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Post Office Board and Governance

Volume 746: debated on Wednesday 28 February 2024

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🕒 12.39pm

Marion Fellows >

(Motherwell and Wishaw) (SNP)

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(Urgent Question): To ask the Secretary of State for Business and Trade if she will make a statement on what steps are being taken to restore public confidence in the Post Office board and governance following evidence taken at yesterday's Business and Trade Committee.

The Parliamentary Under-Secretary of State for Business and Trade >

(Kevin Hollinrake)

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I sat there for five hours listening to all the evidence that was given to the Select Committee yesterday. Several serious allegations have now been made against the Government, my Department and its officials by Henry Staunton. His most recent revelation is that there is an ongoing HR investigation that involves both him and the Post Office CEO Nick Read. I have to say as a former chair that I clearly found that statement to the Select Committee highly unprofessional.

The fact that Nick Read is being investigated is evidence that no one is untouchable and the Post Office culture is changing. An investigation is of course not evidence that allegations are accurate. While Nick Read has co-operated fully, Mr Staunton tried to block the investigations looking at his conduct. It was this action, as well as his attempt to bypass the formal process to appoint a new director to the board, which led the Secretary of State to lose confidence in Mr Staunton. As was said in the Business and Trade Committee yesterday, board members felt so strongly about Mr Staunton's conduct that they were going to resign. It was right that the Government decided to act.

Mr Staunton has now made a series of allegations which we strongly reject. He is using the Nick Read investigation to divert attention from the issues the Select Committee was discussing about his dismissal. The allegations made are also proving to be a further distraction from the victims of this injustice. His central allegation is that the Government told him to slow down compensation

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Post Office executives are clear that such an instruction was never passed on to them. We have provided a letter from June 2023 from my Department to Mr Staunton telling him the opposite. His only evidence is a note of a conversation which is clearly about operational financing of the Post Office business; this is entirely different from compensation to sub- postmasters. The permanent secretary wrote recently to give her truthful account of what happened. We also released her office's contemporaneous notes of that meeting.

Mr Staunton alleged that the Secretary of State refused to apologise to him after he learned of his dismissal from Sky News; this was not the case. He claimed there was pressure on Nick Read to send a letter to the Justice Secretary; this was not the case. He claimed the Secretary of State told him that someone has got to take the rap for the **Horizon scandal** and that was the reason for his dismissal; this was not the case.

The Post Office faces unprecedented challenges and needs to work at pace to deliver compensation to the thousands of postmasters who fell victim to a flawed IT system as well as continue the essential work to implement the necessary operational and cultural changes needed within the business. As we have repeatedly said, Post Office governance is a priority for the Government; that is why we acted swiftly to remove a chair about whom there were serious concerns and allegations and why we are working at pace to appoint an interim chair.

We of course recognise the seriousness of an investigation into individuals at the Post Office. I also recognise parliamentary and public concern and the need to ensure there is confidence in the Post Office leadership. I will therefore ask the Post Office to provide me with the findings of the investigation once it is completed. However, it is right to wait for this investigation to conclude before making any further judgment.

Marion Fellows >

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I am really disappointed that the Secretary of State herself is not here, but I thank the Minister the hon. Member for Thirsk and Malton (Kevin Hollinrake) for everything he does for post offices and am happy to work with him going forward.

Prominent **Horizon** victims are still saying financial redress is far too slow. Legal representatives of victims said yesterday that redress schemes are not working for victims—too much “lawyering” going on, too much obfuscation. Lawyers say complete claims might have settled for less than they were entitled to and might need to be revisited. Neil Hudgell suggested that August deadline target will not be met and the current compensation impasse could continue for another one or two years.

Henry Staunton's claims persist. Why has the Prime Minister refused to back up the Secretary of State, refusing to repeat the claim that Staunton lied? This is the third time we have been here to find out about the circumstances of Mr Staunton's departure. The last time the Secretary of State mentioned investigations into Staunton but failed to reveal an 80-page investigation into current CEO Nick Read. With all we have seen about the Secretary of State's past assurances being undermined, how can we trust her firm assurances now?

