

PART 2

Confidential Filing

Raynor inspired joint DE/DHSS
Study into the payment of
unemployment benefits.

MANPOWER

PART 1:- October 1980

PART 2:- JUNE 1982

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Secretary of State for Social Services

*NBPM
REC
73*

The Rt Hon Norman Lamont MP
Financial Secretary to the Treasury
HM Treasury
Parliament Street
LONDON SW1P 3AG

8 March 1988

Dear Norman

LIAISON ON BENEFIT FRAUD

at HAP

Norman Fowler passed to me a copy of his letter of 9 February about liaison arrangements to assist benefit fraud investigations.

Most certainly, an improvement in the exchange of information between the Revenue, Department of Employment and DHSS will be in the public interest and is an important step forward in our efforts to counter benefit fraud. Section 59 of the Social Security Act 1986 is the key to this, and if it does not give us the free exchange we had hoped I support the view that amending legislation should be considered. My officials are looking at this.

I agree that the reference to improved liaison between the Departments carried by the White Paper on employment is sufficient publicity on this topic for the moment. As is suggested, we can usefully expand on these links in general statements when the opportunity arises.

I am copying this letter to the Prime Minister and to Norman Fowler.

[Handwritten signature]

JOHN MOORE



MANPOWER: DE/DHSS Study
RZ



COB



Treasury Chambers, Parliament Street, SW1P 3AG

NBPM

REC 6
4/3

The Rt Hon Norman Fowler MP
Secretary of State for Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

2 March 1988

Dear Norman

LIAISON OF BENEFIT FRAUD

You wrote to me on 9 February with the findings of the official review of interdepartmental confidentiality that arose out of the efficiency scrutiny of the taxation of unemployment benefits.

Like you, I think that the review body has provided a useful basis for further work on improving liaison between the Revenue, the DHSS and the Department of Employment on tax and benefit fraud. I am happy to endorse the recommendations.

I understand from the Revenue that officials of the three Departments have already met to take matters forward and am pleased to see that there is room for the development of close liaison even though the needs of Revenue confidentiality impose certain limitations. I hope steps can be taken quickly to remove the anomalies identified in the application of the Social Security Act once the lawyers have completed their consideration of that legislation.

I agree that the review body's conclusions do not warrant any publicity; they are of a technical nature and are but a preliminary to the wider look at liaison that is now under way.

I am copying this letter to the Prime Minister and to John Moore.

*Yours
Norman*

NORMAN LAMONT

MANPOWER : DG/DHSS PR

8
20



CCBG.

Caxton House Tothill Street London SW1H 9NF

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The Rt Hon Norman Lamont MP
Financial Secretary to the Treasury
HM Treasury
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SW1P 3AG

NBLM
RACG
15/2

February 1988

LIAISON ON BENEFIT FRAUD

In your letter of 18 November you suggested that we should get in touch again on this subject once we had the final recommendations of the official review recommended by the recent efficiency scrutiny of the system for taxing unemployment benefits.

The final part of the review is now to hand and I attach a copy. I understand that our officials are in agreement as to its findings and recommendations. For my own part I find the recommendations both sensible and practical and, subject of course to your own views, I would be content for the Efficiency Unit to be told that they carry our endorsement. We might then look to our officials to carry the recommendations into practice.

As to any public announcement I would propose that the forthcoming White Paper on employment should refer in general terms to the Government's determination to improve the links between the Revenue, the DHSS and the Department of Employment, with the aim of tightening up yet further on benefit fraud. Beyond that I would not have thought that the review's conclusions warrant a major announcement in their own right, although it may well be that we could usefully refer to them in any more general statements about the steps which we are taking to combat both tax and benefit fraud.

I am copying this letter to the Prime Minister and to John Moore.

