

Witness name: Simon Recaldin

Statement No.: WITN09890800

Dated: 16 October 2024

POST OFFICE HORIZON IT INQUIRY

EIGHTH WITNESS STATEMENT OF SIMON RECALDIN

1. I, Simon Recaldin, of 100 Wood Street, London EC2V 7ER, will say as follows:

INTRODUCTION

2. I am employed by Post Office Limited ("**Post Office**") as the Director of the Remediation Unit.
3. I make this witness statement in response to a request dated 24 September 2024 for information pursuant to Rule 9 of the Inquiry Rules 2006. Further to my sixth Witness Statement dated 4 September 2024, the Inquiry has requested supplemental information relating to the Horizon Shortfall Scheme ("**HSS**").
4. For the purposes of the data below, Post Office has implemented a data cut-off date of 30 September 2024.

OUTSTANDING CLAIMS

5. Post Office has proceeded on the understanding that the settled and outstanding claims include all claims that meet the Eligibility Criteria. The term 'settled claim' is defined as a claim where an Applicant has accepted an offer in full and final settlement. The term 'outstanding claim' refers to a claim where an Applicant has yet to receive an offer or has received an offer but has yet to accept it in full and final settlement.
6. As requested by the Inquiry, a breakdown of settled and outstanding claims is as follows:

	Total settled claims	Total outstanding claims	Outstanding claims made between 1 May 2020 and 27 November 2020 ¹	Outstanding claims made between 28 November 2020 and 31 December 2023	Outstanding claims made since 1 January 2024
Complex	505	1070	224	128	718
Standard	1213	791	108	53	630
BAT	597	3	2	1	0

7. As at 30 September 2024, the 1,864 outstanding claims includes 457 offers which have been made to Applicants: 373 of these offers have been rejected; and Post Office awaits a response from Applicants in relation to 84 offers made.
8. In relation to outstanding claims, 373 are currently in the Dispute Resolution Procedure ("**DRP**") (this includes all stages of the DRP from when a claim enters into the procedure up to, and including, mediation).

¹ See paragraphs 104 to 108 of my sixth Witness Statement which confirm that progress was impeded due to funding not being confirmed until March 2021.
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9. In relation to claims concerning bankruptcy², there are:
- a. 56 outstanding claims which were made between 1 May and 27 November 2020, all of which have received an offer;
 - b. 15 outstanding claims which were made between 28 November 2020 and 31 December 2023; and
 - c. 87 outstanding claims which have been made since 1 January 2024.
10. It is not possible to provide data in relation to outstanding claims that concern taxation issues as these issues only arise once an offer has been accepted and the tax top up offer made. Following acceptance of an offer, the offer sum is paid to the Applicant and thereafter, the taxation position is determined and, where required, a tax top-up payment is made to the Applicant. Therefore, there are no outstanding claims that concern tax issues.

APPLICATIONS RECEIVED

11. Further to paragraph 154 of my sixth Witness Statement, the table below shows the updated figures for applications³ categorised by their case complexity:

	Total Applications received	Applications received between 1 May 2020 and 27 November 2020	Applications received between 28 November 2020 and 31 December 2023	Applications received since 1 January 2024
Complex	1856	678	237	941
Standard	2361	1235	242	884
BAT	600	566	29	5

² Defined as either i) the Applicant has an insolvency flag on Post Office systems following information received from the Official Receiver; or ii) the claim includes an insolvency Head of Loss.

³ Please note that an application means all applications received by Post Office, whether they are eligible or ineligible. Once an application has been determined to be eligible, it is referred to as a claim. Therefore, not all applications become claims and the numbers of applications and claims will not be the same.

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ELIGIBILITY

12. The table below provides information regarding the eligibility position of applications under the HSS⁴:

	Total Applications	Applications received between 1 May 2020 and 27 November 2020	Applications received between 28 November 2020 and 31 December 2023	Applications received since 1 January 2024
Application determined eligible	4179	2349	449	1381
Application determined ineligible	373	123	57	193

13. The reasons for determining an application as ineligible include:

- a. The fact that there is no contractual relationship between Post Office and the Applicant (as required pursuant to the Eligibility Criteria) for example where an application is made by a branch assistant or branch manager;
- b. The claim relates to a pre-Horizon period;
- c. The claim relates to a software version outside the scope of HSS as set out in the Eligibility Criteria; and
- d. The application is from an Applicant with Horizon related convictions therefore, their application is be managed by the Overturned Convictions Process.

⁴ Please note there is a difference between applications received at paragraph [11] and Eligibility determinations at paragraph [12] of 265 applications. This is due to these 265 applications being processed for eligibility assessment.

14. The Inquiry has asked Post Office to (i) indicate how many eligibility decisions are being challenged by the Applicant and (ii) advise whether any challenges have been successful. Unfortunately, this data is not held electronically therefore, it is not possible to run searches for this information. From my knowledge, only a small number of eligibility challenges have been received. In my experience, if further appropriate evidence is provided by the Applicant, the cases are deemed eligible.
15. To confirm, Applicants who disagree with eligibility decisions can, and do, challenge the outcome and some of these have been successful. By way of example, a successful challenge may result from the Applicant providing additional information to assist with the eligibility determination.
16. Post Office is arranging for such data to be captured centrally going forwards.

FIXED SUM OFFER PAYMENTS

Fixed Sum Offer Payment

17. The Fixed Sum Offer Payment has been divided into three cohorts: (1) applications recently received that Post Office considers may be appropriate for the Fixed Sum Offer Payment including all other applications that have yet to receive an offer, (2) Applicants who have received but not accepted offers below £75,000, and (3) individuals who will receive the mass mailout.
18. Cohort (1) is underway and so far, 266 letters have been sent out. To date, Post Office has received 56 acceptances of the Fixed Sum Offer and 54 of these have been paid. Commencing on 18 October 2024, letters inviting Applicants to apply for the Fixed Sum Offer will be sent to cohort (2).

19. In relation to cohort (3) and further to paragraph 15(c) of my sixth Witness Statement, the mailout regarding the Fixed Sum Offer Payment is planned to commence no later than 31 October 2024.

20. The mail out will be sent in batches given the volume of individuals who are to be contacted; the mailout could include up to 30,000 recipients. It is anticipated and planned for the mailout to be completed by the end of the year. The mailing list has been extracted from the two Postmaster remuneration sources which operated during the Horizon period. All Postmasters' details are then validated against Experian to find the most recent address which will be used for the mailing. Where a letter is returned or a response is not received, they will be followed up using alternate address tracing methods.

Top-Up Payment

21. Where Applicants have settled their claim in full and final settlement for less than £75,000, their redress payment(s) will be topped up to £75,000 ("**Top-Up Payment**"). As at 14 October 2024, 1,771 Applicants have received a Top-up Offer letter in this regard, with a further 24 letters to be sent as soon as possible. These letters concern complex cases where further work is required for example, an Applicant who has died since accepting full and final settlement of their claim. Post Office needs to determine whether or not there is a will and engage with personal representatives in relation to the claim.

22. As at 14 October 2024, 1,194 Applicants have accepted the Top-Up Payment. Once an offer for either a Fixed Sum Offer or Top-Up Payment has been accepted by the Applicant, on receipt of the acceptance, Post Office will make payment to the Applicant within ten working days.

STATEMENT OF TRUTH

I believe the content of this statement to be true.

Signed:

GRO

Dated: 16 October 2024