Does the Secretary of State have faith in the Post Office board, which is clearly in total disarray? There were even claims that the chief executive officer, Nick Read, had threatened to resign over pay. Victims and the public have lost faith in the Post Office board and governance. When more than £1.2 billion of public money is being spent on financial redress, the taxpayer ought to have confidence that costs will not be driven up further by mismanagement. The evidence from yesterday's Business and Trade Committee shows that the public and victims have no reason to be confident, as incompetence and obfuscation has marred the process until now. Sub-postmasters say that redress schemes are not working. Victims agree. The lawyers say that they are not working and the former chair of the Post Office says that they are not working. Why should we trust the Government, and what will the Minister do to fix this?

Kevin Hollinrake >

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I should say that the Secretary of State is abroad at a World Trade Organisation conference.

I thank the hon. Lady once again from this Dispatch Box for all that she does on behalf of postmasters. Interestingly, in his evidence yesterday, Mr Staunton said that he had no concerns over the speed of compensation, which I think astounded both the hon. Lady and me. We have been fighting for years to try to improve the speed of compensation. That is just one more concern that people might have with Mr Staunton's evidence, but it was clearly stated in one of his responses.

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One reason that I spent all day listening to the evidence yesterday was to make sure that we are doing everything possible to accelerate compensation. I heard some interesting conversations in the evidence session, including ideas from Mr Hudgell and others on how we can accelerate compensation, which we are very keen to do.

The hon. Lady will know that the latest figures were quoted yesterday at the Select Committee hearing. On the group litigation order scheme, for example, 106 full claims have been submitted, 104 offers have been made, and 80 have been accepted without reference to the independent panel, which would tend to indicate that the offers being made are fair. The hon. Lady will also recognise from the announcements that we made on Monday during the statement that we have introduced a £450,000 interim compensation figure for when people submit their full claim for the overturned convictions. When an offer is made, we will provide 80% of that initial offer to claimants in the GLO scheme.

Interestingly, Henry Staunton seemed to think that the biggest concern with the compensation schemes was around the overturned convictions—he clearly said that yesterday—when the hon. Lady and every Member of this House knows that we announced legislation on Monday, and previously, that will overturn the convictions en masse, which is unprecedented. Obviously, that is the key to unlocking compensation. For all those reasons, we should not take Henry Staunton’s evidence at face value.

Julie Marson >

(Hertford and Stortford) (Con)

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Mr Staunton continues to insist that he was told to delay compensation for the postmasters, but at the Select Committee hearing yesterday he said that, unlike his own notes, the published notes of the meeting with Sarah Munby were not contemporaneous. Can the Minister undertake to provide a contemporaneous note of that conversation to put this accusation to bed once and for all?

Kevin Hollinrake >

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I thank my hon. Friend for her question and for her work on the Select Committee. It is one thing to criticise Ministers, but entirely another to sully the good name of a civil servant. Sarah Munby has been very clear in her letter that she published on this matter that Mr Staunton is wrong. She has also been very clear that she has contemporaneous notes of that meeting, and we will be publishing those notes that will clarify and back up the fact that Henry Staunton is wrong and that Sarah Munby is right.

Mr Speaker >

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I call the shadow Minister.

Rushanara Ali >

(Bethnal Green and Bow) (Lab)

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What we saw yesterday was unedifying and, at points, a fiasco. Sub-postmasters watching will have rightly been dismayed and will have felt that, if anything, they were moving further away from justice. The ongoing conflict at the top of the Post Office and the failure of the Government to get a grip is helping no one and is only further eroding trust in this process. The Secretary of State should reflect on how her approach to the news of recent weeks has only exacerbated that. We, and especially victims, have all had enough of the “He said, she said”. Does the Minister now recognise that the best way to end this is by fully clarifying what the Government have or have not said, through an independent Cabinet Office investigation?

May I also pick up on some very worrying evidence given yesterday by Carl Creswell, the director of business resilience in the Department for Business and Trade? When talking about the financial provisions set aside for Horizon compensation, he said:

“I personally think we will end up spending more money on compensation overall than that £1 billion figure, which was modelled at an earlier stage.”

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had with Government colleagues and will we see that reflected in next week's Budget?

