



Secretary of the Cabinet and Head of the Home Civil Service

PRIME MINISTER

We discussed yesterday the transfer of responsibility for competition and policy issues relating to media, broadcasting, digital and telecoms sectors transferring from BIS to DCMS. We also discussed a resulting move for Ed Vaizey from being a joint minister to being a DCMS minister. My advice when we spoke was that these would be sensible changes to make and, as they are almost entirely administrative transfers, could be made with immediate effect. You have since confirmed these changes.

The Permanent Secretaries from DCMS and BIS, along with the Cabinet Office, are now working through the detail of the changes including precisely which functions are to be transferred and any legal and Parliamentary procedures to make the change a reality. On one specific issue, my advice would be that we do not seek to transfer policy responsibility for Royal Mail and postal services, which should remain with BIS.

In advance of taking the decision to move ministerial responsibility yesterday, you specifically asked me whether there was any legal impediment to moving it to Mr Hunt. Having taken advice from lawyers I am satisfied that no previous comments from Mr Hunt of which we are aware constitute a pre-judgment of the case in question, or therefore disqualify him from taking the statutory decision in that case. Indeed, in one statement Mr Hunt explicitly says that he would not want to "second guess what regulators might decide". You will be aware that the Opposition have written to me on this issue and I have written to them in similar terms.



GUS O'DONNELL
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