

Guidance

How to apply to the Horizon Shortfall Scheme Appeals (HSSA) process

Guidance for postmasters and their representatives on the Horizon Shortfall Scheme Appeals process.

From: **Department for Business and Trade**

(/government/organisations/department-for-business-and-trade)

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Timelines for opening

The Department for Business and Trade (DBT) has written to potentially eligible postmasters' representatives (or where they are not represented, directly to postmasters) currently in Post Office's Dispute Resolution Process (DRP), inviting them to transfer to HSSA.

We will open HSSA to all other eligible postmasters shortly after inviting those currently in the DRP.

An independent HSS appeals process

At the time of HSSA opening to appeals, over 5,000 claimants have settled their Horizon Shortfall Scheme (HSS) claim, and many will be satisfied with the outcome. However, some individuals may not have been aware that they could claim for certain losses or they did not receive legal support to dispute their offer.

The government agrees that it is appropriate to implement the [Horizon Compensation Advisory Board's June 2023 recommendation](https://www.gov.uk/government/publications/horizon-compensation-advisory-board-2023-meetings) (<https://www.gov.uk/government/publications/horizon-compensation-advisory-board-2023-meetings>) that an independent appeals process should be introduced for HSS. As advised by the board, HSSA's focus is "assessing whether settlements were fair based on the evidence provided, while allowing consideration of elements of a claim which had been missed or not included on the original form".

DBT oversees the appeals process with the independent [Horizon Compensation Advisory Board](https://www.gov.uk/government/groups/horizon-compensation-advisory-board) (<https://www.gov.uk/government/groups/horizon-compensation-advisory-board>) providing advice on its delivery. Although we request the disclosure of information relating to your HSS case from Post Office, they are not involved in any assessment of your appeal.

The board is made up of:

- 2 academic experts in the field of alternative dispute resolution and legal ethics
- 2 parliamentarians recognised for their past involvement in pursuing the resolution of the Horizon scandal

Who can make an appeal under HSSA

You are eligible for HSSA if you meet one of the following criteria:

- you have settled your claim in the HSS without entering the DRP

- you have rejected your initial HSS offer without entering the DRP
- you have settled your claim in the DRP before mediation stage without legal advice funded by Post Office, other than for reasonable allowances to consider your offer
- you are within the DRP (with or without legal advice) but have not requested or be awaiting a mediation meeting at the time of HSSA opening

HSS claimants who have accepted the £75,000 fixed sum payment

If you have accepted the £75,000 Fixed Sum Offer, you are not eligible for HSSA.

When a HSS claimant considers the Fixed Sum Offer, it is made clear to them in their offer letter that accepting this would mean they cannot then enter an appeals process.

This is because the Fixed Sum Offer is intended to be an option for postmasters to settle their claim quickly and £75,000 is above the average offer made by the independent HSS panel.

If you have not accepted the Fixed Sum Offer and you make an appeal in HSSA, you will not be able to then accept the Fixed Sum Offer at a later stage.

HSS claimants who decline the £75,000 fixed sum payment but get a lower HSSA offer

If you decline the £75,000 fixed sum, you are not able to return to it at a later stage, even if your HSSA offer is below the fixed sum amount.

However, if you disagree with your HSSA offer, you can reject it and enter the HSSA panel and review stages. You can find more information about this process in the [How appeals are assessed](#) section of this page.

Making an appeal on behalf of a deceased postmaster

You can make an appeal on behalf of the postmaster if they would have been eligible and you can prove that you fulfil certain legal criteria, such as, you are an executor of the person on whose behalf you are making the appeal.

We will need to verify this at the start of the process, before the appeal can progress to assessment.

Find out more about the [ID verification process](https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-proving-your-identity) (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-proving-your-identity>).

Making an appeal on behalf of a former postmaster who is unable to apply

You can make an appeal on behalf of the former postmaster if they are eligible and you fulfil certain legal criteria, such as, you are a personal representative, have power of attorney or are a deputy of the person on whose behalf you are making the appeal.

We will need to verify this at the start of the process, before the appeal can progress to assessment.

Find out more about the [ID verification process](https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-proving-your-identity) (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-proving-your-identity>).

Ineligible appeals

Eligibility for HSSA is determined by reference to the criteria in the [HSSA guidance and principles](https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles) (<https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles>). If your claim is found to be ineligible, DBT will explain why this is the case.

If you are found to be ineligible, but you believe this decision is incorrect, you can ask your lawyer to dispute it by emailing hssappeals@businessandtrade.gov.uk, and asking for a review of the decision. If you are not represented, you may dispute the decision yourself.

Make an appeal under the HSSA process

Get legal support to make your appeal

If you are thinking about whether to make an appeal, we strongly encourage you to engage a lawyer to support you with the process. They can support you in deciding whether to appeal, and then in making your appeal.

