

Witness name: Simon Recaldin

Statement No.: WITN09890600

Dated: 4 September 2024

POST OFFICE HORIZON IT INQUIRY

SIXTH WITNESS STATEMENT OF SIMON RECALDIN

1 I, Simon Recaldin, of 100 Wood Street, London, EC2V 7ER, will say as follows:

INTRODUCTION

2 I am employed by Post Office Limited ("**Post Office**"), as the Director of the Remediation Unit ("**RU**") (previously also referred to as the Historical Matters Business Unit ("**HMU**"). I have held this role since 10 January 2022. My line manager is Post Office's Interim General Counsel for the Inquiry and RU.

3 My role includes managing the delivery of the Horizon Shortfall Scheme ("**HSS**") (previously known as the Historical Shortfall Scheme), criminal appeals process and consequent civil liability and redress issues, internal

and external communications and oversight of matters relating to the Remediation schemes and payment of redress.

- 4 The RU was established to centralise redress and criminal appeals related work emerging from the outcomes of the Common Issues Judgment and the Horizon Issues Judgment (the "**Group Litigation Judgment**") and settlement. As RU Director, I chair the Horizon Matters Committee ("**HMC**") which reports into and obtains authority from the Remediation Committee ("**RC**") which is a sub-committee of the Post Office Board ("**Board**").
- 5 The HMC and RC are responsible for the decision making of the RU in line with the RU Delegated Authority Matrix which outlines the delegated authority through a governance process. I brief Post Office's Senior Executive Group ("**SEG**") and Board on matters considered by the RC.
- 6 I make this statement on behalf of the Post Office. Except where I indicate to the contrary, the facts and matters contained in this witness statement are within my own knowledge. Where any information is not within my personal knowledge, I have identified the source of my information or the basis for my belief.
- 7 I make this witness statement in response to a request dated 12 June 2024 for information pursuant to Rule 9 of the Inquiry Rules 2006 regarding the HSS. Post Office has been asked to consider a range of information and data relating to the 4,323 applications received by the HSS in responding to this Rule 9(56). I confirm that every effort has been made by the Post Office to produce the data which is required to respond as fully as possible to the Rule 9 request. There are also some questions from Nick Read's

Rule 9 request that were not within his personal knowledge to answer that I have responded to herein where they are within my knowledge.

8 The Inquiry's Rule 9 request dated 12 June 2024 asked for the statement to address the following:

8.1 What themes or trends can be identified from the data?

8.2 What actions have been taken or are being taken to address any issues arising from these themes or trends (if any), for example:

(a) What types of matters have progressed more quickly than others and why?

(b) Have there been delays at specific stages of the process?

(c) What measures have been implemented to address these delays?

9 For the avoidance of doubt and as agreed with the Inquiry, the applicable date range is from the launch of the HSS on 1 May 2020 to 31 May 2024, unless specified otherwise. The data requested by the Inquiry has been predominantly sourced from Relativity (the case management system used for the HSS) and supplemented where necessary from additional data sources, such as Excel spreadsheets held by both Post Office and from Herbert Smith Freehills ("**HSF**") (Post Office's legal advisors who provide the operational support to the HSS).

10 The data collation and analysis has been delegated to my colleagues in the RU Data and MI Team.

- 11 I appreciate that the history and features of the HSS are already well-known to the Inquiry, including as set out in the Chair's Progress Update on Issues relating to Compensation dated 15 August 2022 ("**Interim Report**"), at paragraphs 13 to 45, and Post Office's previous written submissions to the Inquiry,¹ which are not repeated in this statement. Therefore, I intend to give only a very brief overview of the HSS and provide an update to the Inquiry on matters which have occurred in respect of the HSS since the last compensation hearing on 27 April 2023.
- 12 It should however be noted that in respect of the questions that I have been asked, the timelines for the creation of the HSS and how and why various parts of the process took, at certain points, time to stand up are crucial to understand. Without this context, the statistics and data trends I share with the Inquiry in this statement do not properly explain how Applicants' cases have been assessed and offers made.
- 13 The following table summarises the data up to the end of May 2024 being provided to the Inquiry and are set out in line with key steps of the process. The footnote discloses more recent numbers.

¹ Dated 8 April 2022, 31 May 2022, 5 July 2022, 1 December 2022 and 6 April 2023.

HSS Summary at end May-24

Applications Received and logged *	4,323	
Eligibility Work in Progress	896	
Applications Ineligible	233	(7% of completed Eligibility Assessments)
Applications Eligible	3,194	(93% of completed Eligibility Assessments)
Offers Sent *	2,720	(85% of Eligible Applications)
No response to Offer	52	(2% of Offers sent)
Applicant in contact / querying	37	(1% of Offers sent)
Disputes	383	(14% of Offers sent)
Offers Accepted *	2,248	(83% of Offers sent)
Settlements *	2,085	(93% of Accepted Offers)
Settlement (£) *	£109.0m	£52,261 Average paid per Offer
Tax Top Ups to HSS Applicants *	£13.0m	
Combined total paid *	£121.9m	

Note * Updating these numbers for the position at 22-August 2024:

- 4,628 Applications received and logged.
- Eligibility backlog has been largely processed, with 200 in Eligibility stage being a Work in progress.
- 2,751 Offers sent, of which 2,282 (83%) accepted.
- 2,270 (99%) Offers paid (£124.8m plus £14.5m Tax Top Ups totals a combined £139.3m)

HSS DEVELOPMENTS

- 14 In response to feedback from various sources², Post Office sometimes, in collaboration with DBT, revisits decisions made in the HSS. This is to ensure that it is (i) operating fairly, efficiently and effectively to deliver full and fair redress for Applicants and/or (ii) to provide more consistency with other redress schemes – for example the Group Litigation Order Scheme (“**GLO Scheme**”) run by DBT. Some of these decisions are detailed below.

Fixed Sum Offer

- 15 On 13 March 2024, Government announced that it was extending the GLO Scheme's redress payment of £75,000 to all eligible Applicants in the HSS (the “**Fixed Sum Offer**”) to expedite redress. The offer will be made to three distinct cohorts of Applicant:

- (a) Initially, those who have already settled for less than £75,000 in full and final settlement (excluding any tax top up) will have their redress payments topped up to £75,000 to bring them in line with the approach taken for members of the GLO Scheme (“**Top-Up Payment**”). The Top-Up Payment process launched on 9 August 2024, with all letters due to be sent by mid-September. Payments

² Such as either Applicants, their legal representatives, the media, the Government Select Committee, Postmasters, Department of Business and Trade (“**DBT**”) Officials, the Minister, the Horizon Compensation Advisory Board (“**HCAB**”) or the Inquiry.

are already being made to Postmasters and Postmistresses (“**Postmasters**”) who have accepted the Top-Up Payment offer.

(b) Secondly, the offer will be made to those HSS Applicants who have received an offer for less than £75,000 but who have not yet settled their claim.

(c) Finally, Post Office will send a mailout to all former and existing Postmasters who have not yet applied to the HSS (or any other scheme) or who applied but withdrew or did not pursue their claim.

It is anticipated the contents of this letter will:

- (i) Communicate the availability of the Fixed Sum Offer and a simplified process for application;
- (ii) Set out that if the sum claimed exceeds £75,000 (including consequential loss), Applicants can opt to have their claim assessed using the current HSS process; and
- (iii) Potentially confirm the availability of a DBT run HSS appeals process which is, at the time of writing this statement, not formalised and still under consideration by Government.

16 Applicants accepting the Top-Up Payment or Fixed Sum Offer acknowledge that by accepting the payment, they will be foregoing their ability to apply to any future appeals process which the Government may launch.

17 In devising the final application process for the Fixed-Sum Offer, the RU are incorporating feedback received to date to improve the clarity and

useability of the documents sent to Postmasters. Post Office is in the process of producing a shorter, simplified application form, together with enhanced information and guidance on Consequential Loss (**UKGI00033420**), the establishment of a Postmaster Contact Centre (detailed below at paragraph 34) and Post Office will have Service Level Agreements ("**SLA**") setting out when Postmasters should expect to receive their redress payments. It is anticipated these will be incorporated into the process in September 2024.

Tax top up payments

- 18 The tax methodology is tailored to each scheme according to legislation therefore, it is not within the control of Post Office. In accordance with HMRC rules, HSS payments (excluding the Fixed Sum Offer and Top-Up Payments) are subject to different categories of tax, depending on the particular circumstances of the individual Applicant, along with a need for some Postmasters to file a self-assessment tax return.
- 19 Where the current tax regime causes issues within the HSS, Post Office will raise this with DBT and endeavour to effect change, where possible. For example, an issue was identified where Postmasters claiming taxable heads of loss, particularly those with larger claims, may be taxed at a higher rate due to receiving redress in a lump sum as opposed to receiving income over the period of the claim. Post Office raised this issue with DBT so that possible solutions could be considered collaboratively. On 19 June 2023, Government announced that Postmasters who had received full and final settlement of their claim would receive tax-exempt top-up payments ("**Tax**

Top-Up Payment"). These payments ensured that the amount of redress received was not unduly reduced by tax by treating all Applicants as basic rate taxpayers for the purpose of this payment.

- 20 Since March 2024, Post Office provides up to £1,200 (including VAT) to Applicants to assist them with filing their self-assessment tax return.
- 21 As at 31 May 2024, 1,803 Tax Top-Up Payments (totalling £13m) have been made, and 92% of Applicants who have accepted their offer have been offered a Tax Top-Up Payment. There are 184 settled claims (the remaining 8%) which have not yet received a Tax Top-Up Payment, which relate to complex Applicants including insolvency cases, dissolved companies and limited companies, which are being progressed. In addition, there are 242 cases (circa 9% of all offered cases) that are in dispute where, due to settlement being awaited, Tax Top-Up Payments have yet to be made.

Interim Payments

- 22 From the outset of the HSS, Applicants in poor health or financial hardship were able to request an interim payment of up to £10,000 while their claim was being assessed.
- 23 Recognising this sum may not be sufficient, the level of Interim Payments was increased. The requirement for an Applicant to be suffering hardship to be eligible for an Interim Payment was removed in October 2022.
- 24 Applicants can apply for an interim payment at the Pre-Offer stage. Post Office will consider making an interim payment in advance of sending a

final outcome letter having confirmed eligibility and having completed a Shortfall Analysis.

- 25 Since July 2023, Interim Payments of up to 100% are available to Applicants who have received an offer.

Legal Representative fees

- 26 On receipt of an offer letter, Postmasters were previously entitled to £1,200 (including VAT) for legal advice regarding the terms of the offer where the offer made was less than the sum claimed and £400 (including VAT) where the offer was for the entirety of the sum claimed or more. Following feedback from Postmasters, this cap was removed from all offers made from 10 October 2022 and since that date, Postmasters are entitled to reasonable legal fees.
- 27 The average legal fees claim prior to 10 October 2022 was £3,044, and after that date it was £4,575.
- 28 When considering the HSS process to be implemented, it was not expected that claims would be overly complex, involve so many different heads of loss nor that there would be great volumes. Post Office wanted a scheme with a low evidential bar and one that put Postmasters to as little inconvenience as possible. Therefore, it was considered that legal advice would not be necessary at the application stage to ensure full and fair redress. Following a fixed amount for legal fees at the offer stage and feedback from Postmasters and legal representatives, the HSS introduced payment of reasonable legal in October 2022 and for expert fees in March

2023 aligning the DRP (**"Dispute Resolution Procedure"**) costs allowances with the GLO Scheme.

DRP Improvements

- 29 DRP initiatives have, and continue to be, implemented to help reach resolution and full and fair settlement more efficiently. These include changes to the HSS processes, shorter follow up timelines, the availability and provision of the Fixed Sum Offer and an increased delegated authority from Government. The latter enables me to approve settlement figures without the need to seek Government's approval thereby allowing the Applicant to resolve their case without unnecessary delay.
- 30 Post Office has realised that there is significant benefit to meeting with Applicants and/or their legal representatives face to face in an attempt to bring the claim to a satisfactory conclusion within a shorter timeframe. As such, Post Office offers face to face Escalation Meetings to all DRP Applicants, in their preferred location, with the aim of solving claims at, or shortly after, the meetings. Post Office has learnt that meeting with the Applicants in person is more beneficial for all parties.

Dissolved Companies

- 31 On 10 January 2023, Post Office amended its Eligibility Criteria (**POL00448027**) to allow claims from now-dissolved companies. This cohort were previously deemed ineligible for the HSS pursuant to the case assessment principles on the basis that there was no legal entity to receive the payment. Following the change in criteria, Post Office wrote to the

Applicants who had been told that their claims were ineligible to invite them back into the HSS. At the time of writing, since 6 April 2023 Post Office has received 57 applications from now-dissolved companies. To date, 19 out of 57 Applicants have accepted an offer and payment has been made, 19 Applicants have received an offer and are either in the DRP or considering acceptance and 19 Applicants have not yet received an offer. Of the 19, who have accepted, there was a delay between the offer being accepted and paid as Post Office had to seek a waiver from the Crown Estate Bona Vacantia team before payment could be made. Post Office apologise for the delay resulting from the additional required waiver process.

Postmasters with criminal convictions

- 32 In June 2024, it was agreed that Postmasters who had been convicted of a non-Horizon related crime could now apply to the HSS as they could have experienced shortfalls for which they could claim and may not be eligible for any other scheme. These Postmasters had previously been excluded from the HSS as the case assessment principles governing this cohort referenced only Horizon-related criminal convictions as opposed to including non-Horizon related criminal convictions. This ensures that all Postmasters who may have been impacted by shortfalls are able to apply to the HSS for a redress payment and all eligible losses are fairly redressed. As of 7 June 2024, eight such Applicants have been identified and Post Office have now written to all of them confirming they are now eligible for the HSS.

Postmasters who were subject to civil proceedings

- 33 Following work between November 2022 and March 2023 on the case assessment principles to be used by the Panel for assessing malicious prosecution and caution claims in the HSS, the Panel decided to proactively revisit their previous decisions on cases involving civil prosecutions to satisfy themselves that their previous assessment of those heads of loss had been fair. Across two Panel sessions in August 2023, the Panel considered whether the previous offers given to ten Applicants whose cases involved redress for those heads of loss remained fair. On 2 February 2024, these ten impacted Applicants received further offers in addition to their original offer.

Postmaster Contact Centre

- 34 Post Office have introduced a Postmaster Contact Centre for Applicants to contact and seek information and progress their case. This went operational in September 2024. Post Office hopes that for some Applicants, providing them with an empathetic person at the end of a telephone with whom they can build a rapport and who will listen to their personal testimony may help them feel able to articulate their losses more clearly and give them useful guidance regarding the process.