Will the Minister clarify whether he or the Secretary of State were aware that Nick Read was also under investigation, as was allegedly stated in the 80-page document referred to by Henry Staunton in yesterday's Select Committee hearing? In response to me during an urgent question on 29 January, the Minister said that Henry Staunton's sacking was not due to a falling out, but that it was

"about very serious governance issues related to the person who headed the board of the organisation, which are obviously confidential human resources issues."—[*Official Report, 29 January 2024; Vol. 744, c. 612.*]

Will the Minister confirm whether he had sight of the confidential human resources report referred to in yesterday's Select Committee hearing? If so, why was he selective in his update to the House?

Finally, it is very important to make sure that we restore trust, by urgently bringing forward legislation. I hope that, unlike yesterday's unseemly events, our focus can return to making sure that we exonerate the sub-postmasters and deliver the recompense that they rightly deserve.

Kevin Hollinrake >

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When the hon. Lady says that I was "selective" about what I said, is she accusing me of being economical with the truth? If so, I would take exception to that. It would be absolutely wrong for anybody in this House to disclose information about an investigation that has not concluded and where the presumption of innocence must apply for the individuals concerned. If she thinks I should come to this House to talk about those kind of sensitive, confidential matters, she does not understand how the corporate world works.

Rushanara Ali >

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rose—

Kevin Hollinrake >

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I will not give way, as I am answering the hon. Lady's question.

Mr Speaker >

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This is not a debate.

Kevin Hollinrake >

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I did find what happened yesterday unedifying, but that was about one person; everybody else who gave evidence yesterday was clear that there was no sense ever of trying to slow down compensation. Neither do I think the hon. Lady is right to say that postmasters are further away from getting compensation; it is quite the opposite. To imply that and so raise questions about the compensation scheme could lead to people not coming forward. We welcome the fact that 1,000 more people have come forward since the ITV series. People are closer to compensation, not further away, and the actions we are taking, through the compensation advisory board, the overturning of convictions, the **Horizon** shortfall scheme, which is nearly completed, and the GLO scheme are all moving on. If she wants to end the, "He said, she said", perhaps she should end it, because we want to move on and pay compensation.

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all; of course we have no cap on compensation. The £1 billion is a maximum budget, but if that needs to be increased, it should be. If she is saying that we should not increase it if people deserve more, she should put that on the record. It would be an entirely irresponsible thing to do. Every time I have dealt with this matter over the Dispatch Box with shadow Ministers, it has been constructive and collaborative, and I resent the tone she has taken in this case.

Mr Speaker >

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Let me say, in fairness to the Minister, that he has come here on more occasions than anybody else I have known. He has absolutely ensured that the House has been kept informed—he goes without question on this.

Mark Pawsey >

(Rugby) (Con)

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I commend the Minister, not only for the consistent and compassionate approach he has taken to this matter, but for his attendance at yesterday's session. It lasted for five hours and he was there for the greater part of it. He is right to say that much of what we heard yesterday was a real distraction from the key objective of the Government and the Committee of making sure there is speedy compensation for our postmasters. It was clear that the former chairman and possibly the chief executive exhibited limitations in their roles and were perhaps unsuitable for the roles to which they were appointed, so are there any broader lessons we might deduce on how we go about recruitment for publicly owned organisations such as the Post Office?

Kevin Hollinrake >

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I thank my hon. Friend for his question and for his work on the Select Committee. He is a doughty champion in this area and many others relating to the Committee's work. There are some lessons we need to learn; the Post Office certainly requires the right kind of skills and the right kind of person to turn it around. That is clearly a work in progress and I do not think people will be confident that that is happening until it has actually happened. Words are no longer enough; we need actions, be it on the turnaround of the Post Office or on the compensation schemes.

Mr Deputy Speaker >

(Sir Roger Gale)

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I call the Chairman of the Select Committee.