You should not engage any firm which asks you for money now or later, or which offers a 'no-win, no-fee' agreement, a conditional fee or a litigation funding agreement.

You should not engage any firm which does not agree to limit its fees to [the amounts set out in the tariff](https://www.gov.uk/government/publications/horizon) (<https://www.gov.uk/government/publications/horizon>).

[shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs](#)). Any fees above the tariff will not be paid by DBT and you will be responsible for paying them.

DBT funds legal advice for postmasters in HSSA in accordance with a tariff and the cost will not be taken from any redress you receive. Certain legal firms have agreed to the tariff and not to charge postmasters for this work.

We strongly advise against making an appeal without seeking legal representation.

How to make an appeal

Your legal representative should fill out the relevant [registration form](#) (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-registration-form>) and return it to DBT by emailing hssappeals@GRO or in writing to:

Horizon Shortfall Scheme Appeals

Post Office Team
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

You should only fill in your own registration form if you do not have a legal representative, as this could slow down the process. If you are representing yourself, we recommend that you take time to read the [HSSA guidance and principles](#) (<https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles>) before making an appeal.

Deadline for making an appeal in HSSA

We encourage you to make your appeal as soon as possible, after seeking legal advice. The following timescales will apply depending on your situation when making an appeal:

Eligible group

Timescale

Settled your claim in the HSS without entering the DRP.

You will have 9 months to make an application, starting on either the date of settling your HSS panel offer, or from

| Eligible group | Timescale |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rejected your initial HSS offer without entering the DRP. | May 2025, whichever is later. After this time you will not be able to launch an appeal. |
| Settled your claim in the DRP before mediation stage without legal advice funded by Post Office, other than for reasonable allowances to consider your offer. | You will have 9 months to make an application, starting on either the date of rejecting your HSS panel offer, or from May 2025, whichever is later. After this time you will not be able to launch an appeal. |
| Within the DRP – with or without legal advice – but not have requested or be awaiting a mediation meeting, upon scheme opening. | You will have 9 months to make an application, starting on either the date of settling your claim in the HSS DRP, or from May 2025, whichever is later. After this time you will not be able to launch an appeal. |
| Within the DRP – with or without legal advice – but not have requested or be awaiting a mediation meeting, upon scheme opening. | You will have 9 months to make an application, starting on the date of your invitation letter, after which time you will no longer be eligible for HSSA and will remain within the DRP. |

You, or your lawyers, must submit all relevant information and evidence related to your appeal within these timeframes. If for any reason there are issues with these timelines being met, email hssappeals@postoffice.co.uk **GRO** to discuss further.

If you register for HSSA and we do not hear back from you within these timeframes, then we will assume that you no longer wish to proceed with your appeal. If this situation occurs, we will not continue to process your appeal.

Making a late appeal

Unfortunately, DBT will not be able to accept any HSSA appeals made after these timescales.

Cost involved in making an appeal

There is no cost to make an appeal. There is also no risk of you losing any money you were awarded in Post Office’s HSS or receiving less than you were awarded by Post Office.

The only possible cost that you could incur is if you engage in a legal firm offering a 'no-win, no-fee' arrangement, a conditional fee or a litigation funding agreement, or a firm which does not agree to limit its fees to the amounts set out in the tariff (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs>).

As outlined, we recommend against engaging such firms.

Scope of the appeals process

Shortfalls related to previous versions of Horizon

HSSA is designed to address shortfalls related to previous versions of Horizon (sometimes referred to as Legacy Horizon, Horizon Online or HNG-X).

If you have experienced a more recent discrepancy and have concerns or queries about the way in which it was or is being resolved, contact Post Office directly at casereviewteam@postoffice.co.uk **GRO**

If you experience an operational issue when using the current version of Horizon, please report it to Post Office Branch Support Centre.

Claims for distress, ill-health and financial losses caused by shortfall repayment

You may appeal your award for all the losses claimed in your original HSS claim.

Additionally, if you believe you have suffered any further losses not claimed in your original HSS application, these can also be considered in HSSA. Your legal representative will be able to advise you about any other losses you may be able to claim.

Guidance about what consequential losses you may be able to claim can be found in the [HSSA guidance and principles](https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles) (<https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles>).

You should provide as much information and evidence as you can in your appeal about any further losses you want to claim.

Choose whether to make an appeal

If you are content with your HSS settlement, you are under no obligation to appeal it. The choice is entirely yours.

Transferring from DRP to HSSA

You do not have to transfer from DRP to HSSA. We encourage you to make the decision that is best for you.

However, it is important to note that if you transfer from DRP to HSSA, you will not then be able to return to DRP.

