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Miss Slocock

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9 July 1990

Dear Brian

1991 LONDON ECONOMIC SUMMIT

Thank you for your response to Joy Buchan's letter of 30 April. I was not wholly surprised to learn that neither you nor David Blatherwick see your respective Votes as an appropriate home for the funding of the 1991 Economic Summit. Our views about the suitability of the OMCS as controller of finance have not changed, but there is, I think, little to be gained in continuing the discussion. I am, therefore, prepared to retain the provision within the OMCS Vote and for the Cabinet Office to act as the financial controller, subject to certain conditions.

First, and most obviously, is the availability of funds. The amount at present in the OMCS baseline is insufficient to meet the current budgetary estimates for the Summit. A bid for additional provision was included in the OMCS 1990 PES submission but I must make it absolutely clear that, if this bid is not met in full, any shortfall cannot be found from elsewhere in the OMCS Vote. It will be for those organising the Summit to adjust the budgets to the available finance or to find alternative sources of funding. Secondly, I expect the handling of Summit expenditure to conform to the requirements of the OMCS Management Accounting System. This has built into it checks and monitoring procedures which will automatically be applied to the budgets for the Summit and will enable us to keep a careful watch on the overall level of expenditure. Finally, as holders of the purse, the OMCS will, of course, need a line of communication with the Summit Unit on financial matters and to have access to or be kept informed of other groups or committees which may determine expenditure.

These are, I believe, the minimum conditions under which it would be reasonable for the OMCS to accept accountability for expenditure which involves three separate Departments. With the possible exception of funding, I do not think they will present any problems at working level, but I would welcome your views.

I am copying this letter to David Blatherwick, and also to Nigel Wicks, Margaret Peirson, Robert Chase, Stan Gibby and Caroline Slocock.

Yours ever

Rex

S R DAVIE

ECON POL : London Summit

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