Liam Byrne >

(Birmingham, Hodge Hill) (Lab)

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I am grateful to the Minister for joining us for most of the five hours of hearings yesterday, but he will know as well as I do that what we saw yesterday was complete chaos at the top of the Post Office, when what we needed was a clarity of purpose about paying redress fast and fairly. Not a single witness yesterday said that they were satisfied with the speed of any one of the three processes. In fact, the lawyers for the claimants said that it may now take one to two years in order to complete the payment of redress, and we heard evidence of offers being made that were, frankly, insultingly low. That is true across each of the three schemes.

Most worryingly, we heard that the Post Office chief executive had not had regularly meetings with the Secretary of State or received a clear written instruction to accelerate every one of the three schemes; there were no deadlines and no targets, and there are no incentives to get the redress schemes done and dusted. That is not good enough. Will the Minister again reflect, when he brings his Bill before the House, on the need to eliminate the Post Office from this process to the maximum possible extent and ensure that there are a legally binding set of timescales under which claims are given the information they need and processed, with offers made and offers settled? I say that, because we cannot go on like this.

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I do think the chaos was caused by one individual. I sat through the whole session; for the bit I was not in the room with the right hon. Gentleman, I was watching on television. It is right for people to be able to say that they are not satisfied with the speed of compensation. I have said that time and time again from this Dispatch Box, and we are keen to accelerate the process and make sure it is fast and fair.

We are aware of the recommendations from the right hon. Member for North Durham (Mr Jones) on an appeals mechanism for some of the schemes where people feel the compensation is too low. We are looking and will continue to look at that. Every compensation scheme I have dealt with, such as the Royal Bank of Scotland global restructuring group scheme and the Lloyds-HBOS scheme, has been too slow, because of some of the complexity involved. We heard some good suggestions yesterday about how we might remove some of that complexity, which I am very keen to do. We heard some positive remarks from the individuals concerned, for example, from some of the solicitors, and from the Post Office on the fixed-sum awards—the £650,000 for the overturned convictions and the £75,000 for the GLO scheme. We heard how that was reducing the amount of disclosure that was required—that is one of the limiting factors. This should mean that the timescales that some people put on the table of one to two years should be rapidly reduced, and I am very keen to build on that work.

As the CEO confirmed to the right hon. Member for Birmingham, Hodge Hill (Liam Byrne) yesterday, I meet him every month, and we speak about the need to accelerate compensation every single time. We have targets for when to pay the compensation by: August for GLO cases, and for all cases ideally by the end of the year. As we heard yesterday, 1,000 new claimants have come forward since the ITV series, which makes it difficult to put deadlines on payment. I am aware that the right hon. Gentleman wants a legally binding target. I am happy to discuss that with him, but we have just removed one legally binding target because not everything within the process is within our gift.

Dean Russell >
(Watford) (Con)

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I know that my hon. Friend has a passion to get this right, and to right the wrongs of the past. Does he agree that we must do all that we can to ensure that sub-postmasters who were victims of the awful **Horizon scandal** are exonerated, and compensated fully, fairly and with haste?

Kevin Hollinrake >

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I thank my hon. Friend for his work on this issue as one of my predecessors; I know that he was as keen as I am to ensure that full and fair compensation is paid to all individuals. As I said, there is no limit to the amount of compensation that we will set aside to ensure that people are compensated properly for this horrendous **scandal**.

Richard Thomson >
(Gordon) (SNP)

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In the week that we heard that more than 250 postmasters whose lives and reputations were damaged by Post Office Ltd died before they could get justice, yesterday we found another layer of Post Office Ltd's organisational dysfunction. On 19 February, the Secretary of State informed the House of bullying accusations against Mr Staunton, only for us to find out yesterday that those accusations related to another individual entirely. Could I first ask the Minister, for whom I have the greatest respect—not just for the manner in which he goes about his business with regard to the **Horizon scandal**—whether the Secretary of State misled the House by telling Members that Mr Staunton was under wider investigation for bullying? Secondly, will the Minister now respond positively to requests from the Scottish Government and the Northern Irish Executive to reconsider introducing legislation that could lead to a swift UK-wide exoneration for the postmasters affected?