Restorative Justice Programme

- 35 Since May 2023, Post Office has held restorative justice meetings with Postmasters across all schemes, including the HSS, around the country. These meetings are deliberately informal and involve an initial introduction of those in attendance followed by an opportunity for the Postmaster to tell their story and raise their own personal experiences and concerns. The

meetings are also an opportunity for the senior Post Office executive (including Board members and SEG members) to listen and to personally apologise to each individual. They are not legal meetings and are an opportunity for the Postmaster to speak freely without a Post Office lawyer being present. Applicants are entitled to have their own lawyers present, should they wish to do so. The meetings are a listening exercise for Post Office and are not related to the ongoing claim put forward by the Postmaster although, should the Postmaster raise a claim related matter, this will be considered by Post Office and followed up on where required.

- 36 The Postmasters are generally briefed beforehand by their legal representative (if they have one) in order that they can prepare if they want to do so. Some Postmasters make requests for practical help, such as asking for an employment reference or asking for Post Office's assistance for the Postmaster to attend the Inquiry. Post Office endeavours to facilitate these requests wherever possible and, for example, provided costs for travel and accommodation for a Postmaster who wanted to attend the Inquiry but lived a long way from London. It is also a good opportunity for Post Office executives to hear first-hand the experiences of the Postmasters to learn how they have each been impacted in order to understand the wide reaching and long-lasting effects of the scandal on each person and their families and to learn lessons for the future.
- 37 The feedback we have received about the restorative justice meetings has been positive and it seems to be a cathartic process for many of those involved.

38 At the time of writing 64 (of which 12 in HSS, 44 in the GLO Scheme and eight in the OC Process) restorative justice meetings have taken place to date, and I have attended each one. These are understandably charged and emotional events but one thing that is clear to me, is that financial redress alone cannot fix what has happened to these individuals. I hope that these meetings go some way to help victims of the scandal. Following these meetings, I ensure that each of the victims' experiences are shared with the Executive Team. I am inspired by the strength and power of the Applicants I have met. I am truly humbled by their explanations of what they have been through.

HSS Developments as a result of listening to feedback

39 As a result of feedback received from various key stakeholders including those listed at paragraph 14, Post Office has implemented the below developments to the HSS.

HSS name change

40 Post Office changed the name of the HSS on 7 July 2023 to the 'Horizon Shortfall Scheme'. This followed feedback from Members of the HCAB and Postmasters that the word 'Historical' was considered inappropriate and offensive to some former and current Postmasters insofar as it suggests the suffering of Postmasters affected by the Horizon scandal is in the past. Post Office did not intend any offence by the use of the word 'historical' and as soon as we heard the concerns regarding the name, it was amended.

- 41 Post Office issued an update regarding the name change on the webpage along with an apology.

Redress change

- 42 Another change that has been implemented as a result of Postmaster feedback is that Post Office does not refer to Postmasters being compensated nor that the schemes provide compensation. Instead, Post Office now refers to Postmasters receiving redress.

Use of the term 'Without prejudice'

- 43 Views were expressed by public commentators, and latterly, the HCAB that the use of "without prejudice" labels on HSS offer letters were, in some cases, incorrect and the use of such labels was perceived to restrict Applicants' ability to freely discuss their offers. Although Post Office believed it was accepted standard practice to label offer letters which offer financial redress as "without prejudice" we are ultimately more concerned about the views of Applicants.
- 44 Since 1 March 2024, all offers have been marked as open, and not subject to without prejudice privilege, so that Postmasters can discuss the offer and its terms with whomever they choose to or, to keep them confidential. Whatever Applicants decide, Post Office continues to keep all offers confidential (unless it needs to share them for legitimate reasons or where it is compelled to do so by law). The DRP continues to be covered by without prejudice privilege as set out in the HSS Terms of Reference (**POL00448026**), although any offer which is made following any part of

that process is open. Any Postmaster in possession of an offer sent to them before 1 March 2024 is able to share it with anyone they choose.

HSS BACKGROUND

45 The HSS was launched on 1 May 2020, with a basic framework of documents. It is a voluntary remediation scheme which came into existence following the settlement of the Group Litigation. It offers Postmasters the opportunity to seek repayment for any losses they incurred due to shortfalls related to the legacy Horizon IT systems, sometimes referred to as Legacy Horizon, Horizon Online or HNG-X. These losses include what are known as 'Horizon shortfalls' as well as any additional consequential losses suffered by Postmasters. The Terms of Reference for the HSS are exhibited (**POL00448026**) and the Eligibility Criteria are exhibited (**POL00448027**).

46 Parts of the HSS are administered by HSF who provide legal and operational services including providing legal advice to Post Office, completing legal case assessments for all eligible applications. HSF also maintain responsibility for the administrative arrangements for convening Panel meetings, sending meeting invitations, receiving applications and managing the platform which holds the HSS data.

47 Post Office considers that the HSS is a more informal and open environment than a legal route which seeks to provide redress would be. There are no limitations to the HSS in relation to heads of loss, provided that those losses were caused by Horizon shortfalls, or are consequential to those shortfalls; and are compensatory in nature.

- 48 The HSS will consider heads of loss and information provided by an Applicant as defined in their application form. Redress provided in the HSS however, is regrettably only financial and cannot undo the suffering and traumatic experiences Postmasters endured. Post Office has implemented mechanisms to allow for appropriate, full and fair redress including that the sums claimed by Applicants are assessed by an independent Panel comprised of legal, retail and accountancy experts, which makes recommendations to Post Office on the offers to be made. This mechanism ensures independence and a consistency of recommendations across cases.
- 49 The involvement of HSF ensures that the Panel works independently from Post Office. However, even though HSF provides options to the Panel on each head of loss, these do not include recommendations on the level of offer. Decisions as to the level of offer to be made are strictly for the Panel to determine within their recommendation.
- 50 To promote independence, the Panel was established by HSF and the appointment of the individual members noted by the Board. As RU Director, I was informed as to who the members of the Panel were once they had been appointed. I understand that the individuals who sit on the Panel are all very experienced individuals and I believe that they have sufficient capability to assess complex claims. I was also reassured by the HCAB having met the Panel members and reporting that they were impressed with their level of expertise and understanding of relevant issues.

- 51 Post Office considers that it has taken all reasonable steps to engage with Postmasters who may be eligible to apply to the HSS. When the HSS launched on 1 May 2020, Post Office wrote to circa 7,100 current and 20,000 former Postmasters setting out the details of the HSS and inviting Postmasters to apply. Post Office also updated its website and, in May 2020, arranged for publications in four national daily newspapers, 26 regional newspapers, 404 paid weekly newspapers, 98 free weekly newspapers and 33 local daily newspapers.
- 52 The HSS was initially open between 1 May 2020 and 14 August 2020, with an extension for Applicants in exceptional circumstances (such as them dealing with major life events or incapacitated through illness) until 27 November 2020. By 6 October 2022, 230 later applications had been received therefore, the decision was made to allow these later applications and subsequent applications to be processed ("**Later Applications**"). By 8 December 2022, Post Office had delivered 94.5% of offers to Applicants who applied prior to the original HSS closing date.
- 53 As at 22 August 2024, 4,628 HSS applications have been received of which 2,751 have received offers and 2,282 (83%) have accepted the offers.

HSS OVERVIEW AND PROCESS

- 54 We set out below an overview of the operation of the HSS and provide a brief explanation of each of the HSS' stages. This explanation is necessary to understand the data trends analysis that is set out from paragraph 150 below.

- 55 All claims, save for Below Assessment Threshold (“**BAT**”) claims, follow the lifecycle detailed from paragraph 61 below unless the claim is withdrawn or suspended.
- 56 BAT claims are considered low value, simple claims for the purposes of the HSS. These claims are processed without the need for a Shortfall Analysis (being the process of actually finding the shortfall in the legacy system) or legal case assessment which is carried out by HSF.
- 57 It should be noted however that these initial time frames also encompass the period from HSS launch until funding was confirmed by DBT which took nine months, together with the test case period (which was a condition of funding) when consequential loss heads were being worked through with the Panel. Until the funds were available, Post Office was unable to send offers to Applicants and therefore this timeframe is not indicative of the actual time that more simple claims take to process. However, as soon as the funding agreement was in place on 18 March 2021, BAT offers were issued and by the end of March 2021, 416 BAT offers had been issued.
- 58 For the purposes of this statement, claims are described as BAT, standard claims which are claims with five heads of loss or fewer and none of the complicated heads of loss³ (“**Standard Claim**”) and complex claims which are greater than five heads of loss or one or more of the more complicated heads of loss (“**Complex Claim**”).

³ Complicated Heads of loss are: Fatality, Malicious Prosecution, Termination, Insolvency, or Psychological Harm.

59 The process outlined below is how an application is designed to progress. However, I understand that applications do not always follow through these stages sequentially. At various stages within the process, an application may present issues which require further information or clarity from other stages within the process flow. Consequently, the process is treated with some degree of flexibility.

60 In order to assist with progressing claims, communications with Applicants and/or their legal representatives is very important. Post Office keeps Applicants updated via the webpage and there is also a facility which allows Applicants to email in any questions they may have. This inbox is monitored daily by RU's operational team and HSF and a response is provided in most cases within 24 to 48 hours, depending on the complexity of the question. In relation to the DRP, regular meetings are held with legal representatives in order to discuss progress of claims and case reviews.

Receipt and logging of Applications

61 Post Office receives an application to the HSS either by email or by post, following which the claim will be logged in a data collecting system called Relativity. Once logged in Relativity, an acknowledgement is sent to the Applicant.

Triage

62 Claims are assessed to check Post Office has the minimum requirements including: a signed application form (either by the Applicant or a representative of the correct legal standing if the Applicant is incapacitated

or deceased) and proof of identity and address. The signed application form confirms the Applicant is bound by the HSS Terms of Reference (**POL00448026**).

Eligibility

- 63 Eligibility checks are undertaken in line with Post Office's Eligibility Criteria (**POL00448027**). An eligible or ineligible letter is then issued to the Applicant to inform them whether or not their application to the HSS can be progressed. Whilst there is no formal appeal process for ineligible determinations, the decision letter which is sent to Applicants explains the reason for the decision and why the Applicant is deemed ineligible. Postmasters are invited to write to Post Office if they disagree with the decision, setting out the reason for this and providing any further information they have to assist Post Office with reconsidering the position. If further information is provided, the decision will be reconsidered.
- 64 For all non-BAT claims, from the eligibility confirmation letter being issued it takes an average of 470 days to an offer letter being issued. In respect of Complex Claims, this process takes an average of 514 days improving to 306 days in 2024 although we note a lower volume of offers were issued in 2024.
- 65 For Standard Claims, this process takes an average of 445 days and the data shows that this has decreased in 2024 with Standard Claims now taking an average of 302 days.

- 66 For BAT Claims, the average timeframe is 176 days, but the majority of these claims were received at the earlier stages of the HSS and the timeframe for completion of these claims was affected by the time taken for DBT to confirm funding and incorporating the test case process.
- 67 Paragraph 150 below contains the relevant data in relation to Eligibility Assessment.

Requests for Further Information (“RFIs”)

- 68 From the outset of the HSS, the RFI process has been a key element in the fair assessment of claims albeit it is also a significant contributor to the number of days a case takes to be processed. HSF reviews each application to determine whether any further information would be helpful to the Panel while they are putting together the pack for the Panel. Obtaining as much information as possible for an Applicant needs to be balanced with the risk of sending lengthy RFIs on losses which are irrelevant to the claim, setting false expectations on potential heads of loss which may not be applicable and delaying an Applicant’s access to redress.
- 69 One of the key documents is the legal case assessment which is split into each head of loss and gives the Panel all the evidence available, together with the relevant legal and case assessment principles to allow the Panel to discuss the issues and make an appropriate recommendation.
- 70 The HSF case assessor will consider whether the Panel may find more information or evidence from the Applicant in relation to expressly claimed heads of loss helpful to further build the claim. In addition, the case

assessor might observe other heads of loss that have not been detailed fully enough and consider that if further information was supplied by the Applicant, there might be the possibility of a higher offer.

71 In these scenarios, HSF will issue an RFI to the Applicant. RFIs improve the evidential basis of a claim, and ultimately the amount of the potential redress, that will be considered by the Panel. If there is a small amount of information in the application, but not enough for a head of loss to be made out, and the Applicant has not claimed for it, the RFI process allows for targeted questions to be raised which can tease out extra heads of loss. On receipt of the RFI, the Applicant's claim could expand or a different head of loss could be made out which allows a better case to be submitted to the Panel on behalf of the Applicant.

72 Paragraphs 173 to 177 below contain the relevant data in relation to RFIs.

Shortfall Analysis ("SFA")

73 Following a determination of eligibility, the claim review team within Post Office will conduct a SFA by reviewing the application against Post Office's internal records. The purpose of this process is to seek to validate that shortfall losses have occurred in the relevant period. All of the cases are reviewed by a Team Leader or someone with delegated authority.

74 Where there is evidence that a shortfall existed and was settled, and there is no evidence that the shortfall was caused by something other than a potential issue with Horizon, for the purposes of the HSS the presumption is that the shortfall is a Horizon shortfall. For these purposes, the testimony

of the Applicants is sometimes the only evidence available. There is a low evidential bar given, as a result of Post Office's own actions and the passage of time, evidence may not be easily accessible and/or readily available.

- 75 The SFA will include an analysis of the 12 months surrounding the alleged shortfall (six months either side). In cases where the claim is unquantified, the SFA will cover the Applicant's entire tenure.
- 76 Once the SFA is complete, the application proceeds to a legal case assessment. Paragraph 170 below contains the relevant data in relation to SFA.

Legal Case Assessment

- 77 The HSF case assessor reviews all documents contained in the Applicant's case file, which may include a branch file and analyses all the information provided by the Applicant and Post Office, including the SFA. The assessor also scrutinises and tests the reports used and will ask for clarification of calculations or figures if they cannot ascertain how the figures have been arrived at.
- 78 HSF will then prepare a comprehensive assessment for each separate shortfall claimed and all consequential losses, outlining the merits and any deficiencies for each claim. Consistency of approach is created by the team adhering to agreed methodology and legal principles and draft assessments are reviewed by various stakeholders within Post Office.

