



HOUSE OF COMMONS

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10 Downing Street

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November 8th2023

Dear Prime Minister,

We are writing concerning compensation and redress schemes which have been set up to remedy some of the UK's largest and most damaging scandals.

Each of these scandals share a common feature, namely that their victims have suffered an injustice sufficiently grave to warrant a scheme being established. Given this fact, schemes must be designed to the highest standards and be capable of delivering redress fairly and efficiently. Regrettably, that has not always been the case, as you will be aware following recent coverage of the Post Office Horizon Shortfalls scheme, or even more recently, in relation to the Infected Blood Scandal, where there has been piercing criticism, as those affected still have no idea of the shape, the form, the scope of any compensation scheme or even of a timescale.

No guidance exists on when and how a redress scheme should be established. Each scheme has its own unique rules. Reinventing the wheel each time a scandal emerges inevitably leads to poor outcomes, meaning that victims are failed yet again by the very system that is meant to provide them redress. Far too often, the experience of attempting to secure a just outcome from a dedicated compensation scheme becomes more traumatic than the original injustice. Many have lost livelihoods, physical and mental health and years of life battling slow and overcomplicated bureaucratic processes, at huge cost.

The APPG on Fair Business Banking conducted the first systematic review of compensation schemes in the UK and found that they often shared common flaws. They are frequently blighted by a refusal to learn from past mistakes, unnecessary complexity, interminable delays and an undue burden on victims. Many schemes fall prey to inherent or perceived conflicts of interest, and most fail to put people back where they would have been, had the original wrongdoing never taken place.

On the basis of these findings, the APPG's report, *Building a Framework for Compensation and Redress*, includes a series of recommendations for best practice on what a fair and reasonable compensation scheme looks like. The common-sense principles on which a scheme should be based, building on elements of past schemes that have been successful, and on the work of

Cranston in his independent review of Lloyds Bank, and Sir Robert Francis in his recommendations for the Infected Blood Inquiry. These include a collaborative approach; a recognition of adversity, independence, timeliness, transparency, fairness and efficiency, accessibility and the availability of an independent appeal panel. The APPG also makes two key recommendations to the Government:

1. Establishing clear and compulsory guidelines, based on best practice, for setting up a redress scheme.
2. An independent expert arms-length body must be established to oversee redress schemes. The body would be responsible for ensuring that redress schemes adhere to guidelines and meet certain standards on criteria including independence and eligibility.

Implementing these recommendations would deliver a consistent, timely and simple mechanism for compensating victims; and would be a watershed moment for so many groups seeking redress. We urge you to do more to fix our fragmented and unfair compensation framework.

We would be grateful to meet with you and relevant Ministers to discuss these recommendations in greater detail. We look forward to hearing from you.

Yours sincerely,

William Wragg MP

Kevan Jones MP

Windrush Lives, Advocacy Group and Victim Support Network

Kate Burt, Chief Executive, The Haemophilia Society

Alan Bates, Founder, Justice For Sub-Post Masters Alliance

Andy Keats, Chief Executive Officer, SME Alliance