NORMAN FOWLER

MANPOWER: Rayne inspired
Joint DEP/ISS



study - to Rayne
of employer
benefits 1972

IN CONFIDENCE

EFFICIENCY SCRUTINY OF THE TAXATION OF UB RECOMMENDATION 11.10 -
CONFIDENTIALITY1 Introduction

1.1 An Efficiency Scrutiny of the Taxation of Unemployment Benefit was undertaken earlier this year by the Inland Revenue in consultation with Department of Employment.

1.2 The report makes 31 recommendations but this joint review body was set up specifically "to undertake a review of the current rules and need for inter-departmental confidentiality as it affects the Revenue, DE and possibly the DHSS, particularly in the light of technological developments which could provide automatic exchanges of information and because of the need to effectively tackle the black economy".

1.3 The review body consisted of:-

M Foister (Chair)
A Brocklehurst (UBS 3)
Ms M Costello (UBS 3)
M Gledhill (M1/5, Inland Revenue)
M Francis (DHSS - RD6)
*T Selby (UBS 4) Attended the 1st meeting only.

2 Current Confidentiality Rules

2.1 DE:- the current Disclosure of Information Guide contains the following paragraph:-

"This Department's relationship with DHSS is already well-established but enquiries from other Government Departments should be dealt with locally. Although information supplied to this Department is not normally available to other Government Departments, assistance should be given provided that the information is required in the exercise of a statutory function or for the safeguarding of public funds".

2.2 DHSS:- the relevant instruction is in a Code called "The Protection of Personal Information and the guidelines are similar to those quoted above for DE.

2.3 INLAND REVENUE:- Inland Revenue confidentiality is founded on the principle that it is the duty of the Department to safeguard the confidentiality of any information received relating to the affairs of taxpayers (Section 6 and Schedule 1 Taxes Management Act 1970). This principle is of long standing and is recognised by the Courts and by successive Governments as having the force of law. It is associated with the doctrine that tax administration could be seriously prejudiced if taxpayers thought that information from their returns etc, was likely to be passed on to other agencies, including other Government Departments. Because the concept is statute-based, any extensions of disclosure require new legislation.

3 Revenue Disclosure to DHSS

3.1 Section 59 of the Social Security Act 1986 (at Annex) enables the Revenue to pass information to DHSS for the purposes of the benefit Acts, mainly in connection with the arrangements for calculation and collection of National Insurance Contributions. Disclosure under the Section can only be made under the authority of the Inland Revenue and in order to qualify, the information must (a) have been obtained in connection with the assessment of collection of income tax and (b) be connected with the operation of the benefit Acts.

3.2 Currently information is given to DHSS in the following circumstances:-

- (a) To maintain DHSS Class 1 contribution records there is an annual bulk transfer of the information from employee Tax Deduction Cards. This covers such details for each employee as gross pay, pay for tax purposes, tax deducted, statutory sick pay, and NI contributions deducted.
- (b) Since April 1987, the Revenue has notified DHSS of all taxpayers commencing as Schedule D traders so that DHSS may check on Class 2 contributors.
- (c) For some years there has been an exchange of information between DHSS Inspectors and Revenue PAYE Audit staff aimed in part at reducing the burden created for employers by a succession of officials visiting them to check their books for various features.

4 Revenue Disclosure to DE

4.1 Until Section 59 Social Security Act came into being, the Revenue could not disclose information to DE. However, the Act now makes such disclosure possible on the same basis and to the same extent that disclosure is permitted to DHSS.

4.2 Whilst this situation was recognised by all three Departments, exploratory discussions during the passage of the Social Security Act through Parliament were not pursued. The full extent of useful, permissible disclosure by the Revenue to DE has not been properly explored, and the Review team consider that the premise that Recommendation 11.10 is built upon may therefore be overstated.

4.3 It would be permissible now for the Revenue to provide details to DE (as to the DHSS) of all commencements of employment of which they become aware, in both employed and self-employed categories. This is a facility which DE have long thought desirable although implementation of suitable procedures would have significant resource implications for both Departments. The Departments should now embark on discussions of how to achieve a useful exchange in this area.

