



**The Rt Hon Kemi Badenoch MP**  
**Secretary of State for Business & Trade**  
**President of the Board of Trade**  
**Minister for Women & Equalities**  
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22 April 2024

Dear Laura,

I am seeking to appoint Nigel Railton as the interim Chair of Post Office for a term of 12 months. The priorities I have set for him include stabilising the organisation, intensifying work to address Post Office's historic failures and enabling the future success of the Post Office through effective financial management and performance and delivery of critical IT projects, and cost/headcount reductions at the centre to result in lower overall costs.

Nigel has strong executive experience and a good track record of crisis management, all of which will be important in taking forward these priorities. Nigel will be taking up the Chair role at a challenging time and I am keen that we do everything possible to support him in delivering these objectives.

I expect that he will want to bring essential change to the Post Office to deliver on his mandate. Government must support him on this. I am therefore keen that we agree to look constructively at any requests he makes of Government with the aim of strengthening the Post Office, and in principle agree that this may include the provision of funding if needed.

I am asking you to agree in advance a number of areas where we believe Nigel may approach us for support to ensure that we are collectively ready to make decisions at pace:

- i. Funding to be made available for an incoming Chair to enable him to restructure some key executive positions.
- ii. Exemption from approval provisions on employee settlement agreements if relating to such a restructure and to support the proposed exit of the Chief Finance Officer.
- iii. Potential for additional invest-to-save funding to be applied for within the current Spending Review period.
- iv. Funding flexibility, e.g. for Post Office Limited to be allowed to take out commercial loans (or receive loans from HMG).

I realise that these touch on questions that are challenging and sensitive. I will ask my to work with yours to implement this, and expect that they will stay involved in the process, but I hope we can work positively together to assess what actions can be taken in order to move the Post Office forward over the next year.

Yours sincerely,



**GRO**

**THE RT HON KEMI BADENOCH MP**

Secretary of State for Business & Trade and President of the Board of Trade and  
Minister for Women & Equalities