



Horizon Shortfall Scheme (HSS)

£75,000 Fixed Sum Award Offer

Frequently Asked Questions

Q1. Why am I being invited to apply for/offered this Fixed Sum Award option?

A. On 13 March 2024, the Minister of State for the Department for Business and Trade announced that the Government would give all eligible applicants in the Horizon Shortfall Scheme ("the Scheme") the option to receive a fixed sum payment of £75,000 in full and final settlement of their claims against Post Office Limited, on identification of a Horizon-related shortfall. Those who have already settled for less will be offered top-ups to bring their total redress to this amount.

We are progressing these payments on behalf of the Government. We are now inviting all HSS claimants and postmasters who have not yet applied to the Scheme to apply for the £75,000 Fixed Sum Award if they wish to, and making offers of £75,000 to all eligible HSS applicants, on identification of a Horizon-related shortfall, in full and final settlement of their claims against Post Office Limited.

Q2. Is the Fixed Sum Award per individual or per branch?

A. The £75,000 Fixed Sum Award is per legal entity. This means if you are eligible to receive the Fixed Sum Award and you hold (or held) one or more branches as an individual, you can receive £75,000 which will cover all of your branches. Similarly, if you are eligible and you hold (or held) one or more branches in the name of the same limited company or formal partnership, the company or partnership can receive £75,000. If you hold (or held) one branch as an individual and one different branch as a company and had Horizon shortfalls in both branches, you can claim for the £75,000 twice. If you're in doubt, please email us at PostOfficeFixedSumApplications@postoffice.co.uk

Q3. Am I obliged to apply for and/or accept a Fixed Sum Award Offer of £75,000?

A. No. Applying for and/or accepting a Fixed Sum Award Offer of £75,000 is entirely optional. If you haven't already, you can instead choose to have your claim fully assessed by the Scheme, which includes individual assessment by the Scheme's Independent Advisory Panel ("Panel").

Q4. What happens if I am offered and accept a Fixed Sum Award Offer of £75,000?

A. If you choose to accept the Fixed Sum Award Offer, this will be in full and final settlement of your claim. You would therefore not be eligible for the new independent appeals process for the Scheme, which was announced by the Government on 9 September 2024. You can read the announcement about the new appeals process here: <https://www.gov.uk/government/news/new-independent-appeals-system-for-postmasters-impacted-by-horizon-scandal>

Q5. What happens if I am offered a Fixed Sum Award Offer of £75,000 but I choose not to accept it?

A. If you have not previously had a Panel-assessed Offer and let us know you don't wish to accept the Fixed Sum Award Offer of £75,000, we will, at your request, progress your claim through full assessment and pass it to the Scheme's Independent Advisory Panel for a recommendation. In this scenario:

- The Panel's recommendations may result in an offer to you by Post Office of more or less than £75,000;
- The option of accepting a Fixed Sum Award Offer of £75,000 will no longer be available to you and you won't be able to accept this later on. However, you will still be able to dispute any offer made to you by Post Office in accordance with the Scheme's Dispute Resolution Procedure.

If you have previously had a Panel-assessed Offer and don't wish to accept the Fixed Sum Award Offer of £75,000, we will continue to engage with you, in good faith, in the Scheme's Dispute Resolution Procedure if that is your preference.

Q6. What happens if I apply for the Fixed Sum Award but then don't respond to the Fixed Sum Award Offer letter?

A. For eligible applicants who have already had a Scheme offer, if we don't hear from you within 90 days of the date of the Fixed Sum Award Offer letter, we will assume that you don't wish to accept our £75,000 Fixed Sum Award Offer and the offer will lapse. Your Scheme claim will be paused and Post Office won't progress it any further until you let us know how you wish to proceed. For eligible applicants who have not received a Scheme offer, we will continue to progress your claim through full assessment if you let us know that's what you would like.

Q7. Will Post Office pay my legal costs?

- A.** You may choose to take independent legal and expert advice, but Post Office is unable to pay for such advice. You can find a solicitor on the Law Society's website: www.lawsociety.org.uk.
If you choose not to apply for the Fixed Sum Award and ask for your claim to be individually assessed instead, or you have received a Scheme offer and want to continue through the assessment process, Post Office will pay for your reasonable legal and expert costs in helping you to decide whether to accept or dispute a Scheme offer that is made to you. That means payment by Post Office of reasonable legal and expert costs is available after a fully assessed Scheme offer is made.

Q8. Will I pay tax on the Fixed Sum Award, and do I have to declare it on my tax return?

