



From the Minister of State
for Work and Pensions

Philip Hammond MP
House of Commons
London
SW1A 0AA

DWP Department for
Work and Pensions

Caxton House
Tothill Street
London
SW1H 9DA

Telephone
020 7340 4000

Email
ministers@dwp.gsi.gov.uk
www.dwp.gov.uk

to Philip,

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POST OFFICE CARD ACCOUNT

In your recent Parliamentary Question you asked for an estimate of the costs to DWP of the recent Post Office card account procurement exercise. I said it was not possible to give a precise figure, but that I would write to you with an estimate of the costs of staff directly involved in the procurement exercise.

It is not possible to give the full costs incurred by DWP on the procurement exercise. The direct salary costs (including on-costs) of the staff who worked full-time on this exercise, which extended over a 22 month period, were some £700,000. Some of these costs would have been incurred in any event to put in place a new contract with the Post Office had it been decided originally that it should be renewed. In addition, a number of other staff contributed to the procurement process alongside their other duties.

I am placing a copy of this letter in the Library.

*Yours sincerely,
Rosie*

RT HON ROSIE WINTERTON MP