5 Compliance Units

5.1 It is in the field of the Black Economy that the largest number of significant benefit frauds are most likely to be found and the Revenue, DHSS and DE all have investigation units whose efforts are turned towards exposing people who are working without registering the fact for tax or benefit purposes. It is generally accepted that there is considerable scope for a fruitful exchange of information between the compliance units of the 3 Departments in the battle against fraud. This is recognised by Recommendation 11.8 which calls for "more liaison between the investigative and compliance branches of each department so their resources are used more effectively".

5.2 It is in this potentially fruitful field that confidentiality considerations become restrictive. This arises from the interpretation of Section 59 Social Security Act 1986 and appears to produce effects at variance with what the Section was intended to achieve. In the view of the Inland Revenue's Solicitor, whilst relevant information obtained from taxpayers may be disclosed to DHSS or DE, information obtained from internal or alternative sources, may not. This seriously limits exchanges of the kind of intelligence that is important to investigation work. The Inland Revenue's Solicitor has written recently to his counterpart in DHSS with a view to making some initial assessment of the scope and necessity for legislative amendment. DE's Solicitors have been consulted on this point so that the Department has an input to this assessment.

6 Technological Developments

6.1 All 3 Departments are involved in computerisation. In DE payments of UB and SA are already computerised and the system (NUBS) is due to be modernised by 1990. A comprehensive tracing system called the Departmental Central Index (DCI) should also be operative by 1990 which will allow for tracing of claims and records through the benefit system.

6.2 In addition to DCI, DHSS is developing 3 other relevant mainframe computer systems:

Pensions Project - for handling Retirement Pension and Widow's Benefit Work

LOP(IS) - Local Office Project for Income Support, a system for paying and calculating income support, which will replace Supplementary Benefit from April 1988

LOP(Incap) - a system for calculating and paying incapacity benefits.

After tests due to start in 1988 these systems will be phased in from 1989 and should be installed in all local offices in 1992.

6.3 The Revenue has almost completed the computerisation of PAYE (COP) and a similar exercise relating to Schedule D (CODA) will be working in 1988. The National Tracing System (NTS) which will help locate where taxpayers' files are held is also being installed currently. A further on-line system known as BROCS covering all local offices and the Accounts Offices, and giving information on tax liabilities and payments, is being developed for the 1990s.

6.4 In our view Recommendation 11.8 would be the best forum for consideration of the more wholesale exchanges between the various computerised systems. There should be no constraints provided by Data Protection legislation as the relevant registrations made by the three departments already list each other as sources/receivers of information and proposed future systems would be similarly registered. It may well be that it will be the procedural, mechanical and costing feasibilities which will in the end prove to be the crucial factors.

7 Conclusions

7.1 The review body's work has demonstrated that there is significant scope within existing legislation to exchange information between the DHSS, the DE and the Inland Revenue designed to prevent fraud and tackle the problems of the black economy. We recommend in particular that:-

(1) Section 59 of the SS Act (1986) now provides a legal means whereby the Inland Revenue can provide details to DE of commencements of employment of which they become aware. We recommend that, within the resource constraints of both Departments, this facility should be increasingly made use of. In particular, we recommend that some pilot exchanges of information should go ahead to test out the practicalities and benefits of this source of information as early as possible in 1988;

(2) The extent to which Section 59 of the SS Act 1986 enables the Inland Revenue to pass on to DHSS and DE information in their possession obtained other than from taxpayers should be urgently explored by the legal advisers to the Departments concerned. If their advice is that Section 59 does not make such an exchange possible we recommend that further legislation be urgently considered;

(3) We recommend that DHSS, DE and Inland Revenue continue to explore the technical possibilities within the constraints of Data Protection legislation of increased interchange of information between their computer systems.

A. BROCKLEHURST

CSB4

cybe



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The Rt Hon Norman Lamont MP
Financial Secretary to the Treasury
H M Treasury
Parliament Street
LONDON SW1P 3AG

15 December 1987

Dear Norman

NBFM.

