



Department for
Business & Trade

Horizon Compensation Advisory Board

Report of eleventh meeting held on 22 February 2024

Members present: Prof. Christopher Hodges (Chair); Lord Arbuthnot; Kevan Jones MP; Prof. Richard Moorhead.

Also present: Minister Hollinrake, Sir Ross Cranston (GLO Scheme Reviewer), Sir Gary Hickinbottom (Chair of OC Oversight Panel); and Carl Creswell, Rob Brightwell, Charlotte Heyes, Eleri Wones (all DBT).

Introduction

1. The Board had developed two packages of proposals for discussion with the Minister, Sir Ross and Sir Gary. Introducing the proposals, the Chair said that the first package included measures which could be introduced quickly to speed up financial redress. The second group were structural proposals formulated in the light of the large number of additional cases now coming forward.
2. The Chair noted that the systems for determining Horizon redress had elements of alternative dispute resolution but were largely adversarial. It was the Chair's view that redress for future scandals should be provided on a more investigative basis, using models which had proved successful in other countries. However, with some 3,000 cases already determined and a premium on pace, it was now too late to introduce such an approach into Horizon redress.
3. Sir Gary noted that his role on overturned convictions (OC) redress encompassed case management, including driving individual cases towards settlement. He had recently met claimants' lawyers to discuss progress and would do so again in future. He noted that the Bill to overturn convictions could lead to perhaps ten times as many cases as were currently going through the OC scheme. That created new challenges – for instance for the capacity of lawyers representing claimants. Officials said that DBT recognised these challenges and were keen to work with the Board on them.
4. Board members agreed that it would be helpful to have regular reports to the Board on progress and pinch-points in all three schemes from their respective case managers. **The Minister agreed to commission this.**

Speeding up redress

5. The meeting discussed the first package of proposals, intended to speed up redress.
6. OC claimants already received an interim payment of £163,000. The Minister said that, on Sir Gary's recommendation, the Post Office was planning to top this up to £450,000 on the submission of a full claim. This would provide early help to claimants and would incentivise their lawyers to submit claims promptly. **The Board welcomed this change.**
7. **The Board recommended a similar top-up payment to GLO claimants of £50,000 on the submission of a substantially complete claim. The Minister agreed to this.**
8. The Minister added that following requests from postmasters, if a GLO case enters the claim facilitation process DBT would now pay 80% of the offer (or 80% of £75,000, if higher). The remaining 20%, plus any subsequent additions, would be paid once the award was agreed by the claimant or decided by the independent panel. **The Board welcomed this approach.**
9. The Board noted that people applying for redress for overturned convictions could choose between having their claim assessed individually or accepting a fixed £600,000 offer, which could be agreed quickly and without substantial process. A similar offer of £75,000 had been introduced for the GLO: the smaller sum reflected the disparity between typical awards in the

two schemes. As well as providing quicker redress for those who chose to accept the offers, these measures meant that resources could be focussed on the larger claims, accelerating them too.

10. In both schemes, claims which had already been settled when the fixed offers were introduced were topped up to the level of the offer.
11. **The Board recommended that a similar offer should be introduced for HSS claimants.** A range of options for amounts was discussed. Typical awards for the HSS were smaller than those for the GLO. On the other hand one of the principles of the approach to redress was that similar amounts should be available to postmasters in similar circumstances, whether they were in the HSS or GLO.
12. The Board made two further recommendations in this package:
 - **Provision of regular information for claimants in all schemes on claim status;**
 - **Bringing the approval process for legal costs for overturned conviction cases into line with that for the GLO.**
13. **The Minister thanked the Board for the proposals described in paragraphs 10 and 11 above and agreed to give them very serious consideration.**
14. Officials noted that they were discussing with claimants' lawyers further positive ideas to speed the submission of GLO claims, including a fast track system. They agreed to report back to the Board on these at future meetings. The Board agreed to maintain consideration of any further ideas for improving the operation and speed of the various schemes.

Structural changes

15. The meeting turned to the Board's more structural proposals.
16. The Board noted that the significant number of new HSS cases stimulated by *Mr Bates vs the Post Office*, and the large number of OC cases to be overturned by legislation, would require more capacity and create opportunities for changes which could increase both the pace of redress and claimants' trust in the system. OC cases arising from the legislation would effectively require a new scheme – "OC2".
17. That capacity would need to include additional external legal advisors. **The Board recommended that this should be used as an opportunity to employ new legal advisors in Horizon redress (for those with overturned convictions) as quickly as could be managed without unnecessarily disrupting delivery. New advisors should be instructed to make full and fair offers as quickly as possible without unnecessary quibbling.**
18. As well as external lawyers, new in-house capacity needed to be established to run OC2. That could be built in DBT as easily as in the Post Office. In the interests of claimant trust, **the Board recommended that OC2 should be managed by DBT, draw on the Department's experience of running the GLO scheme and involve Sir Gary in a similar way to his existing OC role.** They suggested that if possible, claimants should be allowed to choose to defer OC claims and include them in OC2. Whilst they thought that it would in principle be desirable in the interests of postmaster trust to make a similar recommendation in respect of HSS claims, they concluded that this would risk unacceptable disruption to the delivery of the scheme.
19. The Board had previously recommended the creation of an independent appeals process for the HSS. If their recommendation to introduce a minimum payment for HSS was accepted, the number of postmasters who might want to take advantage of an appeal mechanism should be reduced substantially, reducing the associated practical difficulties. **They therefore reiterated**

their recommendation. The appeals process should be run by DBT, again adopting much of the GLO model with Sir Ross as Reviewer.

- 20. The Minister agreed to consider the proposals in paragraphs 16-18 above very closely as the Department developed plans for the implementation of OC2.**

Overturning Post Office convictions

- 21. The Minister outlined the Written Ministerial Statement which he had made to the House of Commons earlier in the day. This confirmed that legislation, to be introduced shortly, would act directly to overturn convictions of postmasters resulting from Post Office or CPS prosecutions in England and Wales. The individuals to be exonerated would be identified through objective criteria including the type of offence and the use of Horizon software in their Post Office branch. Postmasters would not need to apply for their convictions to be overturned. Exoneration would be delivered without reference to the Courts. Exonerated postmasters would be notified in writing and the necessary steps taken to update records such as the Police National Computer.**
- 22. The Board noted that DWP prosecutions would not be included because of their use of third-party evidence and the seriousness of many of the cases. Furthermore investigations had been conducted by DWP and not just the Post Office. The Department agreed to provide more detail on this to the Board if possible. Officials noted that people prosecuted by DWP would still be able to have their cases overturned through the CCRC and the Court of Appeal.**
- 23. The Board strongly welcomed the Minister's statement.**