Kevin Hollinrake >

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To be clear, we terminated Mr Staunton's role as chair of the Post Office not because of bullying accusations. There was an 80-page report, which he referred to yesterday, and which I have not read. He freely admitted in yesterday's evidence session that he was named in that report. To what extent, I do not—*[Interruption.]* Well, that is what Mr Staunton said; he said that it was to a very minor extent. I do not know that, I do not think the hon. Gentleman knows that, and I think we should wait for the investigation to conclude before we make a judgment on that. The point was not about the allegation itself; the point was that, as Mr Staunton admitted yesterday, he interfered with the investigation. That is unacceptable, and if we had not acted in the way that we did, I think that the hon. Gentleman and others would be calling us to account for why we did not act when somebody had tried to suspend or interfere with an investigation into his own conduct.

I am aware of the Scottish and Northern Irish Governments' position on legislation. Of course we will continue to discuss that with them. There are some separate devolved issues around the judicial systems in Scotland and Northern Ireland. That is the reason we have done it differently. We are happy to continue our dialogue on it.

Jane Stevenson >

(Wolverhampton North East) (Con)

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From my time as a Parliamentary Private Secretary in the Department, I know the determination of the Minister and the Secretary of State to get compensation to these wronged postmasters as quickly as possible. In yesterday's Select Committee session, Mr Staunton spoke about lobbying for a pay rise for Mr Read, which I know must have been quite galling to many of the sub-postmasters. The Minister reportedly refused to grant that pay rise. What sort of pay rise did Mr Staunton think would be a fair, equitable agreement at that time?

Kevin Hollinrake >

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I think on two occasions Mr Staunton lobbied for a pay increase for Mr Read. He sought to double the overall package of Mr Read on those occasions.

Ian Lavery >

(Wansbeck) (Lab)

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Yesterday's Committee meeting was bizarre in many ways. It was five hours long and, as happens only rarely, the people in front of the inquiry had to swear on the Holy Bible. That is how bad it was. The recently dismissed former chairman revealed a number of things that were quite alarming. First, he revealed that the current chief executive is under investigation. Perhaps the Minister can explain why we were not aware of that. Secondly, he revealed that the current chief executive had threatened to resign on more than four occasions, not because of the lack of progress on any financial redress for postmasters and postmistresses, but because he said his wages were too low. The chief executive also said that he was proud that he had a hardship fund for workers in the Post Office. Can the Minister clarify whether there has been an approach by anyone on behalf of the current chief executive for a pay rise, and what the response was?

Kevin Hollinrake >

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First, may I correct the record? In response to the Chair of the Business and Trade Committee, the right hon. Member for Birmingham, Hodge Hill (Liam Byrne), I said that the fixed sum award was £650,000; it is £600,000.

It would be wrong to disclose an investigation into somebody's conduct before that investigation had concluded. It would be extraordinary to do that in any work context, be it in the public or private sector. I am happy to have a conversation with the hon. Member for Wansbeck (Ian Lavery) about the hardship fund. If he is talking about the Post Office paying salaries to postmasters, most postmasters are self-employed, not paid a salary directly, and have a number of different streams of income into their business. These are businesses in their own right, of course, but there is a hardship fund for certain postmasters in certain situations.

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(North East Hertfordshire) (Con)

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I echo the comments about the Minister and his assiduous work on this issue, both as a Back Bencher and now as the Minister. Does he agree that perhaps it is necessary to look at how many people are working on the compensation scheme on the Post Office's side? I have raised the matter with him before. A lot of it is expert work, but if anything can be done to build the resource, that would be helpful, particularly for my constituent, whom we have discussed before. On disciplinary and grievance procedures, is it not normal that they are private until the point when a decision is made?

Kevin Hollinrake >[Share](#)

On the last point, my right hon. and learned Friend is absolutely right; he clearly understands these situations very well. They should of course be kept confidential, which is why it was highly unprofessional of Mr Staunton to say what he said yesterday. On my right hon. and learned Friend's first point—I cannot remember what it was now.

Sir Oliver Heald >[Share](#)

Resource—getting more lawyers in.

Kevin Hollinrake >[Share](#)

We are absolutely committed to ensuring that we have the resources available to settle compensation claims quickly. Certainly, a file note that I took away from yesterday's session was about the number of individuals looking after compensation from Addleshaw Goddard's end, although it is turning around the offers increasingly quickly. Responses to full claims now happen within 40 days in 85% of cases. There has been an improvement. We are keen to ensure that every part of the process has the resources it needs to pay the compensation fairly and quickly.