- 79 Having compiled the information gathered from the SFA investigation and, the information provided by the Applicant and Post Office, the assessor sets out the assessment and provides the Panel with a set of options for each claimed head of loss. HSF will only provide options based on the agreed legal principles and the HSS Terms of Reference (**POL00448026**). During Panel meetings, however, they may note where similar awards have been made on previous cases and alert the Panel to those awards so as to ensure consistency.
- 80 HSF will look at consequential losses resulting from shortfalls at the same time as considering the shortfalls and provide this analysis in their assessment which is given to the Panel. HSF's brief is to operate the HSS to ensure that Post Office meets all its obligations under the GLO Settlement deed. As part of that, case assessors work to identify each potentially relevant head of loss regardless of whether or not one has been specifically claimed by the Applicant and set out the case in the best way possible for the Applicant.
- 81 This will all be compiled in a pack with the application and RFI responses which will then be given to the Panel to consider. The pack compiled by HSF sets out the relevant information to allow the Panel to make recommendations on the various heads of loss. The Panel will then also take a final, holistic view of the case as a whole and ensure that they are comfortable that their overall outcome is fair, in all the circumstances. Ultimate decision making on final recommendations for each head of loss, and the overall value of the claim, lies with the Panel.

82 Paragraphs 171 to 177 below contain the relevant data in relation to legal case assessment.

Independent Panel Assessment

83 For BAT claims, the Panel considered and made a recommendation in respect of all such applications.

84 The Panel makes recommendations as to the offer to be made to the Applicant pursuant to the Panel Terms of Reference (**POL00448026**) and the Consequential Loss Guidance (**UKGI00033420**). The Panel receives the cases to be considered at least one week ahead of each Panel meeting. Following a review of the SFA section by Post Office, the Panel is provided with the legal case assessment and the Panel pack for each of the applications which HSF has allocated to that meeting. For any particularly Complex Claims, more time is allotted and for some particularly urgent cases, Panel has on occasion agreed to consider them less than a week before the Panel meeting.

85 Panel's consideration of each application is as set out in their Terms of Reference (**POL00448026**) and is guided by the case assessment principles they developed for the relevant heads of loss during the test case process and beyond through the assessment of other applications with that head of loss. It is at the Panel's discretion to take into account any facts and matters which the Panel considers will produce a fair result on the facts of a particular application, as long as their recommendations are limited to Horizon shortfalls or consequential losses of those shortfalls.

86 An example of this is in the instance of a claim for 'Distress and Inconvenience'. Even where an Applicant has not sought a claim expressly for this, if clear evidence of distress is apparent from the papers, the Panel will look to make an award for Distress and Inconvenience.

87 Following the Panel's assessment, HSF will inform Post Office on the proposed outcome of the application and present the case to it. If required, Post Office can instruct HSF to raise questions with the Panel. DBT is kept informed of Panel recommendations and can raise questions for HSF or the Panel to answer. Post Office will make a decision based on this recommendation. HSF then prepare a draft outcome letter, which the Panel review and amend/approve. As part of that review, Panel members again step back to consider whether the recommended offer is fair and have on occasion revised their recommendation at this stage.

88 On average, it takes 37 days from the Panel recommendation to an offer being sent. This time period can include, for example:

- (a) Governance steps (sign off by Post Office or DBT);
- (b) Additional queries to be resolved; or
- (c) Resolving non-Horizon queries that the Applicant has raised

89 As at the date of this statement, there have been over 300 Panel meetings covering over 3,000 recommendations. Paragraph 178 below contains the relevant data in relation to the Panel.

Post Office Review

- 90 Post Office review all Panel recommendations and the exceptions pre and post-Panel which meet certain criteria, such as fatality claims, offers over a certain quantum and where the case assessment principles may not be met.
- 91 Post Office's HMC Subgroup considers any issues on unusual or sensitive cases and provides guidance to the operational team on how to progress the case. I chair this group and am joined by other members of the RU senior team, and RU legal.

Offer letter and payment

- 92 Once Post Office has confirmed the Panel's recommendations, an Offer Letter is issued to the Applicant. Post Office has never made an offer less than the Panel's recommendation but has, on rare occasions, increased it. The Applicant has the option to accept or reject an offer.

Dispute Resolution Procedure

- 93 Throughout the lifecycle detailed above, there is a dispute resolution process open to Applicants. The DRP is a four-stage process which was designed to resolve issues regarding Horizon shortfalls and consequential losses in the event that an Applicant was dissatisfied with the outcome of their claim. The HSS offer letter to Applicants provides details of recourse if they are dissatisfied with the outcome of their claim; referring them to the HSS Terms of Reference (**POL00448026**).

- 94 Upon entering the DRP, the case is assigned to a case manager who reviews the disputed heads of loss and usually requests additional information from the Applicant in order that the claim can be progressed.
- 95 A Good Faith Meeting is a meeting held, as soon as is practicable, between at least one Post Office representative and the Applicant wherein the Post Office representative will endeavour to resolve all issues regarding any outstanding shortfalls and in a manner that takes into account the legitimate interests of Post Office and the Applicant. The Good Faith Meeting was designed to ensure that the Postmaster understood all the information that had been reviewed by the Panel and understood exactly how they had reached their conclusion.
- 96 Should the Postmaster still feel unable to accept the offer after the Good Faith Meeting, a further meeting is offered, the Escalation Meeting, which seeks to resolve the issues in dispute and allow both sides to try to reach a resolution. It is sometimes akin to an informal mediation but without the benefit of an independent third party. If Postmasters have instructed a legal advisor, they would usually attend this meeting and Post Office will ask one of the senior dispute managers to attend, along with a senior member of the RU legal team, when the Postmaster is represented. During Escalation Meetings Applicants provide additional and helpful context which Post Office has found is not always drawn-out during video or phone Escalation Meetings. As a result, and as set out in paragraph 30 above, face to face Escalation Meetings are now offered.

- 97 Once all of the information has been collated, usually after either the Good Faith Meeting or the Escalation Meeting, the claim is reviewed by the DRT⁴ and the RU legal team to determine whether there is sufficient information to return the case to the Panel or whether further information is required. If there is sufficient information to return the case to the Panel, a reassessment will take place at the earliest possible date to enable the matters in dispute to be reconsidered with extra evidence.
- 98 If the dispute is not resolved at the Escalation Meeting, then either party may refer the matter to Mediation. Mediations are provided by the charity Wandsworth Mediation Service (“**WMS**”) and the mediators are all qualified and accredited and are led by Stephen Ruttle KC. The Applicant will not be required to contribute towards the costs of the Mediation.
- 99 Post Office has now completed five mediations with Postmasters resulting in a 100% mediated agreement and a further three meetings are scheduled as at the date of this statement.
- 100 All Good Faith meetings, Escalation Meetings, and Mediations are carried out on a confidential and without prejudice basis, to ensure each party can engage in an open and meaningful fashion.
- 101 The fourth DRP stage is arbitration. The HSS Terms of Reference (**POL00448026**) refer to disputes for sums totalling not more than £10,000 being resolved by recourse to civil proceedings in the County Court

⁴ The DRT is made up of caseworkers whose sole purpose is to liaise with Applicants and assist them through the HSS. Once a caseworker is assigned to a claim, they remain with it throughout the DRP.

pursuant to the Small Claims Track. With the introduction of the Government's Fixed Sum Offer, no dispute will be for less than £10,000 and therefore the Terms of Reference (**POL00448026**) will be amended to reflect this change.

102 Disputes for sums in excess of £10,000 shall be referred to and finally determined by arbitration under the Arbitration Act 1996. Pursuant to the Terms of Reference (**POL00448026**), the appointing authority shall be with Stephen Ruttle KC, the number of arbitrators shall be one, the seat of arbitration shall be London, England and the language of arbitration shall be English. To date, there have been no arbitrations. Half of the arbitration fees and the Applicant's own legal costs are paid by the Applicant.

103 Paragraphs 184 to 189 below contain the relevant data in relation to the DRP.

THEMES IMPACTING THE SPEED OF REDRESS

HSS opened before processes, case assessment principles, funding and resource were implemented

104 Post Office committed to setting up the HSS as soon as possible following the settlement of the Group Litigation. There were many aspects of the set-up that had not been completed by the launch to allow cases to flow through immediately (for example, processes determined and implemented and completion of the test cases). The appointment of the original Panel members took until June 2020 and until they were in place, the HSS processes such as Terms of Reference (**POL00448026**),

Consequential Loss guidelines etc could not be signed off and agreed. The Panel necessarily had a major influence in the drafting of these documents.

- 105 Between May and November 2020, the categorisation and treatment strategy for BAT claims was being agreed between Post Office and Government.
- 106 Funding for cases and the corresponding operations agreement (to set the conditions around funding) took many months of collaborative work between DBT and Post Office. Sign off within DBT and Treasury was not finalised until March 2021.
- 107 From July 2020 to March 2021, the RFI process discussed at paragraph 68 above, was developed and approved by Post Office, Government and the Panel.
- 108 The test case process and the development of suitable case assessment principles took many months to finalise. Sufficient time was required to develop them and to allow for a process of consideration, governance and sign off with Post Office and Government. The test case process began with shortfall only cases from March to around August 2021. Consequential loss cases then followed from around July 2021 to November 2021 for the first set of consequential losses, with development of other heads of loss during 2022 and 2023.

Unexpected high volumes and complexity of applications

- 109 Following receipt of 2,548 claims by September 2020, Post Office realised that it was likely to receive a significantly higher volume of HSS applications

than it initially anticipated. Once applications started to be received, Post Office realised that it would not have sufficient funds to make the redress payments. Post Office therefore required BEIS (now DBT) to provide redress funding. It took much of the period October 2020 to March 2021 to secure a funding agreement and agree an Operations agreement. Without these documents in place, the outcome from the HSS could not be communicated to Applicants therefore, the HSS continued to be developed internally until the Government funding and operational documentation was fully implemented.

- 110 In addition, it became apparent that certain aspects of some claims were particularly complex and required significant legal and administrative oversight, decision making and internal and external stakeholder agreement. For example, HMRC oversight on taxation decisions and Official Receiver on Bankruptcy and Insolvency regulations and approach. It is regrettable that such third-party processes impacted the speed and efficiency of the HSS.
- 111 In some cases, such as bankruptcy and now-dissolved companies, completion of a complex third-party process to identify the correct individual(s) was required. This also requires other creditors to be considered. In terms of dissolved companies, for example, according to legal principles, redress can only be paid once the company has been reinstated. Post Office has subsequently relaxed this stipulation and now pays to shareholders where possible. It is unfortunate that these third-party processes resulted in a delay to the process.

- 112 Post Office has established a process for claims from bankrupt Applicants in light of the potential interests of bankruptcy or insolvency practitioners. Consideration was given to The Insolvency Act 1986 which sets out what falls within, and outside of, a person's "bankruptcy estate" and interpretation of this statute which has been subject to decisions of the Courts since the Act was passed. Broadly speaking, when damages are awarded by the Courts to a bankrupt, or former bankrupt person, those damages are separated into two categories: (i) heads of loss which relate to "financial losses", for example loss of earnings, loss of capital value in a business, the Horizon shortfalls etc; and (ii) heads of loss that are "personal" to the Applicant in nature, for example personal injury, distress and inconvenience, stigma, loss of reputation etc. Offers are therefore split between the types of claim which fall within the bankruptcy estate and are paid to the Official Receiver or Trustee in Bankruptcy, and those which are payable to the Applicant.
- 113 In other cases, such as fatality claims and Postmasters who were prosecuted but not convicted, it is difficult to quantify and assess the amount of redress to be paid given the extent of the impact of the scandal on their lives or in the case of the former, the lives of their families. In addition, there was a requirement to ensure that the legal principles to be strictly applied in such cases would be suitable to be applied in such sensitive cases. Case assessment principles for fatality claims were some of the last to be finalised as they involved specialist legal advice and in-depth discussions with DBT as to the correct approach and process.

Shortfall Analysis

- 114 The SFA is a lengthy process which involves reviewing multiple data sources across many years; this can take a few days to a week to consider and collate into a report. The resulting document, which contains only information and not recommendations, is passed to HSF.
- 115 A review is currently underway to determine if any part of the SFA can be automated to expedite the claim by not having to manually review a number of data repositories.
- 116 Paragraph 170 below contains the relevant data in relation to SFA.

Later Applications

- 117 Until October 2022, when the HSS was opened to Later Applicants, Post Office held any further applications until it was able to process them. Between the original HSS closure date and October 2022, Post Office received 230 claims and therefore began the next phase of the HSS with a backlog which it needed to work through.
- 118 The funding available for the redress programme is reviewed regularly with DBT and is amended as changes to the schemes and case assessment principles occur. It was not until 3 October 2022 that the funding was approved to allow Later Applications into the HSS. DBT funding for Later Applications was considered sufficient until January 2024 when applications increased considerably following the ITV Drama, 'Mr Bates vs the Post Office' (the "**Bates ITV Drama**").

- 119 Following the airing of the Bates ITV drama series, Post Office saw a further 1,345 applications received in the five months to May 2024, with 418 applications in January 2024, 350 applications in February and 267 applications in March. To put this into perspective, in the 14 months between October 2022 and the end of December 2023, 394 Later Applications were received in total.
- 120 As such, given the volumes of Later Applications, Post Office were not resourced for this level of demand at this time. Consequently, HSF increased its resource and by the date of this statement, the core team has grown from 45 to c.70 and will further expand to 80 to deal with the expected inflow of new applications. There continues to be circa 30 new applications per week.
- 121 There are around 500 applications which may qualify for the Fixed Sum Offer and these are currently being prepared so that as soon as the Fixed Sum Offer is launched this cohort can be settled quickly. A review of these applications suggests many of them may wish to accept the Fixed Sum Offer – noting that statistically 85% (1,903 of 2,242) of settled claims to date have been for less than £75,000.
- 122 Paragraph 153 below contains the relevant data in relation to Later Applications.

Agreements pertaining to tax treatment, Interim Payments, Eligibility, Bankruptcy and Insolvency

- 123 Any HSS related decisions and/or recommendations are required to be taken in accordance with the RU Delegated Authority Matrix. During initial development of an approach or principle change in HSS, RU will discuss and consult with DBT for general input ahead of taking decisions to HMC, RC and Board as appropriate.
- 124 In certain circumstances, DBT have, and will, announce a change to the HSS, such as the announcement of the Fixed-Sum Offer. Once announced by Government, the details of this offer for example will be approved through RU Governance however, in this example, there is significant Government consultation and governance required before implementation. DBT announced the Fixed-Sum Offer in March 2024, and at time of writing this statement, RU awaits approval from DBT to commence communication of the Fixed Sum Offer to Postmasters who are yet to accept an offer in the HSS and to any new Applicants.

Legal Representation costs

- 125 Following on from paragraph 26 above, this legal funding was not available during the application process or at any time pre-offer but only post-offer to assist with the consideration, review and challenge, if any, of an offer that has been made under the HSS.
- 126 Applicants and their legal representatives raised a concern in relation to the lack of legal funding which, they stated, did not allow for equality of arms between Postmasters and Post Office. They considered that adequate funding was required for post-offer legal advice and provision of disbursements to meet the cost of experts in order that the HSS can be

fair. Consequently, in October 2022, Post Office agreed to adopt a reasonable costs process with which the Government agreed. Government now provides funding for reasonable legal costs. The number of Applicants who have instructed legal representation is 316 (12%) out of 2,720 Applicants to whom offers have been made.

