



Department for
Business, Energy
& Industrial Strategy

Darren Jones MP
Chair of the Business, Energy & Industrial Strategy
Committee
House of Commons
London
SW1A 0AA

8 July 2020

Sam Beckett
Permanent Under-Secretary of State
1 Victoria Street
London
SW1H 0ET
T: +44 (0)20 7215 5916
E: permanentsecretary@beis.gov.uk

Dear Chair

Ministerial Direction – OneWeb

Ahead of the BEIS Select Committee this Thursday I am writing to inform you of a Ministerial Direction that the Secretary of State for Business, Energy and Industrial Strategy issued me on 26 June 2020, in relation to OneWeb.

There are good reasons to proceed, signalling the Government's ambition for the UK to be a pioneer in high-tech satellite technology, broadening the UK's sovereign capability and influence through the ownership of a fleet of Low Earth Orbit satellite, and having a say over who owns the company in the future. There is also a good commercial rationale for making this investment with analysis commissioned from third parties suggesting that even using conservative assumptions we should anticipate a positive return.

However, I ultimately required a Ministerial Direction. There was insufficient time to make a full assessment of the proposed investment and enough uncertainty around the potential return for the UK that meant it was not possible for me to assure Parliament that the investment represents value for money to the standards expected by *Managing Public Money*. That is not to say that it may not prove to be value for money in time. Work continues to ensure that a deal offers not only a commercial return but also helps to realise the broader potential opportunities and benefits to the UK.

The process and decision-making around the investment remained confidential whilst a bid was being finalised.

I have already shared a copy of the letters with the Comptroller and Auditor General and plan to publish the letters as soon as possible. However, we need to inform our commercial partners of the intention to publish first, which we are in the process of doing, and therefore I would be grateful if the committee would treat the matter as confidential until we have completed that and published the letters.

I attach copies of both letters in confidence and I would be happy to discuss with you directly the handling of this case. I am also copying this letter to the Chair of the Public Accounts Committee and Comptroller and Auditor General.

A handwritten signature in black ink that reads "Sam Beckett". The signature is written in a cursive style with a large, stylized 'S' and 'B'.

Sam Beckett