Mr Alistair Carmichael >

(Orkney and Shetland) (LD)

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Surely what we saw yesterday was a glimpse of senior management in the Post Office who are now completely dysfunctional. As such, it is difficult to see how anyone can have confidence in their administration of the various compensation schemes. Would it not be a sensible first step to restore confidence in that most important national institution—the Post Office—to take all role for them out of the administration of the compensation schemes and appoint an independent commissioner? Nothing starts to get better for the Post Office until the schemes are successfully delivered and wound up.

Kevin Hollinrake >[Share](#)

I think what we actually heard and saw was a dysfunctional former chair of the Post Office; that is what we saw. Interestingly, to the right hon. Gentleman's point about compensation schemes, the former chair said at one point during his evidence that he had no concerns about the speed of delivery of the HSS—which was extraordinary, because I have many concerns about it.

I hear loud and clear calls from across the House about the role that the Post Office is playing in compensation schemes. These are sensitive matters, because people in the Post Office are employed to manage and administer the compensation schemes. I hear the point made by the right hon. Member for Orkney and Shetland (Mr Carmichael) loud and clear. We are looking at it, but I reassure him that all three schemes have independence in them: an independent panel in the HSS; an independent panel and a reviewer, Sir

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are retired High Court judges, which should give claimants and the right hon. Gentleman, I hope, some confidence that the schemes will operate properly.

Sir Christopher Chope >

(Christchurch) (Con)

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My hon. Friend the Minister has referred to Mr Staunton, who it seems had serious character defects. How was he ever appointed in the first place, and who provided the character references and oversaw that appointment process? May we have an inquiry into that?

Kevin Hollinrake >

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Thankfully, not me. I have nothing against Mr Staunton personally. He had a strong track record as the chair of various large organisations, as he said yesterday. I think we would all agree that the Post Office is a specific organisation with specific challenges. Yesterday's evidence from Ben Tidswell, the senior independent director, was interesting. He felt that Mr Staunton's behaviour changed in November last year and became far more "erratic"—his word. I do not know the reasons for that specifically, although Mr Tidswell suggested some yesterday. Whatever the reason, Mr Staunton's recent conduct is not consistent with remaining chair of the Post Office. That is why we decided to act.

Andy McDonald >

(Middlesbrough) (Ind)

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I thank the Minister for his work in this area. He has been assiduous in his attention to detail—I cannot say the same of the Secretary of State. Nevertheless, yesterday was unedifying, and we are sick to death of the "He said, she said" business—we are not interested, except that two witnesses yesterday took the oath and spoke to the same issue: as to whether Mr Read had ever tendered his resignation or threatened to. It was totally conflicting evidence from the two people; they both cannot be right, so I suggest that one might have been a little economical with the truth. From Dr Neil Hudgell, though, the message came loud and clear: these schemes are way too "over-engineered" and far too "bureaucratic", and that has led to the delay in getting the money out of the door. I have to correct the Minister—only 20% of the fund is out of the door as yet. We have to speed it up.

Finally, I ask him to take on board the words of the predecessor Select Committee, the Business, Energy and Industrial Strategy Committee, in February 2022, which said that the best way through this was to remove the Post Office from the system. Now, it may be too late to do that, but my goodness, was not the Committee right to say that? Can we find ways to relegate the role of the Post Office, because that is the only way we will get justice for postmasters? Ultimately, that is what this is about—getting them compensated.

Kevin Hollinrake >

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I totally agree with the hon. Gentleman's final point, and a number of the points he made. It is fair to say that on the compensation schemes, we could use the old phrase, "If you were going there, you wouldn't start from here." I think that Sir Wyn Williams has said that, but the best way now is to say, "When you're going through hell, keep going." We have to improve the schemes we have got. The hon. Gentleman made an interesting point about the Post Office, and he will have heard what I said earlier. I think the fixed-sum awards do take the Post Office out of the schemes completely, because no disclosure is required for them.

