

RESTRICTED - POLICY & COMMERCIAL

To:

SECRETARY OF STATE) separate
MR MCCARTNEY) copies

From:

DAVID SIBBICK
Director Posts

GRO

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GRO

ci Mr Scholar
Mr Macdonald
Mr Baker
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Dr Hopkins CII
Mr Hosker FRM
Mrs Britton PORT
Mr Whitehead CGBPS 1
Ms Anderson CGBPS 1
Mr Corry Sp Ad
Mr Wegg-Prosser Sp Ad

22 December 1998

BA/POCL AUTOMATION PROJECT: HORIZON

Issue

How to unblock the apparent paralysis currently gripping the final stages of decision making on the future of the Horizon project?

Recommendation

That you should write along the lines of the attached draft either to the Prime Minister or to the Minister for the Cabinet Office.

Timing

URGENT. The continued logjam is becoming intolerable for ICL, for our relations with Fujitsu and for individual subpostmasters, any or all of whom may begin to take decisions by default.

Argument

My submissions of yesterday and earlier today on the proposals from the Chief Secretary and Alistair Darling respectively were based on a stated intention (from Treasury officials) that attempts were to be made by telephone at Ministerial level to reach a decision before Christmas. In the event, these

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attempts have either not been made or have proved unsuccessful. A further paper from the Chief Secretary promised for this evening has also failed to materialise. A way through this seeming paralysis is urgently needed. The attached draft letter seeks to address this and to urge the outcome for which DTI has long been pressing. Further analysis of Alistair Darling's letter reinforces my earlier reaction that it is a rather unsubtle makeover of the discarded Option 2 (Horizon without the benefit payment card) that could prove difficult to defend to a PAC or NAO enquiry.

DAVID SIBBICK