

URGENT QUESTION

Briefing for the Speaker – Day/Month/Year

Department:	Department for Business, Energy and Industrial Strategy
Parliamentary Clerk	Helen Chapman
Email address:	GRO
Phone number	GRO

QUESTION:

Will the Minister/Secretary of State make a statement on the judgement handed down on the Post Office litigation on [date]

1) The Facts

The claim *Alan Bates and Others v Post Office Limited* is being conducted in the High Court pursuant to a Group Litigation Order. A group of (mostly former) postmasters claim that Post Office Ltd (POL) wrongly attributed in-branch losses to those postmasters, causing them financial and reputational harm, when, they claim, the Post Office was to blame particularly through flaws in its Point of Sale system (“Horizon”). POL strongly contests this assertion and is handling the legal defence of the litigation and the costs involved.

This is a complex and ongoing legal process. The court has scheduled four trials to address this claim stretching from November 2018 until March 2020. The first “Common Issues” trial, looking at the contractual relationship between POL and its Postmasters, concluded on 6 December 2018 – while the second “Horizon” Trial, looking at the integrity of the Horizon POS system, will start on 11 March 2019. A third trial on 4 November 2019 will determine whether POL breached any legal obligations to specific individual test Claimants, while a fourth trial in March 2020 will address issues relevant to a wider group of Claimants. Either party could seek to appeal, which may further delay the final resolution of this litigation.

2) Timing

On [date], judgement was handed down on the first “Common Issues” trial.

3) How urgent is the issue?

Not urgent for today. It would be inappropriate for Government to comment on an ongoing legal case. This judgement is complex and runs to [xx] pages. It will take some time for Post Office to consider this in detail, including whether there are any grounds to appeal. The judgement on the Common Issues concludes only the first stage in a four-stage trial process that is likely to

continue into 2020. This judgement merely sets a framework for the trials that are to follow and is not determinative on the outcome of the litigation as a whole.

4) The extent of Government policy

While POL is publicly owned, the company has the commercial freedom to operate as an independent business within the strategic parameters set by government. As such, Government does not play a day-to-day role in defending litigation or on the contractual and operational matters that are at the heart of this particular claim.

5) Is it a local, national or international issue?

This is a national issue.

6) What the Government is doing/has done?

The legal defence of the ongoing litigation and the costs involved are being handled by POL. POL has provided Ministers with high-level updates at appropriate junctures throughout the legal process.

7) Are legal proceedings underway?

Yes, legal proceedings have been underway since April 2018 (when the case was served on POL) and are scheduled to continue until at least March 2020 through four trials. This does not include any appeal that either party may choose to pursue on the judgements of any of the four trials. It would be inappropriate for Government to comment on an ongoing legal case.