On tendering resignation—again, I thought it was extraordinary that a chair would disclose confidential and private conversations that he has had with the chief executive. I have to say for the record that Mr Read has never tendered his resignation to me or to the Secretary of State. Others would be better than me to comment on the nature of those conversations, but I do not think that it was right for Mr Staunton to comment at all.

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these matters. I accept what Neil Hudgell said—I spoke to him afterwards, and we have spoken before about the schemes being over-engineered—and he suggested some ways to try to accelerate compensation. We are of course looking at those to see what the best way is to ensure that they are not over-engineered, but deliver rapid and fair outcomes as quickly as possible.

Ian Paisley >

(North Antrim) (DUP)

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My primary interest is in compensation payments being made expeditiously across the entire United Kingdom, and in Northern Ireland in particular, where I have been lobbied directly by a number of the sub-postmasters who have been treated so vilely. After the statement of 10 January, I asked whether the Minister would ensure that no delays would be allowed whatever, and he affirmed from the Dispatch Box that that was exactly the Government's intention. Will he reaffirm that no delays will be allowed, irrespective of the devolution settlement in Northern Ireland? No devolved Minister or devolved court was involved at that time. Will he reaffirm that the payments will be made, and that our sub-postmasters will not have to wait a day longer than anyone else?

Kevin Hollinrake >

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I will be very pleased to ensure that that happens. I met the Northern Ireland Justice Minister virtually a few days ago to discuss these matters. I know that the Northern Ireland Administration's preference is for UK-wide legislation; we do not think that is the right approach, but we will continue to work with the Administration to ensure that they can deliver the right legislation or process to make sure that the compensation is paid. Clearly, once convictions are overturned anywhere in the United Kingdom, people enter exactly the same compensation scheme—they can get rapid compensation through the fixed-sum award of £600,000, or go through the full assessment process. We are determined to make the process quicker, easier and fairer. I am happy to work with the hon. Gentleman to ensure that that is the case.

Dame Nia Griffith >

(Llanelli) (Lab)

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I thank the Minister for his work on the **Horizon scandal**, and for answering my letter concerning a constituent. In that answer, he confirmed that former post office clerks and those working for a franchise who lost money, jobs and reputation through the **Horizon scandal** are not eligible for compensation under the current scheme. Will he look into ways to include them in a compensation scheme?

Kevin Hollinrake >

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I thank the hon. Lady for her question and for representing her constituents so effectively. I am keen to have continued conversation with her. All the schemes that have been established thus far require a contractual relationship between the Post Office and the individual, and I know that was not the case for her constituent. A number of Members of this House have addressed the issue, and we will continue to look at it.

Kirsten Oswald >

(East Renfrewshire) (SNP)

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Whether we are talking about my constituent Roger, a former postmaster whose case certainly needs review, constituents in communities such as Clarkston and Neilston, who have experienced the most recent post office closures in East Renfrewshire, or the brilliant postmasters operating locally, none of them deserves this mess. This is turning into a regrettable circus to all looking in from the outside. What assurances can the Minister give me today that that will not be allowed to divert or distract from a genuine focus on the swiftest possible resolution, and on delivering a sustainable future for the Post Office?

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I thank the hon. Lady for making that point and for representing her constituents so well. Yes, absolutely, we understand that this is distracting, or could distract, from work to ensure not just that we make right the wrongs of the past, but that the Post Office has a strong future, as she put it. I totally agree. We think that the Post Office does have a strong future. Revenue streams have been affected by changes in how and where people acquire certain things or access certain services, but the banking framework—we encourage the Post Office to be more ambitious in its negotiations with the banks on the remuneration that flows from the framework to postmasters—and the parcel hubs are an opportunity for the future. We believe that the Post Office has a strong brand and strong future. We are keen to support its efforts to ensure that the future is bright for all postmasters.