127 Some Applicants have instructed legal representation from the beginning of their application process. While the data shows that this makes a minimal difference to the Eligibility outcome, we have received proportionately more Consequential Loss claims as a result. Although available to all upon request, the data appears to show Legal representation has also been a driving force in Applicants receiving an Interim Payment.

128 Paragraph 183 below contains the relevant data in relation to legal representation.

DRP

129 Post Office acknowledges it took too long to set this process up although this was a brand-new process that had not been implemented by a remediation scheme previously. This required a tailored approach which took time.

130 When an Applicant rejects their offer, this is often the time when an Applicant obtains legal representation for the first time which has meant that in many instances further information is then presented for consideration, and or new Heads of Loss introduced. This may result in

further legal case assessment and Panel consideration. This can also lead to requests for further information to help with the claim.

- 131 Examples of further information requests might include information from medical records, or business accounts being required to help articulate the dispute fully, and expert reports to substantiate a claim, all of which can take time to obtain from third parties. Applicants need sufficient time to provide the information being sought and then when it is received, the team needs to consider it fully and present it for further assessment.
- 132 Instructing legal representation has on occasion happened as late as the Escalation Meeting and mediation stage of the DRP. While it elongates the time it takes to settle the claim, it is more important that Applicants have confidence in the process and are comfortable that their settlement is fair.
- 133 Post Office apologises for this being a lengthy process; we have tried to improve on the efficiency and effectiveness of meetings as we progress including introducing more Applicant focussed conversations with a lawyer in the room, particularly at Escalation Meetings (please see further information on improvements to the DRP above). Post Office is engaging well with the law firms who represent the Applicants to progress claims.
- 134 Progressing claims in the DRP is a current focus of Post Office and the RC has agreed changes to the process and initiatives to speed the DRP up. Post Office is aware that the DRP timing is an ongoing issue, and it continuously looks for ways to improve the process. For example, the DRT is currently working with the legal firm who represents the majority of Applicants in the DRP to further categorise the issues in their cases and

assist with more forensic and active case management. The aim is to approach issues collegiately in order to progress cases.

- 135 Paragraphs 184 to 189 below contain the relevant data in relation to legal representation.

Consequential Loss Guidance and Principles (“CL Guidance”)

- 136 In May 2020, Hudgell Solicitors sought confirmation on behalf of a number of prospective Applicants about the approach the HSS would take to, amongst other things, consequential loss and the difficulties which were expected to arise in respect of the availability of evidence, or lack thereof. As a result, Post Office engaged senior external counsel to comment extensively on these issues including the approach to evidence, consequential loss issues and the initial iterations of the CL Guidance (**UKGI00033420**).
- 137 Around this time, the Panel was being set up and the Panel members being appointed. The Panel then reviewed, and commented extensively, on several drafts of the CL Guidance (**UKGI00033420**). On 16 September 2020, Post Office approved the CL Guidance (**UKGI00033420**) for publication. They were approved by the Panel on 21 September and, on 30 September 2020, they were published on the HSS website. All existing Applicants were informed of, and sent copies of, the CL Guidance (**UKGI00033420**) in October 2020.

- 138 For Applicants who applied to the HSS from October 2022, the application form was amended to expressly refer to the CL Guidance (**UKGI00033420**), which was annexed to the form.
- 139 With hindsight, it is regrettable that Post Office did not send the CL Guidance (**UKGI00033420**) to the wider population of potential Applicants (being the 27,100). However, had the HSS not been launched until the CL Guidance (**UKGI00033420**) had been published, this would have considerably pushed back the launch date for the HSS and could have opened up a risk of possible Applicants and the public losing faith that it would materialise⁵. Having reflected on this, Post Office hopes the proposed HSS appeals process may assist with remedying this for any Applicant who, unaware of the types of claims they could make, did not claim for all heads of loss to which they were entitled or feel that they have an unfair outcome.

GOVERNANCE

- 140 I attend the following meetings which are intended to provide oversight, each of which has a defined purpose and important functional role in the governance and delivery of the HSS:
- (a) Monthly monitoring meetings with DBT to formally oversee the HSS, discuss performance and any outstanding matters, risks and issues.

⁵ Noting that the launch of the HSS had already been delayed from February to May 2020 due to the Covid-19 pandemic

- (b) DBT requests that I attend the Horizon Redress Programme Board meetings which are run by DBT which oversees all redress schemes across Post Office and DBT.
- (c) I chair the weekly HMC. This is the governance forum which represents the RU, the purpose of which is to oversee the administration and operational performance of the HSS, amongst other schemes and matters. It also considers and approves or provides options / recommendations to the RC, in accordance with the Terms of Reference (**POL00448026**) and RU Delegated Authority Matrix. This may include decisions relating to matters such as case assessment principles, design, approach, and any matters that are precedent setting. This forum provides an opportunity for debate and challenge on decisions and recommendation brought to the forum.
- (d) There are two sub-committees of the HMC relating to the HSS which I chair on a weekly basis, or as required. These are the HSS Panel Recommendations Review Committee and the DRP Decision Committee. The purpose of the HSS Panel Recommendations Review Committee includes reviewing and approving recommendations put to the Panel and recommendations being made by the Panel which meet certain exceptional criteria (see paragraph 52 above). The meeting is attended by a representative from HSF.

- (e) The HSS DRP Decision Committee considers and agrees the approach in respect of certain Pre-Mediation matters and Mediation Negotiation Limits proceeding to Mediation.
- (f) Monthly, previously fortnightly, RC meeting. The RC is a sub-committee of Board and is responsible for considering and making decisions/approving recommendations made by the HMC in respect of matters relating to the HSS or making recommendations to the Board as required, in accordance with the Terms of Reference (**POL00448026**) and RU Delegated Authority Matrix. An update on key matters and decisions taken at RC is provided to Board following the meeting.
- (g) In addition, I regularly attend wider Post Office governance committees including weekly Strategic Executive Group ("**SEG**") meetings, Post Office Board meetings, and the Post Office Risk & Compliance Committee ("**RCC**") and on occasion, the Audit, Risk and Compliance Committee ("**ARC**").

141 Government is involved in the HSS including certain decision making as detailed in the RU Delegated Authority Matrix.

142 As Director of RU, I bear overall responsibility for delivery of the HSS, but also have a leadership team who lead all the individual delivery and support areas and who report into me. The wider team produces weekly management information on the status of all aspects of the HSS and how many Applicants are in which stage of the process so that I can oversee

progress and ask questions or discuss any process changes that may be required if we are concerned about any cohort of Applicants.

143 In addition to internal Post Office governance, there is a DBT governance process which needs to be undertaken as Post Office's sole shareholder. When DBT wish to introduce a new initiative, it is understood that if implemented it needs to come with appropriate funding and revised operational agreements.

144 As a condition of ongoing funding, Post Office is required to secure confirmation from DBT that it is supportive of anything new or outside of the terms of the Operational Agreements Post Office has signed with the department. If Post Office wish to introduce changes or update processes, DBT's governance sign-off has to be obtained which will include funding and changes to formal supporting documentation between DBT and Post Office, given its unique financial model and reliance on Government funding.

FUTURE DEVELOPMENTS UNDER CONSIDERATION

144.1 In respect of further changes to be made to the HSS, following the HCAB recommendation, Post Office would welcome the introduction of an independent DBT operated HSS appeals mechanism, to be carried out by an independent third party. Post Office has suggested to DBT that the appeals mechanism should be set up to address particular issues that have been identified collectively by Post Office, the Inquiry and HCAB. Any appeals process should look to resolve the following points:

- (a) the lack of paid for legal advice during the pre-offer stage of the HSS;
- (b) that consequential loss guidance (**UKGI00033420**) was not available until four months after the HSS opened; and
- (c) that there is no investigation or merits-based assessment of losses for those deemed below the assessment threshold, which may have led to those Applicants accepting offers when they could have brought forward further losses.

145 In addition to those issues, Post Office has also proposed that any Applicants who progressed their claim without the benefit of legal advice, and who may have missed claims or heads of loss or did not provide relevant information, should be eligible to make an appeal in the appeals mechanism. Post Office hopes that an independent appeals process would remedy the issues outlined in Sir Wyn's Interim Report.

146 A HSS appeals mechanism was first raised by HCAB in their meeting of 29 November 2023, the HCAB having previously discussed proposals for ensuring the fairness of settlements. Since that date, Post Office and DBT have both been considering the scope of the appeals mechanism.

147 Post Office first proposed a potential appeals mechanism and design of the process to DBT in early December 2023. Following further discussion with Post Office, DBT submitted the appeals mechanism proposal to the Permanent Secretary and then the Minister who both, pre-May 2024, provided their approval.

148 Given that a new Minister is now in place following the General Election, the proposals will now need further consideration within Government, but we understand that DBT remains supportive of an appeals process and has sought ministerial guidance in relation to it.

149 DBT continue to await approval from Treasury of the appeals mechanism. If the appeals mechanism is approved, Post Office would be pleased to continue further work alongside DBT on the design and scope of it. Consequently, Post Office wholeheartedly supports an independent appeal process provided by and supported by Government.

DATA THEMES AND TRENDS

150 The table below sets out the average number of days it takes for applications to complete the HSS process⁶. At each stage of the process there have been improvements in the time taken at each stage of the process across each cohort.

⁶ These figures are based on cases that passed eligibility confirmation after 18 March 2021 when funding was agreed with Government.

HSS Process Stage ⁸		Overall	Average days ⁷ , by Case Complexity		
			BAT	Standard	Complex
Application received to Eligibility confirmed	From 18-03-21	162	77	157	170
	2024 only	72	51	70	74
	Δ	90	26	87	96
Eligibility confirmed to start Case Assessment	From 18-03-21	78	22	82	75
	2024 only	43	-	45	42
	Δ	35	- ⁹	37	33
Start Case Assessment to Offer Issuance	From 18-03-21	196	95	158	260
	2024 only	191	-	112	225
	Δ	5	-	46	35
...of which: Time with Panel	From 18-03-21	7	-	7	7
	2024 only	7	-	7	7
	Δ	0	-	0	0
Accept to Settlement	From 18-03-21	35	20	28	50
	2024 only	33	36	30	35
	Δ	2	16	2	15

⁷ Average days above are measurements between process milestones, and as such include both the time a case is waiting to be actioned and worked time. We are continually working to reduce worked time through efficiencies. However, 'waiting to be actioned time' can be impacted by volumes. In anticipation of significantly increased volumes in response to the forthcoming write-out, we are planning by targeting resource levels and resource fungibility.

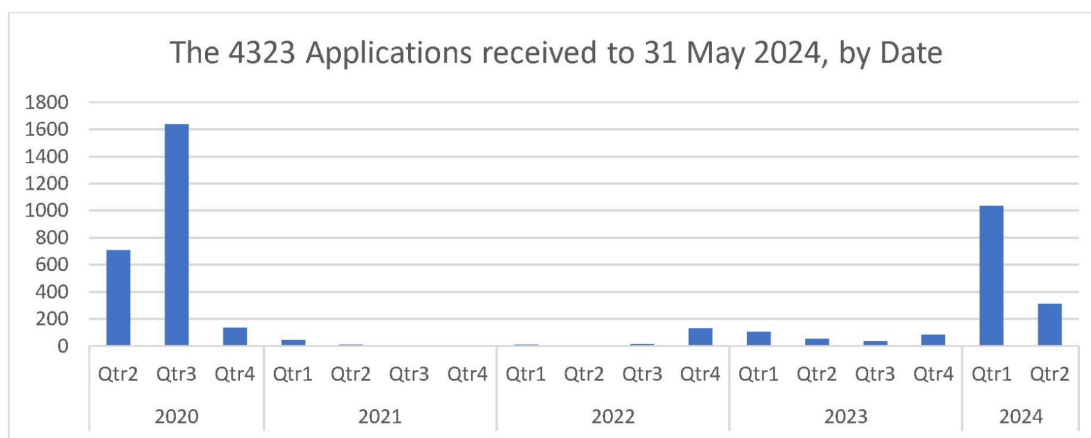
When analysing the data it was observed that claims often took 'irregular' routes through the process. Sometimes this involved circular routes e.g. multiple RFIs, or stages being bypassed e.g. many case assessments not needing an RFI. When calculating averaged elapsed time of a process micro-stage we only considered claims that had both a start and end date present in the data. Therefore, whilst the micro-stages are accurately calculated aggregating them will not align to the average end-to-end.

⁹ Fields populated with "-" represent measures with insufficient data to provide a statistically meaningful metric.

151 The following sections of the statement analyse each of these HSS process stages in more detail. Unless stated otherwise, all data provided is, as agreed with the Inquiry as at 31 May 2024.

Applications received

152 By 31 May 2024, Post Office had received 4,323 applications, and on average continues to receive circa 30 applications a week. Post Office anticipates there may be a further spike in applications when we write out to all Postmasters advising of the Fixed Sum Offer and the closure of the HSS.



153 The applications received can be broadly categorised into three distinct timeframes:

- (a) Applications received during the initial period the HSS was open (May to 14 August 2020):

- (b) Later Applications that continue to be received from 15 August 2020¹⁰; and
- (c) Applications received following the airing of the Bates ITV drama (January 2024).

154 The table below shows the applications categorised by their case complexity¹¹. The three complexity categorisations are set out at paragraph 58 above.

Type of application	Initial Applications (May – Aug 2020)	Later Applications (Sep 2020 – Dec 2023)	Applications following the Bates Drama (Jan-May 2024)	Total
Standard	1,858	220	638	2,716
..of which BAT	570	25	5	600
Complex	690	210	707	1,607
Total	2,548	430	1,345	4,323

Types of Application received.

155 There has been an increase in the proportion of Complex Claims - 27% of initial applications were Complex Claims (690 of 2,548); whereas 53% of 2024 applications were Complex Claims (707 of 1,345). In the same time

¹⁰ Although the scheme closed in August 2020 a few applications were allowed into the scheme after this date where Applicants had exceptional circumstances.

¹¹ BAT, Standard or Complex.

