than £75,000 are more likely to opt for individual assessment. It is those complex claims which will take the longest period of time to resolve. This is due to the various and complex heads of loss (which often necessitate expert evidence) that constitute those claims.

3. Observations

As with the implementation of any new process, there was an inevitable initial transitional phase during which all participants in the GLO Scheme became accustomed to the process. During this initial phase, there have been numerous refinements implemented following feedback from participants and other stakeholders.

Naturally, this period of adjustment and optimisation takes time and reduces the pace of the business-as-usual work under the GLO Scheme. In our view, the pace has picked up considerably in recent months as a result of the lessons learned in the initial phase. Claims are being submitted at a faster rate than we have seen to date, and submitted claims are being processed more quickly also.

As shown in the GLO Scheme data section of this report, from the pool of 492 eligible GLO Scheme claimants, a total of 221 full claims have been submitted. Of those 221 full claims, DBT has issued offers on 210 claims (approximately 95% of full claims submitted) and offers have been accepted on 179 of those claims (approximately 81% of full claims submitted). No claims have been referred to the Panel and, as a result, there have been no applications for exceptional review by the Reviewer.

3.1 Influences on pace

There have been a number of both positive and negative influences affecting the pace of the GLO scheme. Some of the key factors are noted.

Disclosure from POL

During the first few months of the GLO Scheme, there were delays in POL producing disclosure to claimants. This, in turn, led to delays in the submission of claims where such claims required disclosure from POL to evidence certain claimed losses.

Whilst the pace of POL's disclosure production was initially a significant delay factor, this issue has been alleviated in large part by the numerous claims that have settled as a result of the introduction of the Fixed Sum Award. This has allowed POL to focus on disclosure for the remaining, more complex claims. We understand that, as at 28 June 2024, POL's production of disclosure is now complete.

Expert evidence

Many of the moderate and complex claims require expert evidence from forensic accountants and/or medical experts. Certain claimant legal representatives initially reported delays of several months in obtaining expert reports.

This was said to be due to:

- there being a limited number of forensic accountants, in particular, who will agree to produce expert reports for the standard level of fee permitted by DBT
- those experts not having enough capacity to undertake the volume of work required.

Our understanding is that the pinch point around the ability to obtain expert evidence in a timely manner is decreasing, with a good number of required expert reports having been instructed (and some completed)

Delivery target for initial offers

In December 2023, DBT introduced a delivery target whereby it committed to a target of issuing its initial offer to 90% of claimants who have submitted a full claim within 40 working days. This delivery target has had a positive impact on the pace of the GLO Scheme. As at 28 June 2024, DBT has met its target with 92% of claimants receiving their initial offer within 40 working days of submitting a full claim (for individual assessment).

Fixed Sum Award

The implementation of the Fixed Sum Award in February 2024 has expedited the pace of the GLO Scheme. All eligible GLO Scheme claimants are entitled to settle their claims for a sum of £75,000 (inclusive of interest).

Claims for the Fixed Sum Award are processed very quickly as claimants that opt for the Fixed Sum Award do not need to submit detailed application forms with accompanying evidence, and DBT does not assess such claims in accordance with the [GLO Scheme Guidance and Principles](https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters) (<https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters>).

Of the 179 offers that have been accepted, 148 offers were for the Fixed Sum Award, including those who settled at a lower figure prior to the introduction of the Fixed Sum Award and have subsequently been “topped up” to £75,000.

3.2 Current challenges to settlement

One current challenge to achieving resolution on claims for individual assessment relates to requests for further information and/or evidence.

As set out in the [GLO Scheme Guidance and Principles](https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters) (<https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters>), the burden of proof that claimants must meet on claims

for individual assessment is whether, on the “balance of probabilities” (that is, a greater than 50% likelihood) both:

- the claimed loss was incurred
- the cause of the loss was due to a Horizon Shortfall^[footnote 4]

Where, on review of a claim for individual assessment, DBT considers that it does not have enough information and/or evidence to meet the burden of proof threshold (and consequently to make an offer on a particular head of loss), it issues a request for further information and/or evidence.

Claimant legal representatives have previously expressed concern that the evidential burden is too cumbersome at times, and does not take into account the practical difficulties encountered as a result of, for example, the lapse of time and/or unavailability of documentary evidence. Whilst we understand DBT has always been keen to be pragmatic as regards the availability of information and/or evidence, DBT is actively considering what further flexibility can be offered as regards requirements for expert evidence.

An accelerated claim process, involving less onerous expert evidence requirements, is currently being piloted. If the pilot is successful, and this process is adopted for suitable cases, this would have a beneficial impact on the pace of the GLO Scheme.