LIAISON ON BENEFIT FRAUD

Thank you for your letter of 18 November in response to mine of 17 October.

As you say, our officials are currently studying the questions of confidentiality raised by the recent Efficiency Scrutiny. I understand that their report should be ready soon and I agree your suggestion that we get back in touch at that stage.

I am copying this letter to the **Prime Minister** and to John Moore.

John Moore
NORMAN FOWLER

MANPOWER : DE/DHSS study pt 2

153



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Norman Fowler MP
Secretary of State for Employment
Department of Employment
Caxton House
Tothill Street
LONDON
SW1H 9NF

18 November 1987

Dear Norman

LIAISON ON BENEFIT FRAUD

— will request if required.

You wrote to Nigel on 17 October about the outcome of an Efficiency Scrutiny of the system for taxing unemployment benefit and, in particular, about the obvious questions of confidentiality which will need to be considered.

I understand from the Revenue that the final recommendations are still awaited but that from what has been accepted so far there should be no question of any options being ruled out in advance because they might be too radical.

The Revenue has a clear and particular responsibility on confidentiality but I am certain this will not prevent an objective examination of ways of defeating those who are defrauding on both benefits and tax.

I suggest that we get in touch again when we have final recommendations by officials to consider.

I am copying this letter to the Prime Minister and to John Moore.

Norman Lamont

NORMAN LAMONT

CONFIDENTIAL

CCB4



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
HM Treasury
Parliament Street
LONDON
SW1P 3AG

NLM

3 November 1987

Dear Nigel

LIAISON WITH THE INLAND REVENUE ON BENEFIT FRAUD

Norman Fowler copied to me his letter to you of 17 October about reviewing the rules covering interdepartmental confidentiality, as recommended by an efficiency scrutiny of the system for taxing unemployment benefits.

I agree that this is a difficult area, and needs to be explored thoroughly. I also share Norman's view that detection and investigation of fraudulent claims to social security benefits in general, as well as those involving unemployment benefit claimants, should not be obstructed unnecessarily by statute or departmental reluctance to exchange information about claimants or taxpayers. It is often the case that those who perpetrate fraud against one department will also be defrauding another.

My Department's officials have well-established liaison arrangements with their counterparts in DE with regard to the investigation of benefit fraud. This close contact is an essential part of our efforts to combat fraud and safeguard public funds. There are also very practical arrangements for liaison and supply of information between my Department and Inland Revenue, in the area of collecting National Insurance contributions. In this field, exceptions to the general rule of confidentiality applied by Inland Revenue are permitted by statute.

The small study group set up to examine existing exchanges of information included one of my officials, and we would wish to continue to explore the possibility of extending exchanges of information into other areas of mutual interest, such as fraud investigations.

I am copying this letter to the Prime Minister and Norman Fowler.

JOHN MOORE

cc B.G.



Caxton House Tothill Street London SW1H 9NF

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Prime Minister ²

Very difficult.

Des
20/10.

The Rt Hon Nigel Lawson MP
Chancellor of the Exchequer
H M Treasury
Great George Street
LONDON
SW1

17 October 1987

Nigel

mt

LIAISON WITH THE INLAND REVENUE ON BENEFIT FRAUD

As you know, an efficiency scrutiny of the system for taxing unemployment benefit was undertaken earlier this year by the Inland Revenue in conjunction with my Department. Our officials have subsequently been in close touch over the production of an action plan and the implementation of the report's many sensible recommendations.

One recommendation, however, was of a somewhat different order and I thought that I should write to you about it. This was that a review should be undertaken of the current rules and need for interdepartmental confidentiality as it affects the Revenue, my Department and possibly the DHSS. The review team saw this as particularly important in the light of technological developments which could provide automatic exchanges of information and because of the need to tackle the black economy effectively. As a result of the recommendation, a small study group from both Departments has been set up to examine the existing arrangements to see if there is scope for change.