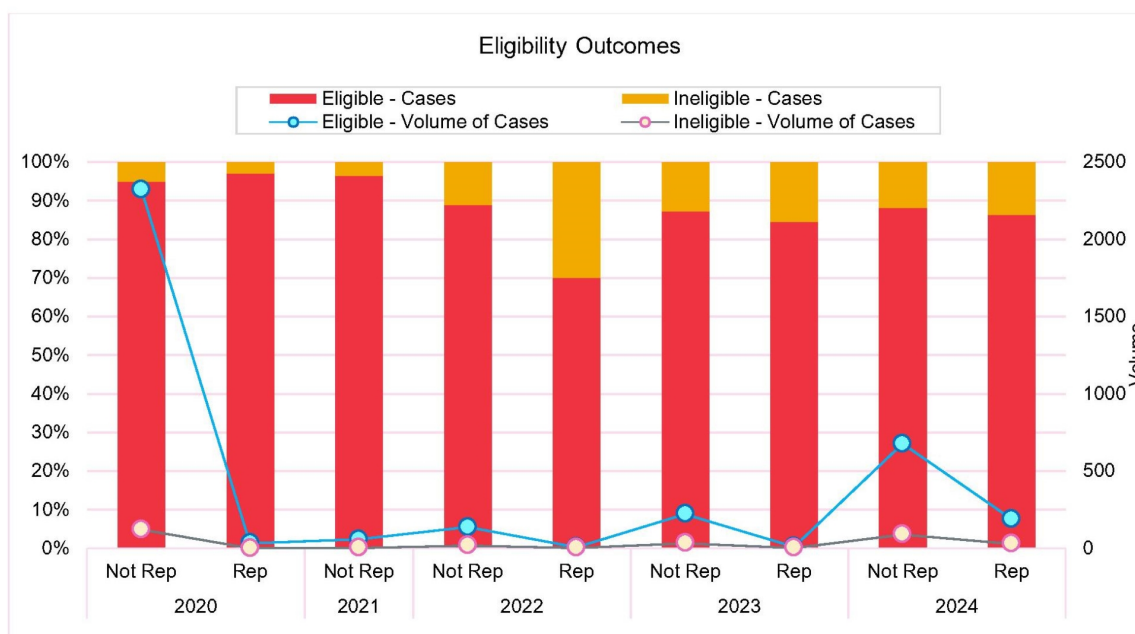
period, there has been an increase in Applicants being legally represented at the outset (initial applications were 32 of 2,548 (1%); 2024 applications were 312 of 1,345 (23%)).

156 To 31 May 2024, the HSS has received 762 (17.6%) applications that were originally assessed as BAT. By their definition these claims are simpler and are assessed solely on the claim information provided by the applicant in their application form and are not required to pass through case assessment. Even where a claim is initially flagged as BAT, the Applicant can request that their claim be assessed by the panel; 162 (21%) of claims originally flagged as BAT were later requested to be assessed by panel, leaving a final population of 600 cases that have been treated as BAT through to outcome.

157 Through the life of the HSS, we have seen a significant fall in the proportion of BAT applications. Between May 2020 and 14 August 2020, Post Office received 659 applications which were originally classified as BAT claims, an average of around 190 per month. Following the publication of the consequential loss guidance (**UKGI00033420**) on 1 October 2020, the number of BAT applications dropped significantly to around an average of 4.9 per month between 15 August 2020 and May 2021. Following the decision to allow Later Applications into the HSS in Autumn 2022 post office continued to receive BAT applications, albeit at a far lower rate at an average of 1.5 per month.

158 Of the 4,323 applications, 3,427 have completed Eligibility Assessment (see paragraphs 63 to 66 above).

159 When compared to previous years, 2023-2024 has seen an increase in the number of applications being deemed ineligible, whilst the HSS terms have been unchanged. This has risen from 144 (5.3%) of claims in 2020-2022 to 154 (12.3%) of claims in 2023-2024. The data itself does not provide a clear explanation for this trend, however it is worth noting that the 2020 mailing was targeted in nature and intentionally excluded Postmasters known to fall outside the eligibility criteria (**POL00448027**).



Eligibility Assessment Time

160 In 2020, the average Eligibility Assessment time was 162 days given the case volumes and applicant complexity (including for example insolvency and dissolved companies where eligibility criteria had not yet been agreed). This reduced in 2021 and 2022, settling to an average of 66 days across 2023 and 2024. The data shows that historically, for most periods, complex applicants and applicants who are legally represented take longer to

process. However, the difference in eligibility processing times have converged; in 2023-2024 claims take a consistent time to assess (of average 66 days). Despite the influx of claims in 2024, the RU team deployed their resource to ensure the processing times did not spike.

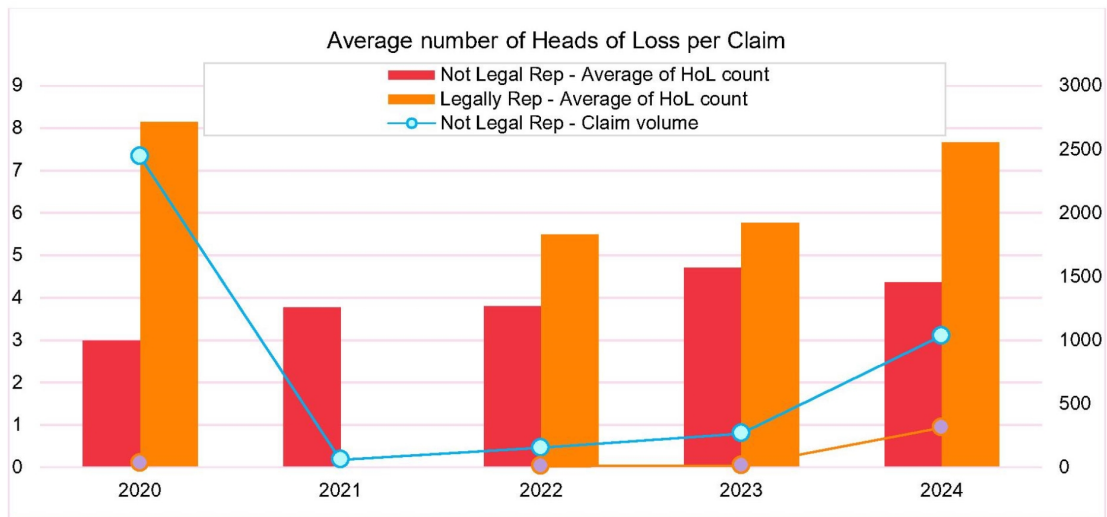


Claim Breakdown

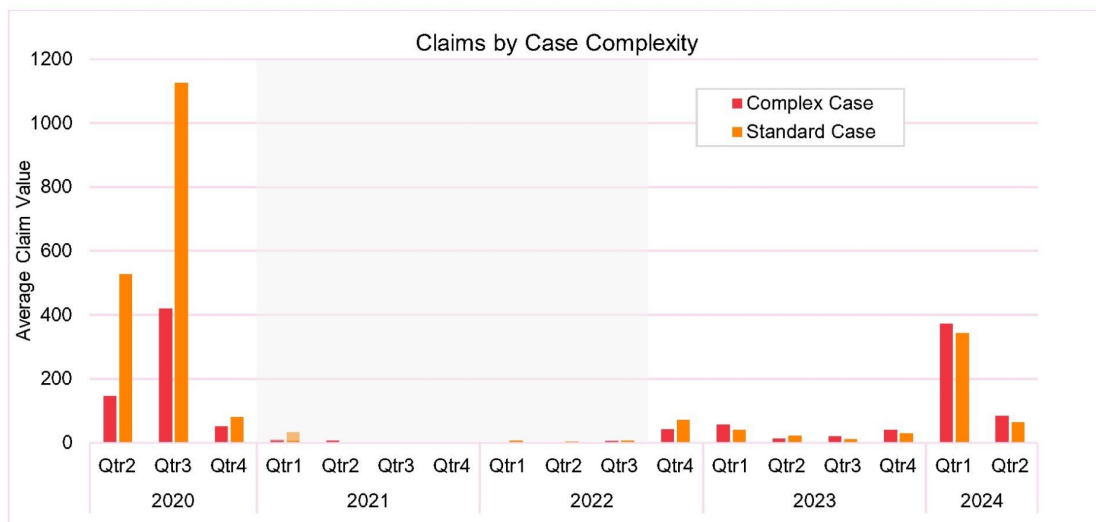
161 Of the 3,427 applications that had completed Eligibility assessment on 31 May 2024, there are 3,194 (93%) confirmed as Eligible and passed to the next stage of the process. The graph below shows the number of cases claiming each head of loss. All heads of loss have been claimed by both legally represented and non-legally represented Applicants.

162 On average each applicant claimed 3.9 heads of loss, and this has increased over time to 5.1 in 2024 as Postmasters and their legal representatives have become more familiar with the HSS and the heads of loss, and there is greater understanding of the assessment process.

Applicants who are legally represented from inception of their claim generally claim more heads of loss:

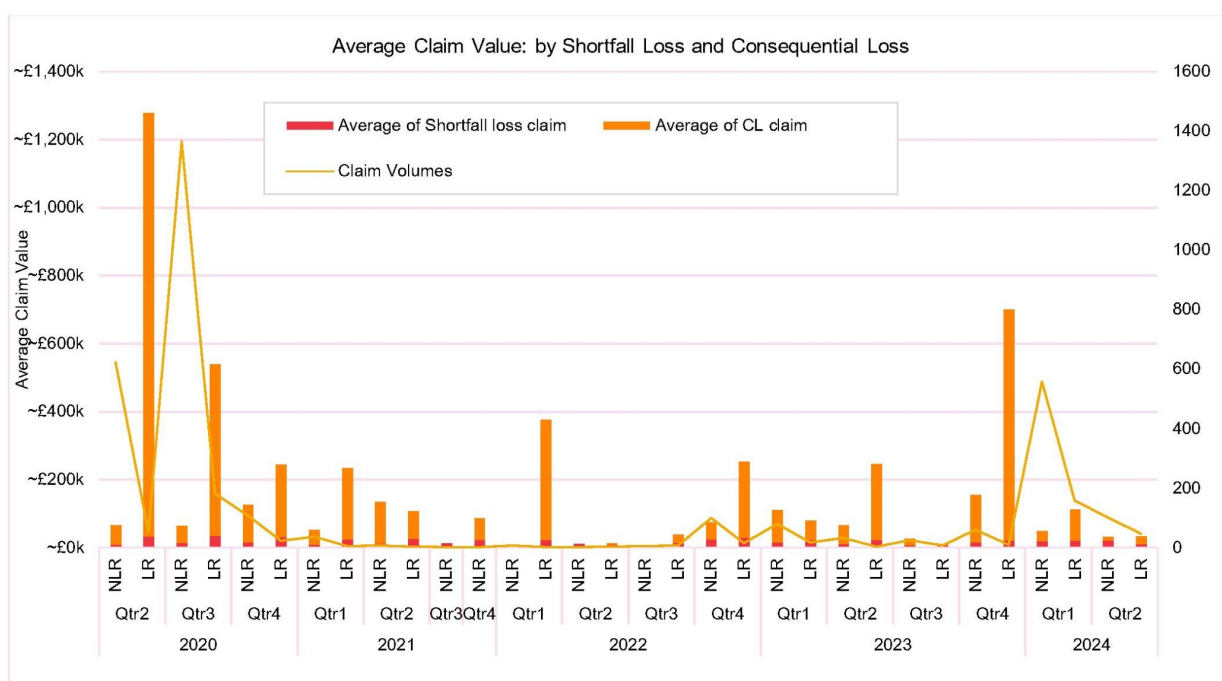


163 Whilst early applications were dominated by standard complexity claims including BAT claims, more recently there is a higher proportion of Complex Claims; which now equals the volume of Standard Claims:



Sums claimed

164 Excluding claims of more than £1,000,000, the average shortfall loss claim was £16,000, and the average consequential loss claim was £32,000, totalling £48,000. Shortfall loss claims have remained consistent over time, whereas consequential loss claims have shown considerable variation. Further, in most periods we see that representation from inception is linked to larger claim values; fully or partly quantified claims that had a legal representative from inception have an average claim value of £277,000 whereas those that do not have a legal representative at inception claim on average £119,000.



Fixed Sum Offer payment

165 Data for Fixed Sum Offer applications and settlements is not included within the data sets because, on 31 May 2024, this initiative had not yet launched. The HSS currently has circa 500 eligible applications which were already in the HSS process but did not yet have offers. Following

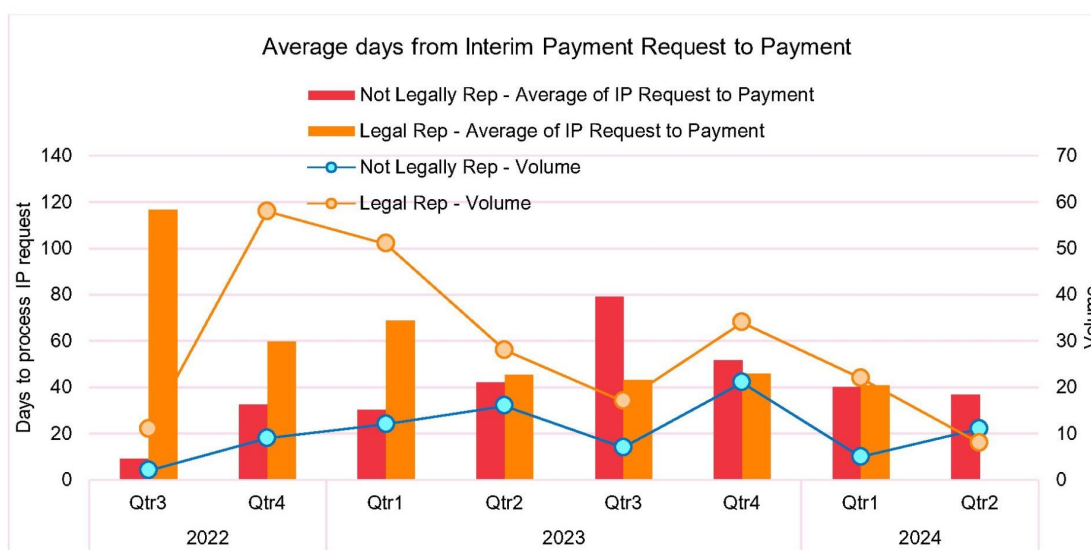
discussion with DBT, these cases have effectively been held, awaiting final details of the Fixed Sum Offer from DBT so that Applicants have the opportunity to consider the Fixed Sum Offer. Note that 1,903 of 2,242 (85%) of settled claims to date have been for less than £75,000. Once the full details of the Fixed Sum Offer have been signed off and agreed with Government, communications will go to all Applicants whose cases are held. We set out the detail of the Fixed Sum Offer and the implementation of this as both a Top-Up Payment and Fixed Sum Offer at paragraphs 15 to 17 above.

