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Quarterly Monitoring Meeting Readout 07 September 2023

Attendees

- Carl Creswell (CC) – Director, Business Resilience, DBT
- Simon Recaldin (SR) – Director, Remediation Unit, POL

Post Office

- Catherine Connolly (CCo)
- David Firth (DF)
- Evelyn Hocking (EH)
- Jamie Tebbutt (JT)
- Madeleine Dematteis (MD)
- Matthew Hilton (MH)
- Neil McDaid (NM)
- Pamela Heap (PH)
- Paul Murray (PM)
- Richard Paddington (RP)
- Sarah Lambert (SL)
- Simon Atkin (SA)
- Steve Barlow (SB)
- Victor Turner (VT)

UKGI

- Dominic Elvin (DM)
- Lorna Gratton (LG)
- Rob Mackie (RM)

DBT

- Beth White (BW)
- Ciara Lawrence (CL)
- Eleri Wones (EW)
- Emily Snow (ES)
- Harry Fallowfield (HF)
- Foysul Hoque (FH)
- Liam Butler (LB)
- Michael Morondiya (MM)

OC

1. POL's priorities

Simon Recaldin (SR) said establishing the principles is a priority for POL. It was presented to the Advisory Board who were encouraged by the presentation and keen to get the process published.

Principles and Independent Assessor

Neil McDaid (NM) updated that in the coming weeks and months POL will be focusing on feedback from claimant representatives on the principles and suggestions for an Independent Assessor (IA). If the response is positive, POL can move quickly towards the IA approach and appoint someone that all parties accept. Lord Dyson has also suggested a possible candidate. NM added that there are a few issues on head of loss earnings with the most complicated being POL Rem which is being finalised. Once finalised, POL's aim is to reach the position to take fully particularised claim issues to the IA within three months.

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SR added that the Advisory Board (AB) was keen for POL to publish the process once it has been formalised and POL is considering putting in place process timelines. Carl Creswell (CC) highlighted that POL's presentation at AB meeting was good and included independence. CC thinks Lord Dyson's IA recommendation would be welcomed by the AB.

POL delivery

NM said POL are working towards transitioning workstreams away from third parties for resource management and taking over responsibility for preparing SARs. POL will also think about repurposing the HMC subcommittee to consider pecuniary claims for efficiency. NM said at a later stage POL will review of the Operations Agreement so they can redefine what the exceptional criteria looks like going forward.

ENE

NM said that a claimant representative has confirmed that they are willing to for an ENE in respect to GLO deductions. NM added that Lord Dyson has some time available in September and HSF can work to get papers together to go then. [NM later clarified via email the availability was in October.]

2. Claims Update

Pecuniary Claims

NM said that POL is working through a couple of claims at the moment. One which is straight forward and didn't need to go through RFI so should be coming through to DBT soon. The other claim POL is working through the numbers to ensure they are aligned with the principles.

Non-pecuniary Claims

NM said majority of outstanding cases that are with the claimants' representatives and are under consideration. There are 13 claimants who are yet to come forward with their non-pecuniary claims.

3. PFA work

PFA

SR said 26 letters have now gone out to individuals with concede cases. POL received 11 responses and 10 of those are currently going through the process.

David Firth (DF) reminded that group that initial phase of the triage was where Junior Counsel reviewed papers for the cases and Senior Counsel looked at cases that were deemed concede cases. Senior Counsel are reviewing the ambiguous cases. In total there are 45 of them, Counsel has reviewed 4 before starting the verification work and 11 after. Progress is a little slower than POL hoped which is largely due to Senior Counsel time constraints. They still hope to get this completed by end of September.

DF added that the Junior Counsel is reviewing all the documents of cases that went through the fast-track process. They have completed 15 out of 183 cases and are working towards completing the remaining by February 2024.

PFA diversity work

SR acknowledged that POL needs to do more work on this. Lorna Gratton (LG) encouraged POL to consider its equality duties in the basis for undertaking this work.

