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25 January 2020

Dear Mr Bates

Thank you for your letter of 4 January in relation to the Post Office Group Litigation.

As you have noted, this has been a long-running dispute with nearly 1000 pages of judgment received providing exhaustive insight into what had happened at the Post Office. I was pleased to hear before Christmas that, after several days of mediation, during which the parties engaged with each other in good faith, a comprehensive resolution to the litigation was reached. As part of that comprehensive resolution, the Post Office accepted and recognised that in the past they had got things wrong in their dealings with a number of postmasters and apologised. I was pleased that in the settlement they made clear that the role of postmasters was core to the Post Office's future success and that they were committed to a reset in their relationship with postmasters, placing them alongside their customers at the centre of their business.

The financial settlement is a major step towards resolving the grievances of the claimants but there remains the issue of the claimants with convictions which is in the hands of the Criminal Case Review Commission (CCRC). Post Office also has to implement the necessary changes it has committed to under the leadership of its new CEO. I am determined to see that they deliver on these commitments and will continue to monitor the company's progress in these areas and hold the Post Office to account.

It is clear that the role you have played on behalf of all the claimants in achieving this settlement has been crucial. In engaging in mediation, it is almost invariably necessary for the parties to make difficult compromises. It also requires a recognition of the limits that the law places on what sums might be recoverable. I have no doubt that the process was a challenging one, particularly bearing in mind the long history, and I thank you and all the claimants for your participation in order to finally resolve this matter and enable the parties to move forward.

I note that the settlement agreed with the Post Office included all legal and other costs. In those circumstances I must respectfully refuse your request for payment.

yours sincerely
Kelly

KELLY TOLHURST MP

Minister for Small Business, Consumers & Corporate Responsibility