Interim Payment

- 166 Applicants can receive interim payments both before and after their offer is issued to them from Post Office. Pre-offer Interim Payment amounts are determined by the shortfall amount claimed.
- 167 In total, 474 interim payments have been paid to 312 Applicants (7% of applicants). Of these Post Office have offered 174 single payments equating to 100% of their offer, with the balance being partial payments; and 23% of complex applicants received an interim payment compared to 10% for standard applicants.
- 168 The data shows that with regards to Interim Payments there are differences between those who are legally represented than those who are not. Those with legal representation are more likely to make a claim for Interim Payment, especially in the earlier stages of the process. Overall, 4% of those without legal representation have received an Interim Payment and 64% of those with legal representation have had an Interim Payment.

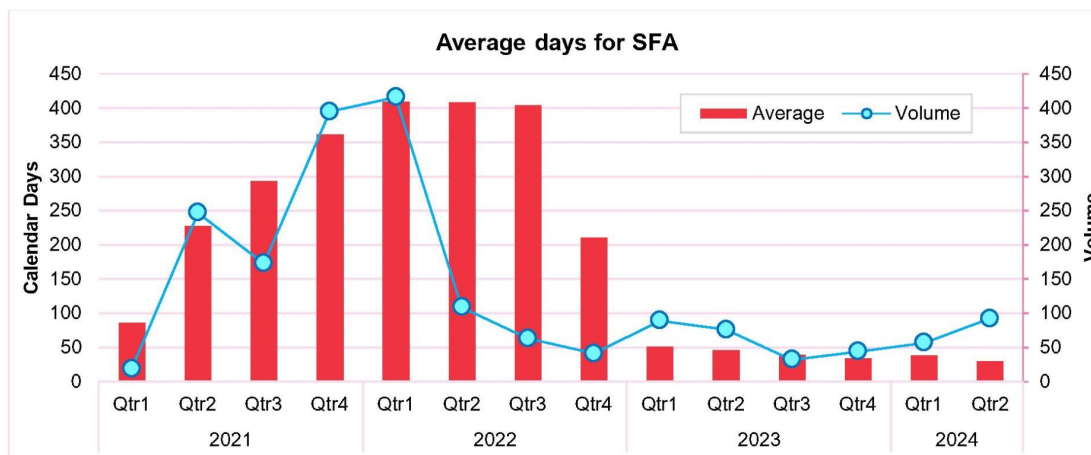
Interim Payment Processing time

169 Over time, Post Office have worked to increase the speed with which it makes Interim Payments. From request to payment was circa nine weeks in 2022, but by 2024 it had reduced to five to six weeks. With the newly introduced payment processes and 100% Interim Payments (explained in paragraph 24) this should reduce to less than 10 days.

Shortfall Analysis

170 Following eligibility assessment, the Claim Review Team within Post Office will conduct a SFA. This SFA is a lengthy process which seeks to validate that shortfall losses have occurred in the relevant period by reviewing multiple data sources across many years; this can take a few days to a week to consider and collate into a report. The resulting document, which contains only information and no recommendation, is passed to HSF to complete the Legal Case Analysis. The SFA process has an all-time average elapsed time of 278 days however, as the following chart shows, there was a step change in performance from Q3-2022 (405 days) to Q1-

2023 (51 days). Across 2023 and 2024 the average elapsed time further improved to 40 days.

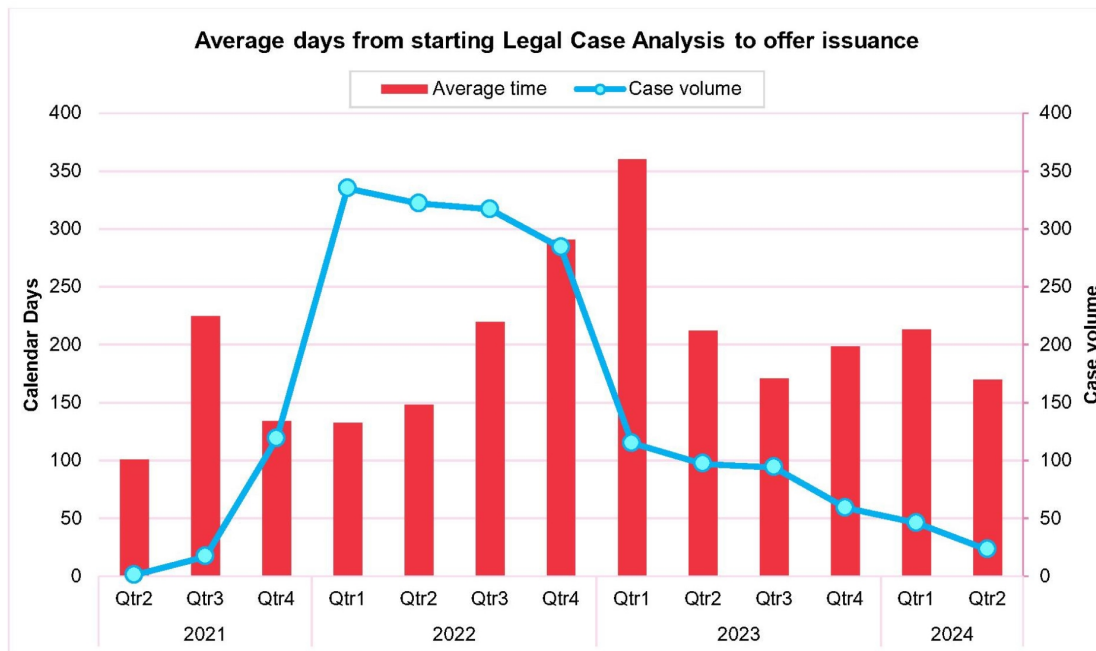


Legal Case Assessment

171 Once the SFA is complete, the application proceeds to a legal case assessment. This part of the process can be broken down into three stages: Firstly, is the initial case assessor work that may give rise to a RFI, secondly the RFI period where the applicant is gathering and returning extra documentation; and lastly the case assessor, based on a full suite of information, completes the case assessment and passes to the Panel.

172 Legal case assessment is removed with the introduction of the Fixed Sum Offer for any Applicant that chooses the Fixed Sum Offer. Analysis for each of these sub-processes is included below. Overall, the time from starting

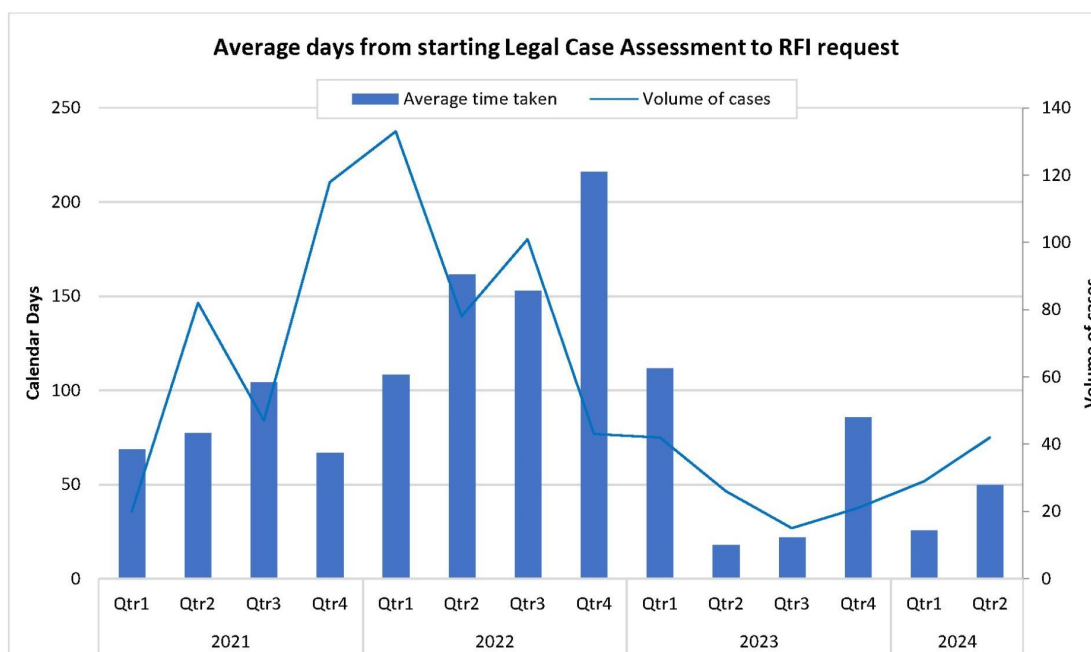
legal case assessment to Offer issuance has lengthened (Averages: 2021: 134 days; 2024: 191 days)¹².



Substage 1: Initial case assessment, pre RFI.

173 The following chart highlights an improving trend: cross 2021-2022 pre-RFI case assessment work averaged 116 days but settled in 2023-24 to 58 days.

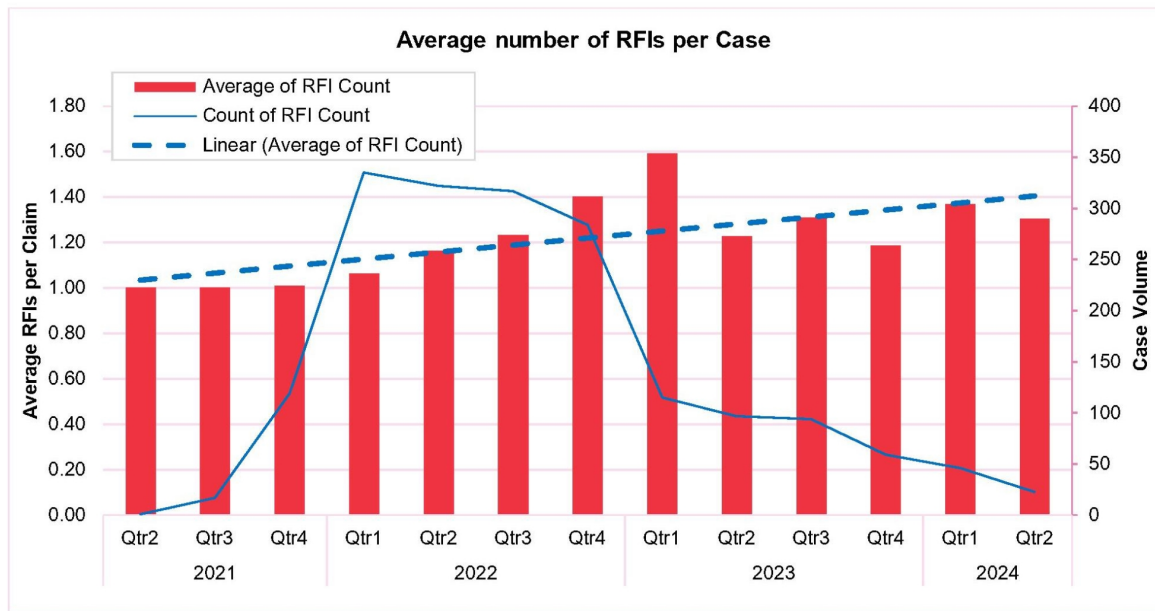
¹² As legal case assessment to Panel analytics are impacted by incomplete Panel dates data, the following chart looks from legal case assessment to Offer as a proxy data point.



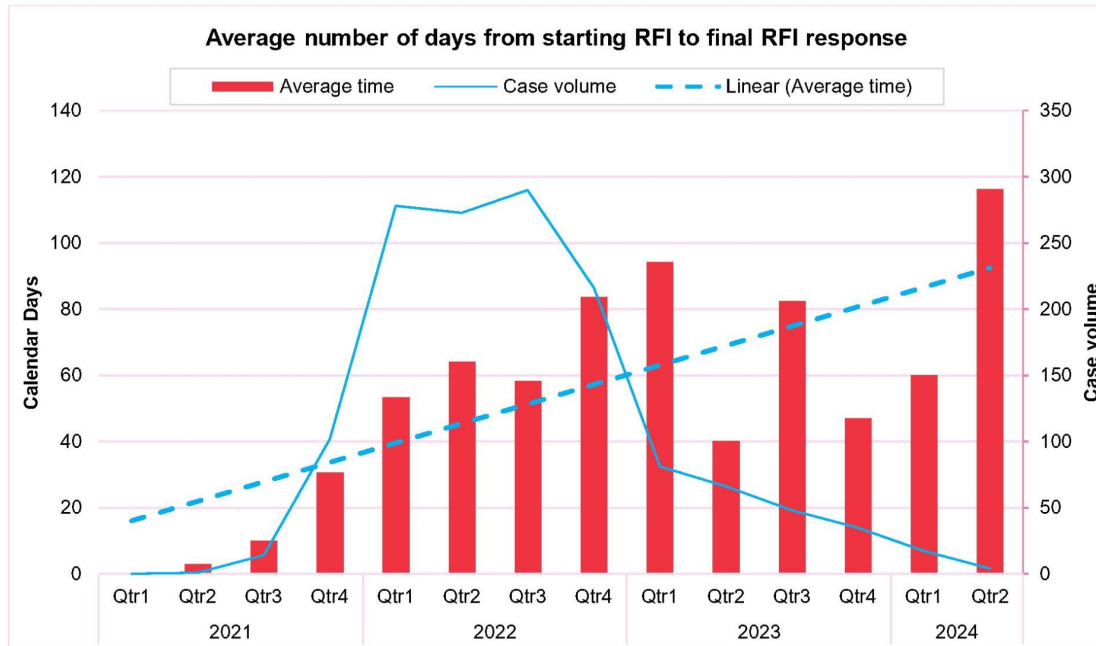
Substage 2: Requests for Further Information

174 If more information is required a RFI is issued to the Applicant with the aim of improving the evidential basis of a claim and, ultimately, the size of the potential redress. See paragraph 73 above for more info. RFIs have been sent in around 99% of Complex Claims and 75% of Standard Claims, since the HSS commenced.

175 Many claims need multiple RFIs, and the average number of RFIs per case has been increasing. Applicants are asked to reply to a RFI within 28 days. Applicants have on average been responding in 32 days to a first RFI, and 36 days if a second RFI is made. The time taken for Post Office to turn around the first RFI response and issue a second RFI is an all-time average of 78 days, which is on an increasing trend.