Clearly, this is a difficult area and there are obvious questions of confidentiality to consider. At the same time it is clear to me that we must be seen to be tackling abuses of the benefit system resolutely and without putting unnecessary obstacles in our own way - in much the same way as the Revenue in order to help tackle tax evasion is now seeking further powers to obtain information relevant to tax from other Government Departments in the light of the Keith Committee recommendations. In this context I see fraud by unemployment benefit claimants who are actually working as a particularly

CONFIDENTIAL



objectionable abuse of the taxpayer, not least because such people are often defrauding not only the benefit system but also the Inland Revenue.

I would hope therefore that the officials who are currently looking at the existing position can be asked to consider and present to us all the options and not rule out any in advance as being too radical. This will then give us the opportunity to consider the position from first principles and to decide ourselves on where the balance between confidentiality for the individual and the wider interests of the taxpayer should be struck.

I am copying this letter to the Prime Minister and to John Moore.

John Moore

CONFIDENTIAL

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Prime Minister² *gno*
 MUs 25/4

DEPARTMENT OF HEALTH & SOCIAL SECURITY
 Alexander Fleming House, Elephant & Castle, London SE1 6BY
 Telephone 01-407 5522
From the Secretary of State for Social Services

M S Scholar Esq
 Private Secretary
 10 Downing Street
 London SW1

25 April 1983

Dear Michael,

UNEMPLOYED CLAIMANTS - AVAILABILITY FOR WORK WHILST ON HOLIDAY

My Secretary of State has seen the comments of the Prime Minister, as indicated in your letter of 7 March.

The present procedure is that unemployed claimants who go away on holiday can receive benefit only if they satisfy the independent adjudicating authorities that they remain available for work. The usual evidence is the provision of an address at which they can be contacted, and a declaration that they are prepared to return immediately if a job becomes available. The Rayner team found that this procedure caused a great deal of work and confusion in Unemployment Benefit Offices during the summer months and that this was to no purpose since no Jobcentre or Unemployment Benefit Office staff could remember a job ever having been offered to someone in this situation. Nevertheless, there are some people who lose benefit through not being able to prove availability in this way and there is also, of course, an absolute prohibition on the payment of benefit to people who go abroad on holiday.

The Rayner recommendation was that a new holiday procedure should be brought in whereby claimants could receive benefit without having to be available for work for about a fortnight each year. Technically they would be "deemed" to be available. The Rayner team recognised that such a change in the holiday procedure would have political implications, particularly for claimants who took their holiday abroad; but the team thought it would be inconsistent in logic to restrict such a holiday entitlement to the UK. They recognised that paying benefit in these circumstances might attract criticism but thought it arguable that unemployed people have as much right to a holiday abroad as their employed counterparts.

The team said that there would be no benefit cost for such a change, while it would save about 40 staff, reducing administrative costs by £250,000. In fact it turned out that there were benefit costs of about £2 million, but Department of Employment, who are very keen to have the change to reduce pressures and hassle in their offices during busy periods, found compensating savings to cover this - including 60 staff which would have been saved by the change itself and will now have to be forgone. The Chief Secretary had agreed, in line with the decision about implementing this recommendation taken by H Committee last April, that the

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appropriate PES provision could be transferred from DE to DHSS. This transfer has already been made in anticipation of the proposed change.

In view of the Prime Minister's comments, my Secretary of State has decided not to proceed with amending regulations at this stage, and instead we intend to work with DE to see whether we can streamline the procedures for dealing with these cases, to go at least part of the way towards easing the pressure on UBOs. We shall look at the recommendation again towards the end of the year to consider how we should pursue the matter, depending on what simplifications we have been able to achieve and bearing in mind the Prime Minister's comments.

I am copying this to Tony Rawsthorne (Home Office), Margaret O'Mara (Treasury) and Barnaby Shaw (DE).