- A.** No. The £75,000 is tax exempt and there is no requirement to include it on your tax return.
Please see the statutory instrument (a form of legislation that amends or adds more detail to an Act of Parliament) and explanatory memorandum on the Government website for further information about this:
- <https://www.legislation.gov.uk/ukxi/2024/818/made> and
 - https://www.legislation.gov.uk/ukxi/2024/818/pdfs/ukxiem_20240818_en_001.pdf

Q9. How quickly will I receive my Fixed Sum Award payment if I accept the Offer (I understand that eligibility and shortfall checks are needed before any Offer being sent to me)?

- A.** Once Post Office has received your signed Offer Acceptance Form and we confirm your bank details, Post Office aims to make payment within 10 working days.

Q10. How can one single sum be justified for all when postmasters' circumstances are so different?

- A.** We recognise that the Fixed Sum Award may not be appropriate for all applicants, especially those with higher claim values. The Fixed Sum Award is completely optional. Please consider your options carefully before making a decision. If you believe that your claim is worth more than £75,000, you can choose to have your claim individually assessed by the Panel in line with the Scheme's Terms of Reference (available at www.onepostoffice.co.uk/scheme and you may also have received this with correspondence from us).
The Fixed Sum Award is inclusive of interest (and is tax-free), whereas certain claims which are fully assessed under the Scheme attract compound interest at the Scheme rate of 3.45%. In some fully assessed claims the claimant will also be subject to tax at 20% (any tax we deduct above 20% will be refunded to you). You should please factor that into your decision as to whether or not to accept the offer of the Fixed Sum Award.

Q11. If I have an offer from the Scheme already which I have not yet accepted, what should I do?

This section is only relevant for those who have already previously received a Scheme offer which they have not yet accepted or which they have rejected.

- A.** We are writing to you now with an offer for the Fixed Sum Award because the offer you received from the Scheme was for less than £75,000. Your Scheme offer already made is not affected by the offer for the Fixed Sum Award of £75,000, unless you choose to accept the offer for the Fixed Sum Award of £75,000 in which case the Scheme offer(s) you have already received will lapse.
If you are comfortable that a total settlement of £75,000 will give you fair redress for your losses, you may wish to accept the offer of the Fixed Sum Award. Please note that if you choose this option, you will not be able to appeal the decision to the Government appeals process (and please see Q&A 4 above).
By contrast, if you believe that your claim is worth more than £75,000, you may wish to reject the offer of the Fixed Sum Award; and you may dispute (or continue to dispute) your original offer from the Scheme under the Scheme's Dispute Resolution Procedure.

Q12. What if the applicant has been placed into any bankruptcy or insolvency processes or been the subject of any arrangements with creditors (including through a debt relief order, IVA or CVA) since 2000?

If you have been placed into bankruptcy or insolvency processes or been the subject of any arrangements with creditors since 2000, before you make your decision whether to choose to apply for the £75,000 Fixed Sum Award, you will first need to contact the third party who is responsible for managing your bankruptcy or debt arrangement, e.g. the Official Receiver, Independent Trustee, IVA Supervisor or equivalent, to discuss the options with them. They will be able to advise how the £75,000 Fixed Sum Award would be split between you and them.

Once you have this information, if you choose to apply for the £75,000 Fixed Sum Award, we will need the Official Receiver, Independent Trustee, IVA Supervisor or equivalent to confirm to us at PostOfficeFixedSumApplications@postoffice.co.uk the outcome of the discussion and the split that has been agreed should a £75,000 offer be made to you.

Q13. If I choose to have my claim individually assessed, rather than choosing to apply for the Fixed Sum Award, what losses can I claim for in the Horizon Shortfall Scheme and what payments have been made to previous applicants?

For those who have already received a Scheme offer, this section may be less relevant.

- A.** It may be useful to read the Consequential Loss Principles and Guidance to help you with this question. You can find this on the Scheme website at www.onepostoffice.co.uk/scheme and you may also have received this with correspondence from us.
You can find information about amounts paid and progress updates at: <https://corporate.postoffice.co.uk/en/horizon-scandal-pages/horizon-shortfall-scheme-latest-data-on-progress/>
We understand how difficult it may be to go into the detail required to put your claim forward and that thinking about painful past experiences is stressful for some postmasters. If it would help you to talk to someone at our Remediation Contact Centre, please call **0333 665 1093** (open Monday to Friday 9am to 5.30pm). Our team is trained to discuss your claim with you and, while we cannot provide you with advice, the team can signpost information that may help support you.