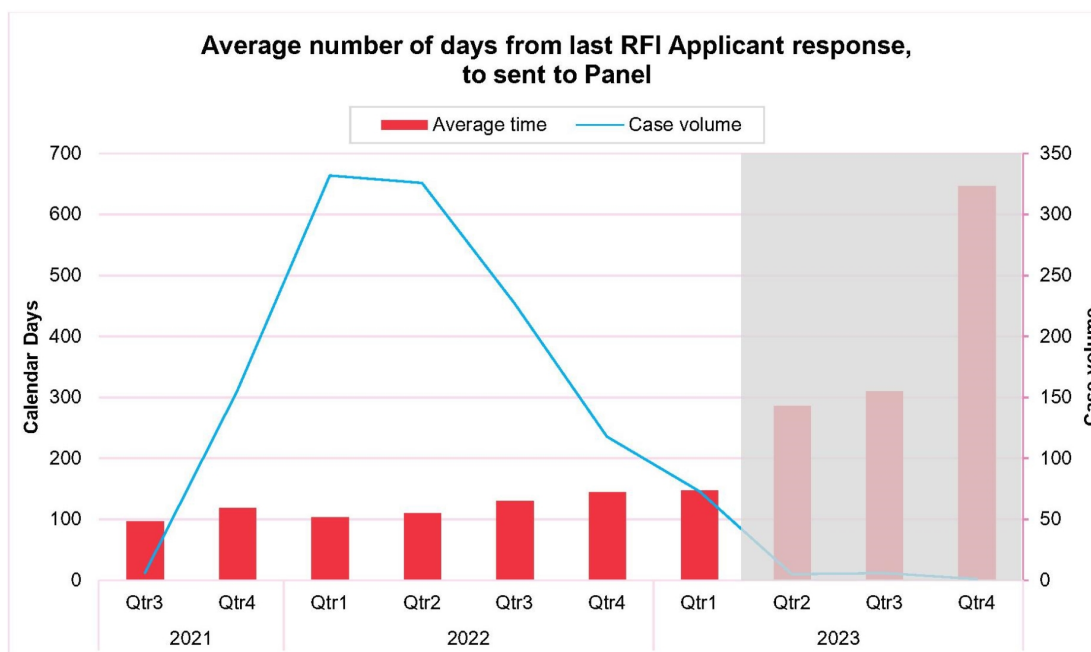


176 The increased number of RFIs per claim has contributed to an increase in the overall time a case will spend in the RFI cycle:



Substage 3: Case assessor work to complete the case and hand it to Panel

177 The following chart discloses the average time taken from the final RFI response from the Applicant, when all information should be to hand, to the passing of the case file to the Panel:



Independent Panel Assessment

178 In 2021, there were 40 Panel meetings, which made a total of 868 recommendations for redress; in 2022 there were 141 meetings which made a total of 1,408 recommendations; in 2023 there were 82 meetings with 471 recommendations made; and so far in 2024 there have been 38 meetings with 149 recommendations made. The high recommendations per Panel ratio evident early in the process results from the Panel noting their agreement to the proposed BAT offers, and in recent times falls in line with heads of loss per claim.

179 Offers Issued to the end of May 2024, there have been 2,720 Offers issued.

The time needed to issue an Offer reflects several factors. For example,

the Q1-2021 peak reflects the 416 BAT claims that were issued as soon as funding was agreed and the 2022 peak reflects Post Office working through original applications once case assessment principles were agreed.



Time to issue an Offer

180 The average from Panel recommendation to an offer being sent is 37 days (see paragraph 88 above for more detail on this).

Offer Value

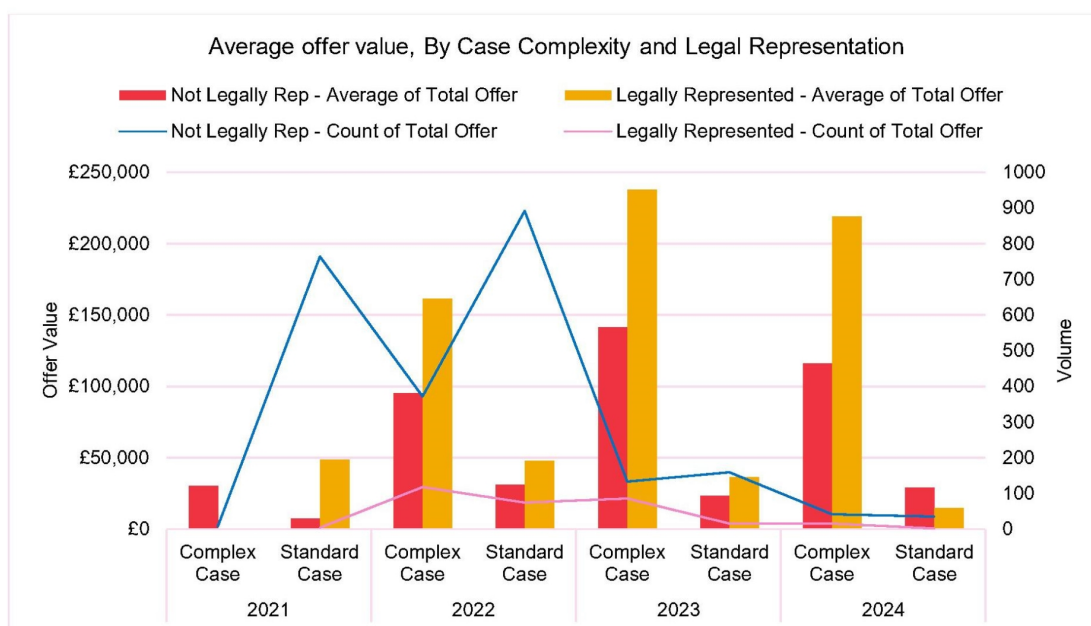
181 The average¹³ offer value is £53,000, however actual offer values vary significantly. In almost all instances a legally represented Applicant receives a higher offer even within the same Applicant types (i.e. Complex or Standard). In particular, there is a notable increase in the amount offered to legally represented Complex Applicants¹⁴ which is not mirrored in the

¹³ This average is for all Heads of Loss claims so excludes Compensatory Interest.

¹⁴ A complex Applicant is an Applicant with any of the following attributes: deceased, company, partnership, dissolved, 'Insolvency Case' flag. Being a complex Applicant goes to the Applicant's eligibility for the HSS.

non-legally represented Applicants. For example, of the 773 Complex Claims with offers, the 554 cases that were never legally represented had an average offer value of £107,000, whereas the 219 who were legally represented at some point averaged an offer of £195,000. Of these legally represented claims:

- (a) Applicants represented from the beginning (31 cases) averaged an offer value of £269,000.
- (b) Applicants receiving legal representation later in the process (188 cases) averaged an offer of £183,000. At the point of Offer all Applicants can seek reasonable legal costs to be reimbursed by Post Office for legal advice.

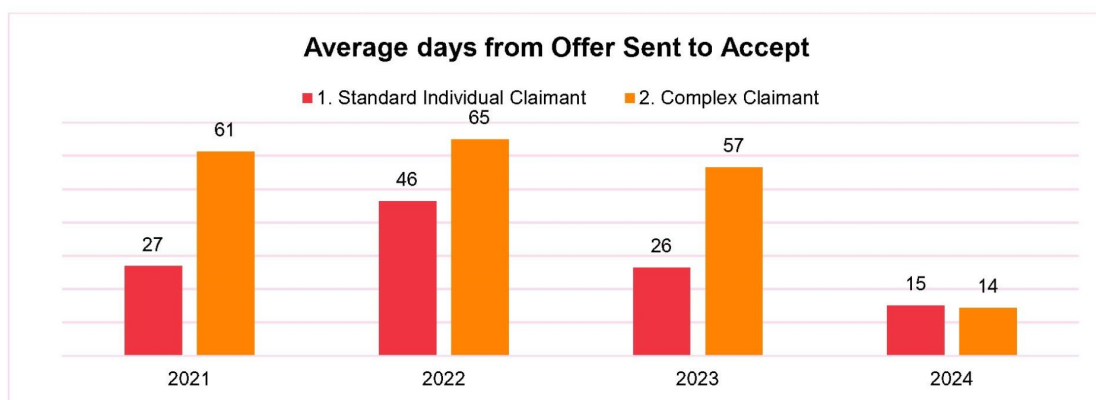
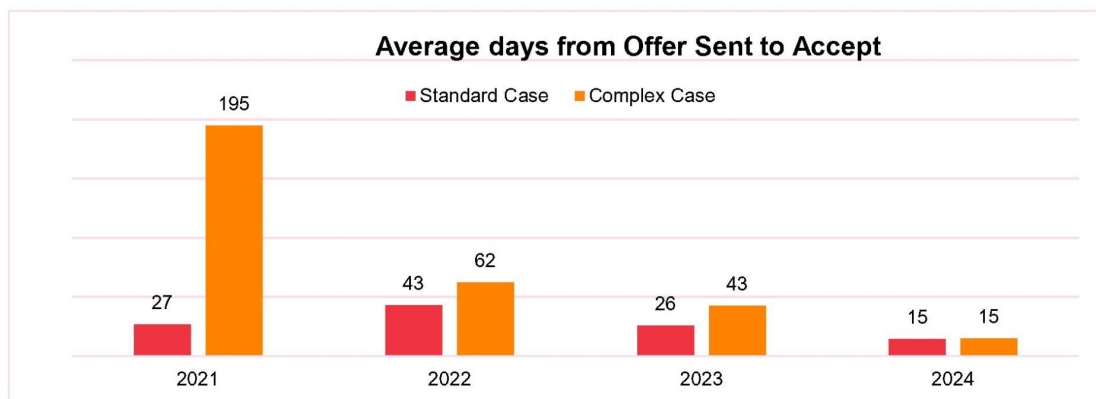
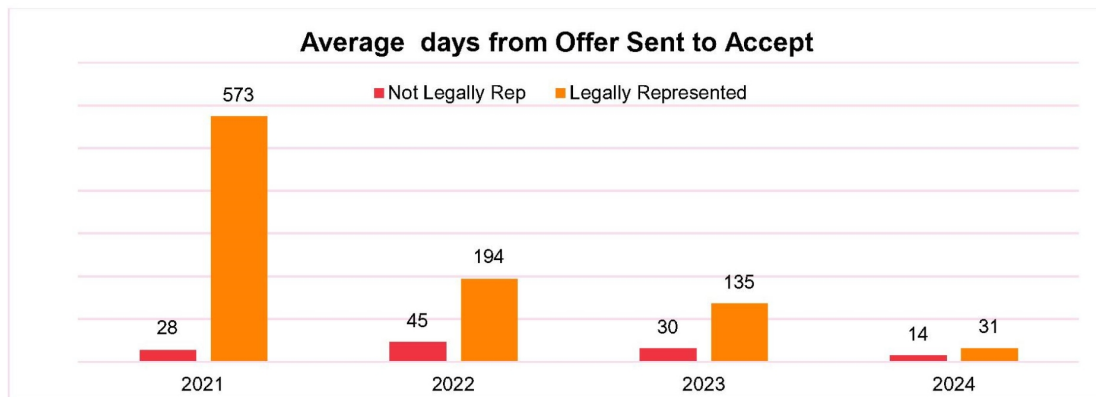


Applicant's response to an offer

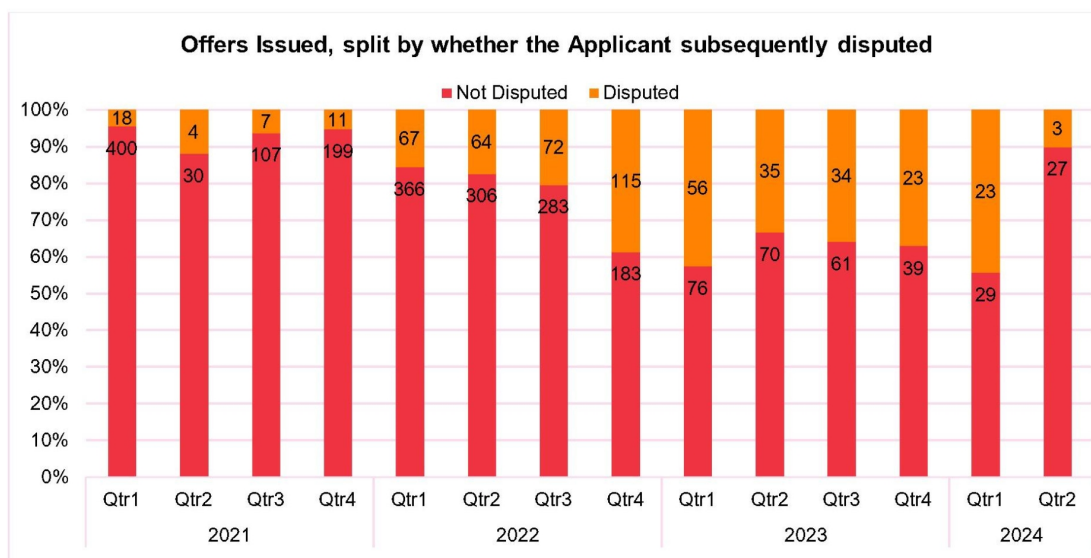
182 On average, Applicants accept an offer within 40 days. However, where an

Applicant is legally represented, this increases to 185 days. Complex

Applicants' offers take longer to accept with an average of 58 days to accept. Where the offer made is to a Complex Applicant and relates to a complex claim, the average is 72 days to accept. However, across all categories Applicants are responding more quickly, as demonstrated in the following charts:



183 An Applicant may respond to an offer by either accepting, querying or disputing the offer. There is a trend that an increasing proportion of offers are being disputed (2022 - 22%; 2023 - 37%). For 2024, the proportion in dispute is at 32% but there are still over twenty offers without response.



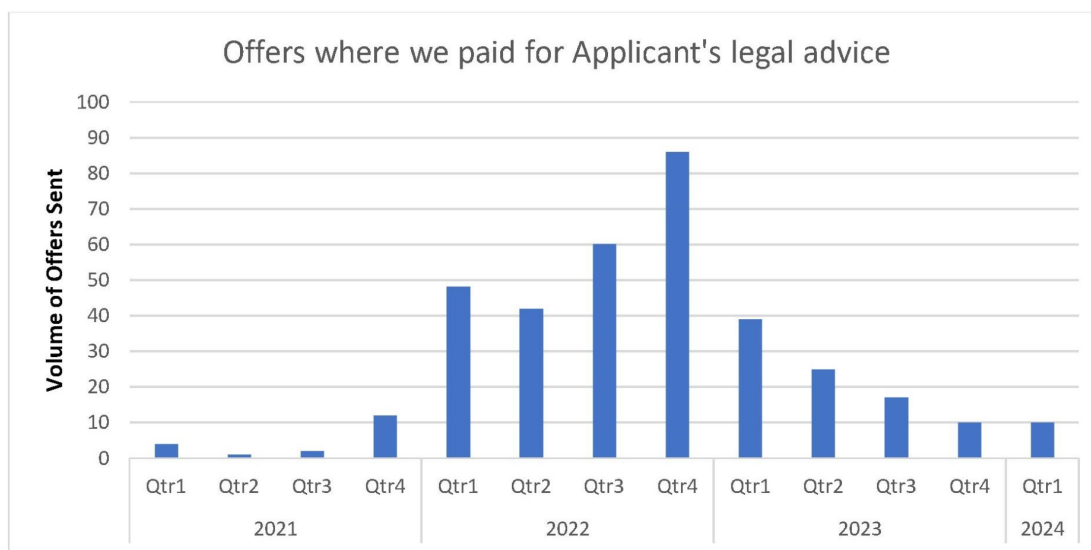
Legal costs take-up

184 As, an Applicant can recover reasonable legal expenses from Post Office:

- a. The number of Applicants who have instructed legal representation is 316 (12%) out of 2,720 offers. In addition, there have been 120 payments for legal support to non-legally represented Applicants¹⁵, meaning a total of 436 (16%) out of 2,720 Applicants in receipt of offers have received legal advice.