Yours ever,

C A H Phillips

C A H PHILLIPS
Private Secretary

Manpower,
DE/DHSS study,
P72

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CONFIDENTIAL

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10 DOWNING STREET

From the Private Secretary

7 March, 1983.

Dear David,

Unemployed Claimants - Availability for Work whilst on holiday

The Prime Minister has seen your Secretary of State's minute of 16 February, together with the Secretary of State for Employment's minute of 21 February.

ST
The Prime Minister has minuted that she believes that there would be outrage if an unemployed person went on holiday beyond Britain's shores and nevertheless received benefit. The Prime Minister has commented that in that situation the Government would be providing additional money to increase jobs overseas. She has further enquired how someone can be available for work at the same time as they are on holiday.

I am sending copies of this letter to Tony Rawsthorne (Home Office), Margaret O'Mara (HM Treasury) and Barnaby Shaw (Department of Employment).

Yours sincerely,

Michael Scholer
—

David Clark, Esq.,
Department of Health and Social Security.

CONFIDENTIAL

cc/for

*1 think there would be
outage if the holiday
were beyond Britain's shores
We should be monitoring money to witness jobs
overseas*



Prime Minister ①

*Agree to these proposals?
(Treasury are content)*

Mes 4/3

PRIME MINISTER

UNEMPLOYED CLAIMANTS - AVAILABILITY FOR WORK WHILST ON HOLIDAY

PM'S BOX

Norman Fowler in his minute to you of 16 February mentions that my Department is very keen to implement this recommendation by the Rayner Scrutiny Team because of the benefits it would offer to the administration of the Unemployment Benefit Service.

2 I should like to underline my support for what is proposed. At the time of the Rayner Scrutiny it was calculated that about a million forms were completed in the summer months, a procedure which the team rightly regarded as a fiction. Although some increase in benefit expenditure is involved, I have found offsetting savings; and the saving in staff is now somewhat greater than when the idea was first put forward, and will make a small but useful contribution to limiting staff numbers in what is necessarily a staff intensive area.

3 We would very much like to make the change in time to have an effect this summer. I am sure it can be presented as a minor improvement, helpful to both the Benefit Service and the unemployed. I do not believe public opinion will be outraged by this change. It is clearly wrong that an unemployed member of a family would lose benefit if he joined the family holiday, or that an unemployed head of family should stay at home whilst his wife and children took a holiday with friends or relations.

4 I am sending copies of this minute to Norman Fowler, the Chancellor and the Home Secretary.

N.D. How can people be available for work if they are 'on holiday'.

NT

N T

21 February 1983

CET-V



Prime Minister

PRIME MINISTER

Mr Fowler proposes to introduce a new "holiday procedure" for the payment of benefits to those on holiday. This follows a recommendation of the Rayner scrutiny. There will be a benefit cost of about £2m which should be covered by staff savings.

M.F.

WZ
16/2

UNEMPLOYED CLAIMANTS - AVAILABILITY FOR WORK WHILST ON HOLIDAY

pt 1. Recommendation 20 of the Rayner report on "Payments of Benefits to Unemployed People" was that a new holiday procedure should be introduced "consisting of an entitlement each calendar year to notify the Unemployment Benefit Office in advance that one signing day would be missed (fortnightly signers) or two signing days (weekly signers)." In other words an unemployed person receiving Unemployment Benefit or Supplementary Benefit would be able to continue to receive his benefit without having to "sign on" in the usual way to prove his unemployment and availability. The team said that such a change would have no benefit cost and would save about 40 staff in the Department of Employment, by cutting out an ineffective and time-wasting procedure.

The present procedure is that a claimant who goes on holiday can receive benefit only if he remains available for work. He therefore signs a form to say where he can be contacted and that he is able and willing to return home immediately if a job comes up. The Rayner team described this system as a fiction, because a job is never offered to a claimant while he is on holiday, so that the declared availability is never tested. The Rayner team, when making their recommendation, recognised the political implications, especially because they saw that it would be impossible in logic to make such a concession to people holidaying in the UK but to refuse it to people going abroad. This could revive the "Costa del Dole" publicity which was rife a few years ago.

