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Alex Chisholm
Permanent Under-Secretary of State
Department for Business, Energy
& Industrial Strategy
1 Victoria Street
London, SW1H 0ET

8 January 2019

Dear Alex,

This comes with my best wishes to you and colleagues at BEIS for a successful 2019 and is further to your letter of 3 January.

[REDACTED]

We operate a single portfolio of large change projects, which form the basis of our reporting to the Board. As you know, our change funding comes from a combination of Post Office trading profit and Government transformation funds. The GLO work draws on shared (scarce) resources from this change budget; we have been transparent about these costs. I will ensure we make it clear that the source of funds for GLO work is Post Office, not Government. When this was brought to our attention in December we removed the £2.4m from our quarterly request. We will not include GLO spend in future funding requests and will confirm this quarterly, agreeing the wording with UKGI as requested.

Furthermore, to ensure that the distinction is absolute and consistent, I have asked Al Cameron, CFOO, to arrange for £2.3m to be returned to BEIS: the GLO was listed in our earlier reporting and we received funding from you of £2.3m for Q2.

If you have any questions, don't hesitate to get in touch.

With best wishes,

Paula Vennells
Group Chief Executive