Mr Kevan Jones >
(North Durham) (Lab)

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I declare my interest as a member of the **Horizon** advisory board. Welcome back to the Minister. He should bring in his sleeping bag—he is here that often. I was at the five-hour marathon yesterday, and I was totally unconvinced by Henry Staunton's accusations, and his allegations about delaying compensation. Like the hon. Member for Christchurch (Sir Christopher Chope), I wonder why Mr Staunton was appointed in the first place—to any board, for that matter. However, to come to the point, Mr Staunton did raise the point that the chief executive is under investigation, following an 80-page report. I accept that the Minister cannot talk about that individual—that would be wrong—but he knows that the culture at the Post Office is rotten, and it is important that the cloud be lifted quickly. When the Secretary of State came to the House on 19 February, did she and the Minister know that Nick Read was under investigation? Is it true that the former HR director who wrote that report has left the Post Office with a settlement, and does that settlement include a non-disclosure agreement?

Kevin Hollinrake >

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I am very happy to come to the Dispatch Box any time I am required to, or feel that there is a need to, which, as the right hon. Gentleman says, is quite often at the moment.

I was aware of the investigation relating to Mr Read and Mr Staunton. That was not the reason why the Secretary of State decided to part company with the chair; that was about interfering with the investigation. The right hon. Gentleman asks about the HR director. I do not know about those matters, but I am happy to look into them and come back to him.

Christine Jardine >
(Edinburgh West) (LD)

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I am sure that the Minister will agree that everything we are seeing and hearing about the Post Office inquiry is further undermining the confidence of those who were affected by the **Horizon scandal**. As the Minister says, 1,000 more people have come forward; they have no more confidence than anyone else in the governance of the Post Office. One of them, a constituent of mine, had been with the Post Office for almost 20 years, and was about to be offered redundancy. She was asked to take over a sub-post office for two months to make up the 20 years. During those two months, she became embroiled in the **Horizon scandal**. She was not charged, because her Post Office managers pleaded on her behalf, but she lost her redundancy, and she is now completely confused about where she stands, and has no faith in the governance to fix the problem. Is the Minister prepared to meet me to discuss that case, so that I can assure my constituent that it is being dealt with?

Kevin Hollinrake >

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Yes, of course I would be very happy to meet the hon. Lady and her constituent. Given what the hon. Lady has said, the place for her constituent to go is the **Horizon** shortfall scheme, which will be happy to look at that particular situation. Of the 2,417 people who applied to the original scheme, 100% have had offers and 84% have accepted those offers, so she can be assured that there will be

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The other schemes are also delivering outcomes more quickly than they were. There were 106 claims in the group litigation order scheme; 80 offers have been accepted, and compensation for overturned convictions is a fixed-sum award of £600,000. The fact that 1,000 people have come forward for compensation since the ITV series indicates that people do have confidence that they will be compensated fairly, but I absolutely understand that we have work to do to ensure that people feel that way across the board.

Jim Shannon >
(Strangford) (DUP)

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The Minister has been incredibly honest and forthright in all his answers, and we have every faith in him, given his conduct and all the information he has brought to the Chamber, for which I thank him. As locally elected representatives, we are accountable to our electorates. How will the Minister ensure that those who are paid from Government funds are accountable in the same way? What more can be done to hold those decision-makers to account?

Kevin Hollinrake >

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As ever, I thank the hon. Gentleman for his contribution. On the point about Government funds, I guess that he is referring to executives in the Post Office. Clearly, that is the Government's responsibility as the single shareholder. We have a representative on the board in Lorna Gratton from UKGI, in whom I have a great deal of confidence. I think it fair to say that my Department and its officials have learned a lot from the process and from what has gone on, and that is right. We should be clear that mistakes have happened, and apologise for the way that they have contributed to the scandal.

I am very keen to ensure that there is continued accountability. We have, at significant expense to the taxpayer, set up the public inquiry, which was called for by Members across the House. It will take evidence in public, so that the public can see what is happening, and will conclude by the end of this year and report next year. We will then have a lot more answers to the hon. Gentleman's question, as well as accountability not just for Post Office executives in future, but for Post Office executives of previous years.

Mr Deputy Speaker >
(Sir Roger Gale)

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That concludes proceedings on the urgent question. I thank the Minister for his now daily appearance, as well as the Opposition Front Bencher, the hon. Member for Bethnal Green and Bow (Rushanara Ali).

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