



Post Office Horizon Shortfall Scheme

July 2024 Report

Introduction

Following discussion with the Horizon Compensation Advisory Board, this report was commissioned by the former Minister Hollinrake. Due to the restrictions following the announcement of the General Election, this report covers May and June 2024.

The Horizon Shortfall Scheme (HSS) aims to independently assess and resolve applications from current and former Postmasters who believe they may have been affected by shortfalls related to previous versions of Horizon. The HSS does not apply to those who have criminal convictions or were plaintiffs in the GLO.

If a Postmaster is unhappy with their claim outcome, they can seek legal advice at Post Office's cost and also take advantage of a dispute resolution process that includes independent mediation.

Figures

The current position in respect of claims as at 31 May and 28 June was:

Offer and Payment progress for original 2,417 eligible claimants	28 June 2024	31 May 2024
Number of eligible claims still awaiting an offer	0	0
Total number of settlement offers made to date	2,417	2,417
Total value of settlement offers made to date	£112.3m	£112.4m*
Total number of settlement offers accepted to date	2,065	2,064
Total value of settlement offers accepted to date	£72.05m	£71.72m
Total number of payments made to date	2,062	2,061
Total value paid to applicants to date ^(Note 1)	£99.44m	£99.12m
Total number of tax top-up payments made to date	1,704	1,657
Total value of tax top-up payments made to date	£12.07m	£11.89m
Claims going through dispute resolution	289	290

Note 1: Of 31 May £99.12m paid to date, £29.21m had been in interim payments.

Note 1: Of 28 June £99.44m paid to date, £29.47m had been in interim payments.

* the settlement values decreased between months due to a correction.



Offer and Payment progress for subsequent applications (since Oct 2022)	28 June 2024	31 May 2024
Number of subsequent applications received to date	1,887	1,777
Number of subsequent applications with eligibility confirmed (either ineligible or eligible) received to date	1,438	1,092
Number of eligible applications received to date	1,261	948
Total number of settlement offers sent to date	313	303
Total value of settlement offers made to date	£18.1m	£17.2m
Total number of settlement offers accepted to date	195	183
Total value of settlements offers accepted to date	£7.12m	£6.75m
Total number of payments made to date	183	175
Total value paid to applicants to date ^(Note 1)	£11.14m	£10.13m
Total number of tax top-up payments made to date	152	148
Total value of tax top-up payments made to date	£1.11m	£1.09m
Claims going through dispute resolution	88	79

Note 1: Of 31 May £10.13m paid to date, £3.74m had been in interim payments.

Note 1: Of 28 June £11.14m paid to date, £4.37m had been in interim payments.

Observations

- As at 28 June 2024, Post Office had received 1,887 subsequent applications (applications received since October 2022) of which 1,438 have had eligibility confirmed (either ineligible or eligible) and Post Office continues to work through the eligibility assessment of the remaining applications. Of the 1,438, Post Office considers upwards of 500 claims may be suitable candidates for a £75k Fixed Sum Offer. Post Office expects to contact all claimants without an offer to provide further details of the Fixed Sum Offer and options open to Postmasters in the short term.
- 1,453 of the 1,887 late applications were received in 2024. Before this, Post Office was receiving applications at an average rate of c.20 per month and had appropriate resources in place accordingly. Application volumes were expected to reduce further in 2024. While the pace of new applications has slowed since the peaks in January 2024, we are still seeing c.25 new applications per week.
- Additional resources have been (and continue to be) put in place in light of this increase and the expected further application volumes. There may be some initial delays in processing applications while the resource is onboarded/trained.
- Post Office is considering what suitable service level agreements it can introduce, similar to the GLO, to monitor the speed of claim to Offer, while appreciating the fact that the HSS is different from the GLO in many regards, not least the unknown volume of HSS claims. Once the £75k Fixed Sum Award approach is fully agreed, Post Office will be in a better position to return to this important question.

9 August 2024

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