

V9.0 – 22/1/2024

POST OFFICE LIMITED - HORIZON SHORTFALL SCHEME**APPROACH TO REVIEW AND APPROVAL OF CLAIMS**

1. The HMC Sub-Group – the HSS Panel Recommendations Review Committee - will review all claims pre-Panel and all Panel recommendations prior to the issue of the Offer (both pre- and post-Offer), approving (or otherwise) those which are exceptions and noting (or otherwise) those which are not exceptions. POL will keep a separate log of the sub-group's approvals of exceptions and noting of non-exceptions.
2. HMC will pass the same claims to UKGI/DBT within 24 hours of the sub-group meeting, requesting approval of exceptions.
3. The HMC sub-group and UKGI/DBT will escalate (for approval) exception cases to RC/DBT Steerco which are precedent setting, impact the financial envelope or otherwise at HMC/UKGI/DBT's discretion.
4. **Exceptions requiring approval pre-Panel comprise:**
 - 4.1 Value of claim – High-value claims - the recommendation from HSF in relation to the claim as a whole is for £200k or more.
 - 4.2 Difference from shortfall amount claimed – Where HSF's total recommended amount/range for shortfalls is more than £20k above the total claimed value
 - 4.3 Business-related heads of loss – For Loss of Profit, Loss of Property and Loss of Opportunity type claims, where claim value under any of these HOLs is over £100k.
 - 4.4 Termination head of loss – Where HSF's termination settlement recommendation is under 26 months remuneration (but not zero) or over 26 months (although cases with notice periods included in the recommendation won't count as 'over 26 months'). Cases where suspension is the only termination-type Offer won't count as exception cases.
 - 4.5 Termination losses where separate recommendation(s) have been made over and above the 26 months, under business-related HOLs (although cases with notice periods included in the recommendation won't count as 'over 26 months').
 - 4.6 Cases where claimant has been terminated, but the NCA has been considered inappropriate
 - 4.7 Claims in which the Panel have been asked to consider whether or not: (1) the subpostmaster experienced Horizon Shortfalls and (2) those shortfalls or a breach of duty by POL in relation to the same caused or significantly contributed to injury resulting in the postmaster's death ("**Fatality Claims**").
5. **Exceptions requiring approval post-Panel, prior to offer letter** – HMC/UKGI/DBT wish to see the cases they saw in 4.1 and 4.2 above *if the Panel recommendation is £20k more than the total claim put forward by HSF*, and for 4.3 above *if the recommendation is £20k more than any one HOL put forward by HSF*, in addition to the following;
 - 5.1 No offer – cases where HSF's only recommendation is no offer and Panel have recommended no offer in respect of a claim taken as a whole (i.e. no offer for Shortfall Loss plus any consequential losses).
 - 5.2 Business-related heads of loss - Any Panel recommendation for lost earnings based on less than 26 months (but not zero offers) or over 26 months remuneration (although cases with notice periods included in the recommendation won't count as 'over 26 months'). However, where the Offer is for suspension only, these don't need to be considered exception cases. Cases where suspension is the only termination-type Offer won't count as exception cases.
 - 5.3 Personal Injury – Any Personal Injury awards over £30k
 - 5.4 All Fatality Claims
 - 5.5 All PNC/caution and insolvency/bankruptcy cases.
 - 5.6 HSF's discretion – any other case which HSF in its sole discretion decides to escalate.

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6. Timing
 - 6.1 HMC/UKGI/DBT will endeavour to comment on any case escalated to it for approval within 1 working day.
 - 6.2 For cases HMC/UKGI/DBT wish to escalate to RC/DBT Steerco, it will do this also within 1 working day of reviewing the case
7. Prosecuted (but not convicted) and caution cases: the HMC sub-group will also review and decide on all 'concession' cases, passing any it declines to RC for RC's approval of HMC's decision. a 'concession' case is one where HMC is asked to decide whether or not to concede that Horizon data was essential to (1) the prosecution of the postmaster which did not lead to conviction, or (2) the issuance of a caution to the postmaster.
8. Review – This process will be kept under regular review to ensure that it keeps HMC sufficiently informed, without causing undue delay