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From Colin Look 6/1/99

Rosamund Roughton
PPS/Chief Secretary to the Treasury
Parliament Street
London SW1P 3AG

4 January 1999

Dear Rosamund,

BA/POCL

Following the then Chief Secretary's letter to colleagues of 23 December, Lord Falconer had further discussions with Mr Darling and Mr McCartney. It seemed to him that there was a basis for agreement on the way forward with the Horizon project and the desirability of achieving improvements to the technology which can be delivered within the commercial terms of the contract with ICL.

Over the Christmas holidays, Ministers agreed that it would be helpful for officials from DSS, DTI, POCL, the Treasury and the Cabinet Office to work up a menu of items for discussion with ICL with a view to securing the improvements referred to in Stephen Byers' letter of 23 December. I understand that DTI officials are making arrangements for a meeting towards the end of this week which should produce a paper for consideration by Ministers at their next meeting in the week beginning 11 January.

I am copying this letter to the Private Secretaries to Jack Cunningham, Stephen Byers, Alistair Darling, and Ian McCartney, to John Roberts at POCL and to Geoff Mulgan.

Yours,

GRO

Stephen Ward
APS/Lord Falconer

(cc) Jonathan Evans - David Miller
Paul Rich - Hema Kays
Lesley Lawson
Keith Baines
Kevin Corrigan
Sandra Rees.