The Government's initial response (set out in an annex to the report when it was published) was to accept the recommendation. When the proposal was examined in more detail it was found that there were benefit costs, which would now be as much as £2 million a year, contrary to the Rayner finding. A large part of this is, so far as we can now tell, because the team's calculations did not take account

E. R.

of the fact that benefit cannot now be paid for days spent abroad. The other main reason was that they had assumed too readily that all UK cases are accepted as having proved availability whereas we know that some are disallowed. Nevertheless the Department of Employment were very keen that we should go ahead with the changes because of the simplification it would provide for their offices during the holiday period, a time of high pressure for them. As a result it was decided to proceed with the change once the Department of Employment could identify other savings to cover the cost, and this approach was agreed by H Committee in April last year.

Department of Employment have now found savings, which include 60 staff savings from the new procedure (up from the Rayner figure of 40 principally because of the increased unemployed load), and Treasury have agreed that these can be used to cover the benefit costs of the change. We have therefore drafted the necessary new Regulations and I am in a position to put them to the Social Security Advisory Committee. They will, of course, publicise the regulations and the background, and invite comments.

There may be some reaction from the press - and from some of our own Backbenchers - about spending an extra £2 million on benefit to make this possible at a time when other worthwhile groups are being denied extra benefit because of the economic situation. Against this, there are good grounds for making the change, and the present position can be very unfair (for example to someone who has booked and paid for a holiday before becoming unemployed). On balance I think it sensible to go ahead, but I felt it right to let you know what is being proposed.

I am copying this to the Chancellor of the Exchequer, the Secretary of State for Employment and to the Home Secretary (as Chairman of H Committee).

66 February 1983

N F

Manpower: Reynold DEIDHSS study
Pt 2



WH 14/6
CG JV
Kempson
QUEEN ANNE'S GATE LONDON SW1H 9AT

12 June 1982

Dear Norman

RAYNER SCRUTINY ON THE PAYMENT OF UNEMPLOYMENT BENEFIT

Thank you for your letter of 14 May on the follow-up to the Rayner report on the payment of benefits to unemployed people. You proposed changes to the regulations so as to give power to require people receiving unemployment benefit to attend for interview with unemployment review officers; to abolish the condition which requires a seasonal worker claiming during his "off season" to have been registered for employment during any periods of unemployment in the two preceding years; and to give power to require an unemployed claimant to answer questions put to him by the unemployment benefit office about his availability for work.

I have seen the correspondence you have subsequently had with the Prime Minister and with Norman Tebbit. The way is now clear for you to proceed as you proposed, subject to the firm understanding, set out in the letter the Prime Minister's Private Secretary sent to you on 4 June, that the availability rules will be picked up for consideration when the CPRS Study on Unemployment is available, and that the abolition of the registration condition for seasonal workers will come into effect in October, as Norman Tebbit proposed in his letter of 26 May.

I am copying this letter to the Prime Minister, to members of H Committee and to Sir Robert Armstrong.

The Rt. Hon. Norman Fowler, MP.



Manpower

CM

10 DOWNING STREET

From the Private Secretary

4 June, 1982

RAYNER SCRUTINY ON THE PAYMENT OF UNEMPLOYMENT BENEFIT

The Prime Minister has seen your Secretary of State's minute of 27 May, following up my letter to you of 24 May. She agrees with some reluctance that your Secretary of State may proceed without changing the availability rules, on the firm understanding that they will be picked up again for consideration when the CPRS Study on Unemployment is available.

I am copying this letter to Barnaby Shaw (Department of Employment, John Halliday (Home Office) and David Wright (Cabinet Office).

W. F. S. RICKETT

B O'Gorman Esq
Department of Health and Social Security

801

● PART 1 ends:-

S/S DHSS to Pm 27/5/82

PART 2 begins:-

WR to DHSS 4th June 1982



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