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HSS

1. Progress Update

SR provided a general progress update:

- Highlighting that there were 6 original HSS applicants yet to receive an offer.
- POL plan to issue offers on 2 fatality CAP cases on the w/c 11th September, as POL would need to revert to RC. SR highlighted that a bespoke comms approach had been agreed. SR also highlighted that POL had encouraged one of these claimants to seek legal advice.
- SR explained that POL expected to issue all remaining offers in October but would work to try to ensure that this is done asap. SR outlined POL's desire to announce that all offers had been issued and that the scheme would close for applications from x date, simultaneously.

CC explained that DBT was keen to ensure new approaches were approved by SteerCo expediently. CC did highlight that the SteerCo were seeking some clarification on those two cases (although the SteerCo was broadly happy with POL's approach in principle). HF explained that Aaron from POL had been in touch, so next steps would be taken forward by DBT.

BW asked SR to provide DBT with a formal request regarding the proposed applications window closure date of 24th September 2024. SR agreed to provide this.

Late Applications

SR explained that POL were slightly ahead of plan on late applications with the current expectation that around 420 applications would be received in total. SR explained that this updated expectation had implications in terms of POL's contract with HSF to support in the processing of these claims, so POL were engaging with them on a revision of that contract.

SR explained that in terms of 'draft offers' (original applicants still needing a full and final offer), 3 have now been issued, so there were 26 remaining.

Tax top-ups

PM provided an update on tax top-ups highlighting that POL's aim was to 'go live' in early October although there are still some issues including:

- The agreement that the funding amount can be increased from IRRELEVANT (which was with HF to finalise with HMT).
- The issue of operational costs and their relation to the subsidy process. BW explained that DBT hoped to get a view on this around November. PM thanked BW for the update and confirmed that POL would proceed on the basis of Carl's e-mail comfort letter for now.

PM also highlighted that the Deloitte assurance on the process should be completed in the next few weeks. PM explained that all internal processes had been documented and agreed by workstreams. Currently, the team was 'generating stock' so that POL was ready to begin processing right from launch. POL would be processing claims in phases (with the first phase being straightforward cases, and the second being the more complex).

Eligibility – convictions and assistants

CCo highlighted that a paper would be going to HMC on postmasters that were ineligible to apply into the HSS due to a prior conviction, to ensure that they are able to apply into either the HSS or OC. SR noted that such convictions may be entirely unrelated to Horizon, but due to the wording of the eligibility requirements, individuals may have read that they were

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ineligible due to an unrelated conviction. This proposal highlights that this is wrong and such individuals should be compensated.

SR also highlighted that POL had received the first claim where a postmaster had waived their right to claim and assigned this to an assistant. SR explained that a paper was due to go to HMC on this issue as it would mean a change in the scheme terms of reference, and eligibility criteria.

2. DRP Update

Regarding the dispute process – PH explained that the POL DRT had worked closely with UKGI/DBT to ensure MI was as illustrative as possible. PH explained that the DRT had begun to classify cases as Red (over 365 days), Amber (over 190 days) and Green (below 190 days). Better MI has allowed POL to recognise that there has and will continue to be an uptick of claims entering the 'Red' classification. POL has introduced a case forum to look into these individual Red cases and how they can be progressed, but also Amber where blockers seem like they could be easily resolved.

PH flagged that Hudgells had indicated that it takes 6 months for them to be able to fully engage with a case in the DRP and this suggests that it is somewhat inevitable that their cases would end up as 'Amber' Cases. With Panel Reflows averaging 90 days and revised offer letters needing to be produced and then sent, this creates significant currently unavoidable delays. PH explained that POL had a meeting with HSF where they discussed how to bring some of these timeframes down.

LG noted that POL did not have many levers to speed things up and queried whether POL had done a cost analysis of admin costs to HSF vs paying individuals what they have requested within the dispute process. PH noted LG's view but explained that POL was confident that the process was VFM, and the POL team were taking on a lot of that admin work to avoid further cost. CC expressed some concern about fairness, the incentive that such an approach might create for claimants to dispute their offer and seek a high uplift, and the fact that such an approach would be precedent setting. CC explained he was nonetheless happy to explore ideas.

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