WITN00370105

The voice of the UK's post offices

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Dear Nick

**OPTIONS TO EXPLORE ON FURTHER COMPENSATION OF GLO CLAIMANTS**

We have spoken about the matters covered in this letter previously - including at the recent Working Group meeting with the Postal Affairs Minister. At this juncture, I believe it is appropriate to raise this with you more formally in writing.

You have been very clear that Post Office is seeking to reset the relationship it has with its network of self-employed subpostmasters in the aftermath of the GLO. Included within this is the £57.75m payment made by Post Office to the GLO claimants after an agreement to settle was reached at the end of last year. This is of course a significant sum of money, but it has become clear since the settlement that, once legal and other fees were covered, many claimants do not feel that the amount received on an individual and collective basis is enough.

As well as repaying shortfalls in the past, many claimants suffered further hardship. Several lost their businesses and homes as a result of the debts incurred. Many have revealed the impact on their mental health and on their reputations. The stigma has stayed with these individuals and haunted them for nearly 20 years, in some cases.

The NFSP would like to understand whether Post Office recognises that many GLO claimants are dissatisfied with the settlement and whether Post Office is prepared to take additional steps to ensure claimants are appropriately compensated?

There are two avenues we would like to explore with this in mind.

The first of these is the Historical Shortfall Scheme (HSS). The NFSP are pleased that historic losses, including consequential losses, incurred by subpostmasters can be claimed via HSS. However, GLO claimants are unable to make an application to HSS. Our understanding is that this is in accordance with the terms of the settlement reached in late 2019.

The NFSP believes that there is an ethical justification for changing the qualification criteria for HSS in order to allow GLO claimants to apply. HSS only exists because of the GLO and the NFSP does not believe it is appropriate that those successfully applying to HSS may be reimbursed in full for historic losses, whereas many GLO claimants appear to have not been reimbursed to the full value of losses they were held responsible for. Via HSS, the cases of individual GLO claimants could be assessed (which is something the GLO did not deliver on). Further compensation could be provided if it were evident that the payment received via the 2019 settlement fell below the value of losses the individual was previously held responsible for.

The second avenue to explore is redress from Fujitsu. The software and support provided by Fujitsu to Post Office has been demonstrated to be lacking - with significant and well-known consequences. The NFSP wishes to understand whether Post Office has taken or plans to take any action against Fujitsu and whether the proceeds of any such action could be used to provide recompense to those individuals whose settlement payment fell below of the value of the historic losses they were held responsible for. Clearly this is not something

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we suggest lightly (!) - Fujitsu remains a supplier to Post Office and there will be considerations regarding Post Office's liability, but we are more than curious to understand Post Office's position here.

Action on either of these fronts would go a long way to sending a message to the affected individuals and to other stakeholders that Post Office recognises the deep impact the 'Horizon scandal' has had.

I would welcome a conversation on these issues.

Yours sincerely

Calum Greenhow
Chief Executive Officer

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