

~~CBG~~FCS/86/096

NAPN.

SECRETARY OF STATE FOR SOCIAL SERVICESProcurement of Mainframe Computers

1. Thank you for copying to me your minute of 27 March to the Prime Minister. The potential conflict between our decision to go for single tender and the requirements of the EC directive on public procurement were fully weighed last year. There could be some risk of legal challenge by one of ICL's competitors given the value of the contract (£50 million) and the fact that competitive tender for the related equipment (computer terminals, communications networks etc) will make it impossible to disguise the existence of the contracts from other major computer manufacturers. But on the basis that nothing has changed since last year to affect the Law Officers' advice that we would have a reasonable prospect of defeating any legal challenge to the single tender decision, I am content for you to go ahead as you propose.

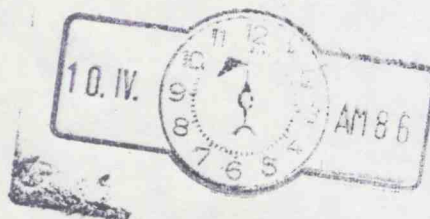
I am copying this letter to the Prime Minister, Members of the E(A), Sir Michael Havers, Sir Patrick Mayhew and Sir Robert Armstrong.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
10 April 1986

Soc. Serv:

Long Term Sept 1980



CCBG



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LONDON SW1P 3EB

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My ref:

Your ref:

7 April 1986

13PM

Don Munro

PROCUREMENT OF MAINFRAME COMPUTERS

Thank you for copying to me your minute of 27 March to the Prime Minister in which you seek agreement to handling future mainframe procurements without the need to involve the Cabinet Committee on each occasion.

The decision taken last year has already effectively determined that the ICL will supply the main frame computers required for projects within your operational strategy. I am therefore quite content that you should now proceed as you suggest; giving advance notice of each procurement decision to the Chancellor of the Exchequer, the Solicitor General and the Secretary of State for Trade and Industry.

I am copying this letter to the Prime Minister, Members of E(A), Sir Geoffrey Howe, Sir Michael Havers, Sir Patrick Mayhew and to Sir Robert Armstrong.

Kenneth Baker

KENNETH BAKER

The Rt Hon Norman Fowler MP

Soc. Serv. Long Term
Sept '80