¹⁵These are claims from individuals that have not engaged with Post Office via a legal representative and therefore were understood to be non-legal represented Applicants. If they then presented Post Office with a legal invoice, generally after accepting their offer, Post Office have reimbursed them.

- b. The data shows a lower take-up of legal advice in 2021. At that point most offers were below the assessment threshold and, given the claim sum requested was paid out, it was not expected that Applicants would feel the need to seek legal advice.
- c. Complex Applicants are more likely to request a payment for legal advice fees: 28% of Complex Applicants requested legal advice payments compared to 11% of standard Applicants.
- d. Once Post Office moved onto tackling more assessed claims in 2022 and 2023, there was an increase in payments made for legal advice:



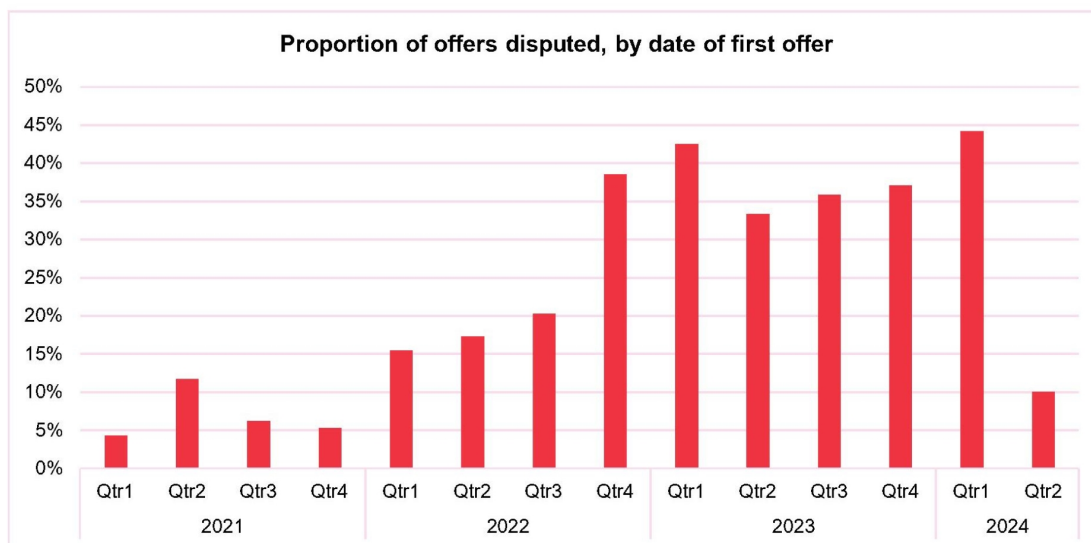
Dispute Resolution Procedure

185 Of the 2,720 offers made, 532 have been disputed:

- (a) 86% of legally represented Applicants dispute their offer compared to only 11% of non-represented Applicants.

- (b) Legally represented Applicants take longer to notify Post Office of their dispute (97 days vs. 73 for not legally represented).
- (c) The average acceptance time is 261 days from date of dispute¹⁶.
- (d) There remain 383 unresolved disputes with an average time in dispute of 14 months, of which 261 have not yet gone through a Good Faith Meeting. Some feedback from legal representatives is to by-pass Good Faith meetings and go straight to the next Escalation stage to speed up resolution, which is why the process is approached with a degree of flexibility.

186 The statistics evidence a long-term trend of an increasing proportion of disputes, however due to the time between Post Office making an offer and an Applicant responding it is too early to confirm that this trend will continue in 2024.



Once a claim is in dispute, the average acceptance time is 261 days from date of dispute¹⁷.

187 To May 2024, there have been 176 Good Faith Meetings, with 53 Applicants accepting an offer following the meeting, leaving 123 unresolved. Of the 123, there are 100 that have not progressed to an Escalation Meeting by 31 May 2024. Of these 100, at the time of writing:

- (a) Two have since accepted;
- (b) 20 have since progressed to later DRP stages, of which 13 have received an interim payment;

¹⁷ The shortest timeframe to settle a claim through DRP was two days (queries were raised about the offer and next steps but the claim did not require reassessment) and the longest was 666 days with the case settling after two Good Faith Meetings (GFM).

- (c) 56 still in the Good Faith Meeting stage are Legally represented, of which 42 have received an Interim Payment;
- (d) 20 still in the Good Faith Meeting stage are not Legally represented, of which eight have received an Interim Payment, and are being actively worked; and
- (e) Two cases have been suspended to due inactivity.

188 There were 25 Escalation Meetings to May 2024, including two cases that did not first have a Good Faith Meeting, of which seven Applicants accepted an offer following the meeting. Post Office's strategic position is to resolve claims through in-person meetings with senior RU staff in attendance, which replaced teleconference meetings from April 2024. Cases not yet scheduled in are being actively worked to progress towards a resolution.

189 By 31 May 2024, Post Office had completed five successful mediations with Postmasters resulting in a mediated agreement.

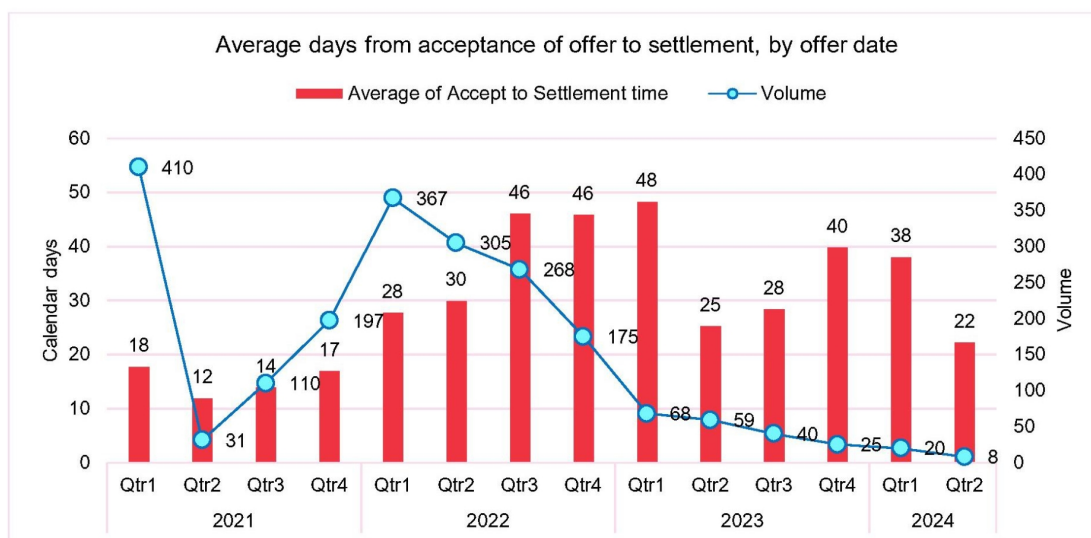
190 The introduction of the Fixed Sum Offer and an Appeal process will help resolve many of the disputes.

- (a) 32 Applicants have informed DRT that they were awaiting further information on the £75k top-up and Appeal process before accepting their offer.
- (b) DRT has also identified 80-100 other Applicants who may accept the fixed sum award when it is available.

Settlement

191 All-time average from acceptance of the offer to formal settlement (at the point the payment sent) is 29 days. The 2024 average (to 31 May) is 33 days.

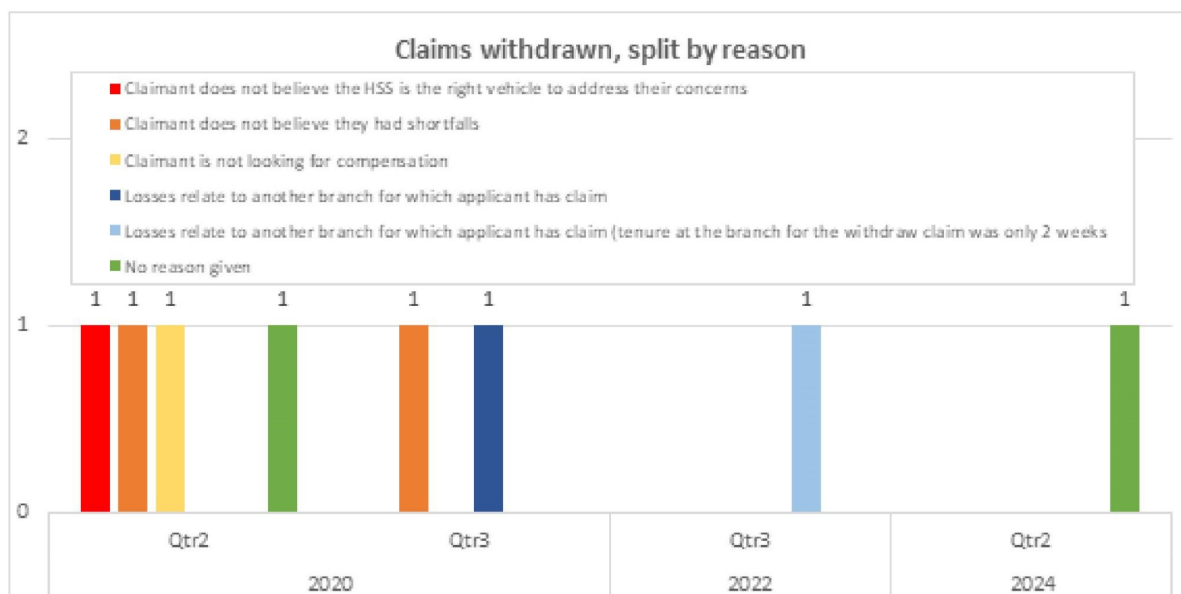
192 Complex Claims take longer to settle, whether by claim or Applicant complexity: 59 days for Complex Claims versus 22 days for Standard Claims; and 42 days for Complex Applicants versus 27 days for standard Applicants.



193 For urgent cases a faster payment method of payment can be used, and for the Tax TopUp Payments and Top-Up Payments a more automated approach has been implemented where payment is made within 10 days of the date an offer is accepted. Given the benefit this brings to Applicants, Post Office are looking to roll this quicker payment process out across the RU payment portfolio.

Discontinuation of claimWithdrawn Claims

194 Since the HSS began, eight Applicants decided, unprompted by Post Office, not to continue with their application and have withdrawn their claim. In response to such a communication, Post Office writes to the Applicant to confirm that no further investigations relating to shortfalls will be carried out. It is anticipated that the mailout to potential new Applicants to the HSS to make the Fixed Sum Award will invite these Applicants to apply again.

Paused Claims

195 Seven applications have not progressed to assessment because the Applicant has not responded to Post Office's request for either a signed application form, identification, or authority to act documents. Post Office have advised the Applicants that while we cannot proceed whilst those are outstanding, we can as soon as documents are provided. In the event Post

Office send any future mailings Applicants with paused claims will be included.

Summary

196 Post Office acknowledges that for the reasons set out above, the HSS was not as efficient and effective as it should have been from the outset for which Post Office apologises. Post Office has learned lessons, listened to feedback from a wide range of sources and worked with Government to make improvements where possible.

197 Post Office also recognises that it underestimated the level of interest such a scheme would generate, the subsequent complications and the level of governance and oversight required by Government especially around funding and the understandable scrutiny required given the use of public monies. This is enhanced by the unique Post Office shareholding arrangement with one shareholder; the Government.

198 The main reason Post Office welcomes a Government led appeals process is so that those Applicants who feel they did not receive full and fair redress through the HSS process have the opportunity to rectify this.

GLO Scheme

199 Further to paragraph 7 above, the Inquiry raised queries in Nick Read's Rule 9 request regarding the GLO Scheme for which the RU has accountability. As such, I address these questions here.

200 Post Office had no direct involvement in relation to the GLO Scheme which it considers is entirely appropriate as it should be completely independent.

Post Office shared the case assessment principles with Government in order to assist with drafting the GLO Scheme's principles. Therefore, the GLO Scheme's principles were based on the HSS case assessment principles.

201 Post Office was involved directly in relation to the disclosure exercise to provide the documentation required by the GLO Scheme. Initially, there were operational teething issues in setting up the disclosure process resulting in Post Office not meeting the required production numbers set out by DBT. Consequently, Post Office accelerated its delivery by standing up a team dedicated to GLO Scheme disclosure and delivered four weeks early.

202 Post Office was involved in agreeing terms for the disclosure of material with DBT to enable the assessment of claims in the GLO Scheme. I had sight of a data sharing brief prepared by my colleague and she delivered it to the Board. However, I owned the document and was accountable for it. As such, my team and I were very involved in implementing a data sharing process.

203 Post Office had discussions with DBT regarding the data sharing plan structure and we agreed it with them. Post Office entered into a data sharing agreement with DBT and were involved in the plans.

204 At the management meeting I hold on a weekly basis (referenced at paragraph 142 above), Post Office met to discuss how it was progressing against the proposed plan for disclosure. Discussions revolved around the number of documents to be disclosed, the number of documents that had

been disclosed and the quality of disclosure. Post Office monitored the progress throughout the process.

205 At the outset, the disclosure process was clunky and slow to get started. Consequently, I was also responsible for recruiting an additional team in order to achieve the plan that had been agreed; the team reached 57 people which demonstrates the volume and breadth of the undertaking required.

Statement of Truth

I believe the content of this statement to be true.

Signed: 

Dated: 4 September 2024

**Index of Exhibits to the sixth witness statement of Simon Recaldin on
behalf of Post Office Limited in response to Rule 9 Request 56**

Number	Inquiry URN	Document Description	Control/Production Number
1.	POL00448026	Horizon Shortfall Scheme Terms of Reference	POL-BSFF-108-0000005
2.	POL00448027	Horizon Eligibility Criteria	POL-BSFF-108-0000006
3.	UKGI00033420	Horizon Consequential Loss	UKGI042315-001
4.	POL00448026	Panel Terms of Reference	POL-BSFF-108-0000005