4. GLO Scheme data

Type of data	Position as at 30 April 2024	Position as at 31 May 2024	Position as at 28 June 2024
GLO claimants eligible for GLO Scheme	492	492(-)	492(-)
GLO claimants eligible for GLO Scheme who have registered intention to submit a claim	486	489(+3)	489(-)
Claims submitted***, of which	187*	198(+11)*	221(+23)*
Claims for Fixed Sum Award			
Submitted	148*	151(+3)*	153(+2)*

Type of data	Position as at 30 April 2024	Position as at 31 May 2024	Position as at 28 June 2024
Offers accepted/settled	143**	147(+4)**	148(+1)**
Claims for individual assessment			
Submitted	39*	47(+8)*	68 (+21)*
Offers accepted/settled	10*	25(+15)*	31(+6)*
At Claims Facilitation stage	12	13(+1)	16(+3)
At Panel stage	0	0	0
At Reviewer stage	0	0	0
First offer within 40 working days of submission of full claim (for individual assessment)	90%*	91%*	92%*

*Given the definition of a “full claim”, these figures are necessarily determined by DBT.

**This figure includes offers accepted before the introduction of the Fixed Sum Award and subsequently topped up to £75,000. The figure is provided by DBT as data relating to the topping up of any settled claims to the Fixed Sum Award amount is not recorded on our system.

***This comprises claims for the Fixed Sum Award and claims for individual assessment which are considered to be “full claims”. Further claims may have been received, but not yet assessed to determine whether they are “full claims”.

5. Glossary of terms for GLO Scheme data

(in the order referred to in table)

Full claims	Claims which DBT considers, with advice from its legal advisors (Addleshaw Goddard), do not need any further evidence to in order to assess every element of the claims.
--------------------	--

Claims for Fixed Sum Award	Claims for the total fixed sum of £75,000 (inclusive of interest) per the option given to all eligible GLO claimants to settle their claims on a full and final basis at this level. This is instead of making a claim for individual losses to be assessed in accordance with the <u>GLO Scheme Guidance and Principles</u> (https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters). The number of “submitted” claims for the Fixed Sum Award include both claims initially submitted for the Fixed Sum Award, as well as claims originally submitted for individual assessment that have since moved to the Fixed Sum Award track.
Claims for individual assessment	Claims for full assessment of all heads of claim (not limited to £75,000 inclusive of interest).
Claims Facilitation stage	The stage to which a claim moves if the claimant rejects DBT’s initial offer of settlement. During this stage, Dentons Claims Facilitators will facilitate discussions and consider appropriate next steps (e.g. an ADR call or a Senior Session).
Panel stage	The stage to which a claim may move if, after the Claims Facilitation stage, the parties are unable to settle the claim. It is at this stage that the claim will come before the independent Panel.
Reviewer stage	The stage at which a claim and the independent Panel’s final assessment in relation thereto may be considered by the independent Reviewer. The <u>GLO Scheme Guidance and Principles</u> (https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters) sets out the Review Criteria for an application to the independent Reviewer.

6. Post office data

DBT updates on Financial Redress can be found in the [Post Office Horizon financial redress data collection](https://www.gov.uk/government/collections/post-office-horizon-compensation-data) (<https://www.gov.uk/government/collections/post-office-horizon-compensation-data>).

Post Office also publish updates on [Overtured Convictions](https://corporate.postoffice.co.uk/en/horizon-scandal-pages/overtured-convictions-and-financial-redress-information-on-progress/) and financial redress (<https://corporate.postoffice.co.uk/en/horizon-scandal-pages/overtured-convictions-and-financial-redress-information-on-progress/>) and the [Horizon Shortfall](#)

Scheme (<https://corporate.postoffice.co.uk/en/horizon-scandal-pages/horizon-shortfall-scheme-latest-data-on-progress/>) on their website.

1. This first published report includes an overview of our role and the process involved in the GLO Compensation Scheme, together with our observations on progress and related data. Future monthly reports will focus on our observations and the data (the latter including comparative data with the previous month).
2. See section in this report entitled Glossary of Terms for GLO Scheme data for the definition of “claims for individual assessment”.
3. See section in this report entitled Glossary of Terms for GLO Scheme data for the definition of a “full claim”.
4. As defined in the GLO Scheme Guidance and Principles (<https://www.gov.uk/government/publications/compensation-scheme-for-group-litigation-order-case-postmasters>).

OGI

All content is available under the Open Government Licence v3.0, except where otherwise stated



© Crown copyright