

PRESS RELEASE: Legal experts, high-profile campaigners and parliamentarians call for Government to fix framework for victim compensation

FOR IMMEDIATE RELEASE

The [APPG on Fair Business Banking](#) has released a new report entitled *Building a Framework for Compensation and Redress*, [here](#) and attached. High-profile scandals in the financial sector and beyond have given rise to a series of compensation schemes that have systematically failed to deliver justice to those they were designed to help.

The central question this report seeks to answer is “What does good look like?”. To this end, the APPG has conducted the UK’s first systematic review of redress schemes, and the first guide to best practice when schemes are designed and implemented.

Recently, sub-postmasters’ struggle to access compensation has made headlines. Delays and suspicions of conflicts of interest have plagued schemes ranging from the HBOS Reading scandal through to those designed to address the struggles of the Windrush generation and Steelwork pensioners. One clear lesson emerges: there is no shared understanding of how fair and reasonable compensation should be delivered.

Failing to get fair and timely compensation to victims of corporate or public sector wrongdoing has a serious and tragic impact on lives that goes beyond financial harm. Many sub-postmasters were wrongly prosecuted, some even imprisoned, and others have since developed serious health problems or sadly passed away. Similarly, three years on from the announcement that a scheme would be set up for victims of the Infected Blood scandal, no compensation has been paid while more than 3000 victims have died.

The building blocks developed in this report, and the recommendations it contains, represent at the very least a starting point for the Government to build a more consistent and fair framework for redress.

If you would like to discuss the contents of the report with its authors, please do get in touch.

At the report’s launch in the House of Commons, keynote speakers made the following comments:

Heather Buchanan, Executive Director of Policy and Strategy at the APPG on Fair Business Banking, said:

Time and time again we end up in a position where when something gets set up we reinvent the wheel... Invariably you’ve got whoever was in charge of the mis-selling or

the injustice in charge of setting the terms of reference for the scheme and essentially excluding the victims from the whole process.

...It is absolutely unacceptable that you've got a situation where people that have been the victims of mis-selling or a miscarriage of justice often find the process of compensation more stressful than the original injustice.

Lord Iain McNicol, Vice-Chair, APPG on Fair Business Banking:

We need to ensure that when mistakes have been identified and a scheme has been brought forward that that scheme does the right thing... All too often, that doesn't happen.

Hopefully, lessons will be learned. Hopefully next time proper schemes will be put in place that treat people with the dignity, the respect, and timely recompense for...the problems they have suffered.

Kate Burt, CEO, Haemophilia Society, said:

When truth is denied and when justice is delayed, and when a community is denigrated, there must be recognition. I hope that with the report being published tonight we can be part of ensuring that that doesn't happen to another community again, and that not just financial compensation but psychological support, and all the non-financial compensation that these communities deserve, will come to be.

Phillipa Hann, Head of litigation, Clarke Willmott LLP, said:

This report is emblematic of a larger scale issue, which is one of public trust. That financial services professionals, legal professionals, the government, might not do the right thing. And without that trust, the almost certain probable future is pretty serious entropy, where no one has faith in our institutions.

This report is a huge opportunity to gain trust, to gain legitimacy, and to send out a message. To do nothing may seem like the safest option. It is not. Allowing the wrongdoers to mark their own homework cannot be part of a redress scheme which engenders trust. Preferring to undercompensate all for fear of overcompensating one person is not a fair and just outcome. Placing an unreasonable burden on the innocent party to prove that they have suffered a loss is not equitable.

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