We encourage you to discuss this decision with your legal representative. As per the [HSSA tariff of reasonable legal costs](https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs) (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs>), DBT will fund the costs of legal advice to support with this decision.

Withdrawing from HSSA

You can withdraw your appeal at any time by emailing hssappeals@GRO or by writing to:

Horizon Shortfall Scheme Appeals

Post Office Team
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

If you do request to withdraw your appeal, we will discuss this with you, and what it will mean for your appeal going forward.

If you withdraw from HSSA, you will not be able to re-enter it at a later stage. You are also unable to transfer to Post Office's DRP if you have entered HSSA.

Providing documents and evidence

Although we are happy to accept any new or additional information that you want to submit for us to consider as part of your case, you do not need any new evidence to make an appeal.

DBT aims to minimise the burden on postmasters in HSSA when it comes to submitting evidence.

You do not need to resubmit any information that has already been submitted as part of your initial HSS claim, as we request this directly from Post Office.

You can upload further supporting material should you deem it necessary, and if you are making any new claims in your appeal, we would encourage you to provide as much detail and evidence as you can.

You may be required to provide additional information to help progress your appeal at the assessment stage. DBT will only ask for further information where this is considered reasonable or necessary to properly assess your claim.

Getting expert advice to support your appeal

If your appeal involves losses which require technical or specialist knowledge to assess, you and your legal representative may wish to seek expert evidence to support it. This could include a report from a medical or accounting expert, for example.

DBT will cover the costs of obtaining expert evidence. The process you, or your legal representative, will need to follow to can be found in the [HSSA tariff of reasonable legal costs](https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs) (<https://www.gov.uk/government/publications/horizon-shortfall-scheme-appeals-hssa-tariff-of-reasonable-legal-costs>).

How to submit documents and evidence

Please submit any documents and evidence electronically where possible. You and your legal representative will be given access to an online platform where you can do this once you have made your appeal.

If you are unable to scan documents, DBT can accept photographs of documents if they are good enough quality for us to:

- read the detail in the document
- be certain that the document is genuine

If you are submitting more than one image, you must ensure the link between the images is clear.

If you do not have any internet access, your legal representative should be able to upload the documents on your behalf.

We accept hard copies of the documents but only if you do not have both legal representation and access to the internet. Send these to:

Horizon Shortfall Scheme Appeals

Post Office Team
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

How appeals are assessed

DBT has procured the services of an external legal firm, Addleshaw Goddard, who are responsible for undertaking a fresh assessment of your case. Once they have come to a determination, they will provide a recommended offer to DBT.

Your appeal will be assessed using the information available, with considerations of fairness and applying the relevant legal principles outlined in the [HSSA guidance and principles \(https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles\)](https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles).

The assessment will depend on the individual circumstances of each appeal, and the information and evidence supporting it.

If you disagree with our offer

If you disagree with our offer, and we cannot come to a solution through discussions, your appeal may be referred to an Independent Panel who could recommend another offer amount.

If your case is referred to the Independent Panel

The Independent Panel is made up of experts with a variety of relevant backgrounds, including legal, accounting, medical and retail experts. The panel is not the same as the panel who made your initial offer in Post Office's HSS.

The panel appointed in respect of your appeal will depend on the nature of your claim.

If you still disagree with an offer made by the Independent Panel, your case may be escalated to the Reviewer in specific circumstances. Any decision made by the Reviewer is considered final.

The full process is set out in the [HSSA guidance and principles](https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles) (<https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles>).

If your case is escalated to the Reviewer

The Reviewer is an independent senior lawyer.

If you remain unsatisfied with the outcome of your appeal after it has been assessed by the Independent Panel, you can ask the Reviewer to consider your appeal if you believe one of the following criteria apply:

- there has been a manifest error, procedural irregularity or substantive error of principle in the Independent Panel's final assessment of the appeal
- the Independent Panel's final assessment is substantially inconsistent with the [HSSA Guidance and principles](https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles) (<https://www.gov.uk/guidance/horizon-shortfall-scheme-appeals-process-guidance-and-principles>)

Your legal representative will be best placed to advise you on whether your case meets the criteria for escalation.

Meaning of a 'manifest error'

In the context of escalating a HSSA case to the Independent Reviewer, a manifest error is an error that is obvious or easily demonstrable without extensive investigation and which had a material effect on the Independent Panel's assessment.

This would include:

- a decision that went beyond the scope of what the Independent Panel was permitted to assess
- a decision so obviously irrational that no person, acting reasonably, could have made it
- an error on the part of the Independent Panel in taking account of clearly irrelevant matters or failing to consider clearly relevant matters
- an error in the mathematical calculation of the compensation sum awarded by the Independent Panel in its assessment (but not the assumptions on which that calculation was based provided that such assumptions are not factually incorrect or irrelevant).

