

IN CONFIDENCE



EXTRACT FROM MINUTES OF MaPEC MEETING ON 11 MAY 1994

TO: R DYKES
R PEAPLE

MP(94)30
BENEFITS AGENCY
AUTOMATION -
INFORMATION PAPER

MP94/30

In considering the information paper presented by Mr Dykes and Mr Peaple the Committee noted that:

- (i) ministers had encouraged sponsors to involve the private sector and seek funding through the Private Finance Initiative. This, however, would depend heavily on political willingness and support. Representatives from the Benefits Agency and POCL had attended discussions about private sector involvement. POCL and the Benefits Agency would aim to reach clear understandings on the role of the private sector so that neither public sector partner was disrupted or exploited.
 - (ii) should funding be provided by the Private sector, POCL would aim to use their existing expertise and strength to secure contracts which ensured that POCL retained control of their network to prevent, or minimise the risk of, the private sector exploiting opportunities to take other POCL business. Partnership agreements need to contain clauses similar to those which POCL currently had with sub-postmasters.
 - (iii) efforts would be made to relax the current investment limits should Government decide that the initiative had to be funded by either POCL or the Benefits Agency.
 - (iv) the capital cost of the 'Alert' proposal to automate 1,400 London area offices could be absorbed within POCL's existing capital allocation, though other projects would be displaced.
- and agreed that:
- (v) the policy should be considered by POEC. Future authority requests would be progressed by MaPEC using the emergency procedures if necessary

Jan
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6/6/94
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R DYKES
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