



Department for  
Business, Energy  
& Industrial Strategy

Department for Business, Energy &  
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Alan Bates  
Justice for Subpostmasters Alliance  
Stevens and Bolton LLP

30 November 2020

Dear Mr Bates

I have been asked to investigate your complaint at stage 2 of our published complaints procedure as an Independent Senior Civil Servant within the Department for Business, Energy, and Industrial Strategy (BEIS). This follows your email of 30/10/2020 from Stevens and Bolton LLP requesting a stage 2 review of the ongoing complaint to the Department from the Justice for Subpostmasters Alliance following the Horizon litigation and settlement.

Having reviewed the complaint, the additional documentation you provided and your previous correspondence, I can confirm that, although I was very sorry to read of the hardship faced for individual postmasters, I have determined to uphold the previous decisions made by the Department. The Department's position has not changed since your recent correspondence with Minister Paul Scully. The reply from the Minister stated that the issues regarding the Horizon IT system and the prosecution of postmasters were an operational matter for the Post Office and that Government cannot accept any requests for payment. I note that the complaint document you provided is also addressed to the Parliamentary and Health Service Ombudsman (PHSO) and respect your wish to pursue this channel of resolution.

As you have been informed in previous correspondence, the Government cannot accept any further requests for payment. The Government was not party to the litigation or mediation talks and the settlement agreed with the Post Office and approved by the Court included all legal and other costs. In considering your complaint under our departmental complaints procedure it is not within my remit to offer the further compensation you are seeking.

In order to address your concerns around Government's oversight of the Post Office in connection with the Horizon case, I must first clarify that Post Office Limited (POL) operates as an independent, commercial business. However, the Government maintains oversight via UK Government Investments (UKGI), as Shareholder Representative for the department. UKGI oversees POL's corporate governance, strategy, and the stewardship of resources, as well as holding a non-executive seat on POL's Board.

As Minister Scully has noted in previous correspondence, it is clear different decisions could, and should, have been made by the Post Office in relation to Horizon. To establish a clear account of the implementation and failings of Horizon over its lifecycle and ensure lessons have been learnt so that this cannot occur again, BEIS has launched an Independent Inquiry on this issue. It is now for the Inquiry to gather the evidence and build on Mr Justice Fraser's findings. Once the Inquiry has concluded, Government will consider whether any further action needs to be taken.

In conclusion, I have carefully considered the issues you have raised and, for the reasons set out above, I have determined not to overturn the previous decisions.

The BEIS Department's complaints process has now been completed following our review of your case. If you are not satisfied with the outcome, you have the right to refer the matter to the Parliamentary and Health Service Ombudsman (PHSO). You must make complaints to the PHSO through an MP. Your local Citizens' Advice Bureau can give you the address of your MP. You can get more advice from the Ombudsman's office at the following address.

Parliamentary & Health Service Ombudsman,  
Millbank Tower,  
30 Millbank,  
London SW1P 4QP  
Phone: 0345 015 4033

Yours Sincerely,

Adam Shortman

Deputy Director – Communications.