Meaning of a 'procedural irregularity'

In the context of escalating a HSSA case to the Independent Reviewer, a procedural irregularity is an irregularity in the procedure or decision-making

process that the Independent Panel has adopted while making its assessment, which made a material difference to that assessment.

Circumstances where a procedural irregularity might arise include:

- where the Independent Panel has not correctly followed the Independent Panel terms of reference
- where the Independent Panel has not properly observed the principles of natural justice in the decision-making process

A failure to comply with the timeframes set out in the Independent Panel terms of reference is unlikely to amount to a procedural irregularity.

Meaning of a ‘substantive error of principle’

In the context of escalating a HSSA appeal to the Independent Reviewer, a substantive error of principle would arise where the Independent Panel’s assessment involved the application of a principle identified in the guidance and principles:

- in a way which is obviously inconsistent with generally accepted legal principles (either existing at the time the guidance and principles were finalised or after that date)
- where the principle used to assess a case was clearly inappropriate in the circumstances

Length of appeal process

The time taken to investigate and assess each appeal is heavily dependent on the facts of that appeal and the volume of documentation involved.

DBT progresses all appeals as quickly and efficiently as possible. We aim to issue an initial offer in 90% of cases within 40 working days of making a substantially complete appeal.

You will receive regular updates regarding your appeal.

Information about the progress of HSSA is published each month on GOV.UK. It includes statistics about the number of appeals made, offers made and acceptances, as well as the total amounts paid.

‘Substantially complete’ appeals

We consider your appeal ‘substantially complete’ when we have all the information and evidence that you want us to consider. This puts us in the best possible position to make a full and fair assessment of your case. This includes any necessary requests for further information.

We will ask you, or your legal representative, if we hold all the information pertaining to your appeal. Once you confirm that we do, Addleshaw Goddard will review the information and let us know whether any further information is required from you.

Possible assessment outcomes

The assessment outcome will depend on:

- the individual circumstances of your appeal
- the information that is provided in support of it, including both the evidence provided to Post Office in your original HSS application
- any new information you have provided to DBT

You will either be offered a higher amount than your initial HSS settlement, or it will be determined that the original settlement was correct. If a fresh offer is not made, your appeal will automatically be referred to the panel.

The assessment will take into account any payments that you have already received in relation to Horizon. But you will never be asked to repay any money you may have received from your original settlement.

Deductions from final payment

Any payment that you have already received in Post Office's HSS will be deducted from your final HSSA award amount, to ensure that compensation is not mistakenly paid twice.

Impact on tax and benefits

Any compensation that you receive in HSSA is exempt from:

- Income Tax
- Capital Gains Tax
- National Insurance contributions
- Corporation Tax
- Inheritance Tax

Compensation paid in the appeals process is disregarded for the purposes of means-tested benefits. It will not impact your eligibility for any of the following benefits:

- Universal Credit

- Pension Credit
- Housing Benefit
- Housing Benefit for pensioners
- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance

Interest applied to HSSA compensation

If you are awarded compensation in HSSA, interest is usually applied to it, although some types of loss do not attract interest. Further information about the types of loss which you can claim for is set out in [the HSS Consequential Loss principles and guidance](https://www.onepostoffice.co.uk/scheme) (<https://www.onepostoffice.co.uk/scheme>).

Postmasters making an appeal will be in different situations depending on if they have already received full or partial payment of a HSS award, or not, and if interest was paid on that award.

For that reason, we take a bespoke approach to paying interest in HSSA depending on your individual payment situation.

Periods of time covered by interest payments

In HSS, interest is awarded on certain HSS heads of loss with start dates for the interest payments being determined in accordance with the case assessment principles.

For HSSA, interest is applied where appropriate up until the relevant points in your case, as calculated by your DBT caseworker. Depending on your individual situation, the relevant points would be as follows:

- receipt of your final offer in the HSS plus 28 days – this would likely apply in situations where you have not yet received any payment due to rejecting the original panel offer made to you by Post Office, but where you were not found to be due any uplift in HSSA
- receipt of your final offer in HSSA plus 28 days – this would likely apply in situations where you either received an uplift to your initial panel offer awarded by Post Office (but to the uplift awarded in HSSA only where you had accepted your HSS offer) or where you are receiving a full award for the first time (because you rejected your HSS offer) and have received an uplift granted in HSSA

- receipt of an interim payment – this would likely apply in situations where you received an interim payment in HSS, which did not have interest applied. On that interim payment only, interest would be calculated up to the point of its payment.

Further information

If you have a query or need more information, you can email the HSSA team at hssappeals@gro.gov.uk

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