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Social Services ✓ MAP
MAP 18/6

MR PATTISON

ARRANGEMENT FOR PAYING SOCIAL SECURITY BENEFITS

I think it probable that Sir Derek Rayner will enter into the current correspondence between Ministers on the above at a point when he thinks it likely that an intervention may be useful. I would like a word with you about this at leisure.

2. In the meantime, you may like to see the enclosed correspondence between Mrs Walker who wrote to the Prime Minister about these matters on 17 June and Mr Warner of DHSS (who, you will recall, conducted the original Rayner project).

3. This is not the only counter opinion we have. You might also like to see the attached copy of a note on views expressed by Mr Eric Midwinter, who has some qualifications in this field.

CP

C PRIESTLEY
14 August 1980

Encs: copy correspondence with Mrs Walker.
note on Mr Midwinter's views.

Ms. M. Thatcher.

43/45, HIGH ST
BUCKDEN
HUNTINGDON CAMBS
17.6.80.

Huntingdon 810306

Dear Mrs. Thatcher.

I am a confused person. I understand we live in a free society, yet I am told I have to get my family allowance from a post office — why? All my friends would prefer a monthly cheque or suchlike.

Our local headmistress tells me she will have to cut the number of children books purchased for the school — why not cut the amount wasted on these silly voucher books and spend the money saved on school books? I am certain all parents would agree with this.

I cannot understand why it is so difficult to change an old-fashioned out of date system. Why should I have to live up in the post office, probably for 30 minutes, only to be served by people who have never heard of a please or thank you.?

I do not mind if the money is paid monthly or quarterly in arrears but please, please can something be done about this silly voucher system. Why can an unemployed person have a cheque to pay into their bank account yet I, who work sufficiently hard to pay £2500 a year in tax, cannot get the same treatment. Really it is too bad.

Yours. D G Walker (Mrs)



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10 John Adam Street
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Mrs D G Walker
43/45 High Street
Bickden
Huntingdon
Cambridgeshire

10 July 1980

Dear Mrs Walker

Thank you for your letter of 17th June to the Prime Minister about the arrangements for paying your child benefit (or what used to be called family allowance). I have been asked to reply.

The Government has a good deal of sympathy with the views you expressed. In principle Ministers think that the public ought to be able to have their social security benefits paid direct into bank accounts if they wish rather than being forced to cash their order books in post offices. A recent study on the arrangements for paying social security benefits recommended this. However it also recommended paying benefits at less frequent intervals, mainly fortnightly, for most people as a way of saving the taxpayers money that goes on administration. However these changes would have reduced the amount of business across post office counters. This would have reduced the income of sub-postmasters if the Post Office could not generate alternative work to replace the lost social security business.

The National Federation of Sub-Postmasters became very concerned at the proposals and mounted a campaign against such changes on the grounds that sub-post offices would close because of the loss of business that would result. It was never the intention - either of this Government or the people who did the study - that these social security changes should be made in a way that led to the closure of many sub-post offices in rural areas. However the concern and anxiety that was generated has meant the Government needs to consider further its position on any changes that might be made in the arrangements for paying social security benefits. But Ministers hope to make their views known publicly as soon as possible and they still want to start offering in the future the facility of paying benefits direct into bank accounts when people want this.

Thank you once again for writing and I hope we can give you the payment method you want in the not too distant future.

*Yours sincerely,
Norman Warner*

N R WARNER

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43. HIGH ST.
BUCILDEN
HUNTINGDON, Cambs.
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15.7.80

Mr. Knights - for Mr. [unclear]

Dear Mr. Warner. Mr Green - no reply needed. MHW 21/7

Thank you for your letter of 10 July (which took FIVE days to get to my address!!). Our local sub-postmaster claims the so-called spontaneous action by his federation was, in fact, organised by the post office. He claims letters were distributed, typed and prepared by the post office. Representatives of the post office attended meetings to persuade sub postmaster to take action. Many sub-postmasters were against this (he says) because hardly so much money puts them at physical risk (two have been attacked this week in the area!!).

I really think your experience should have taught you to ignore or regard lobby.

Yours. B G. Walter.