

do?

Prime Minister

1.

PRIME MINISTER

Yes please mb

More good scrutiny work in DHSS. At first sight, the results look to be less potentially controversial than previous DHSS studies. Can we add your congratulations to Mrs Chalker and the team?

MAR 16/4

1980 SCRUTINY PROGRAMME: VALIDATION OF NATIONAL INSURANCE CONTRIBUTION RECORDS (DHSS)

1. You asked me to take a particular interest in this scrutiny on your behalf. I enclose a synopsis of the report and a copy of my letter, and commentary, to Mrs Chalker, for you to read at leisure.
2. This is the fourth excellent piece of work by DHSS officials in a row. They have taken a complex and technical area of departmental activity, mastered the detail of its operations and proposed reforms which, to the outsider, look eminently sensible and promise a much stream-lined system of operation. This will be of benefit to the taxpayer (£15.3 million) and, importantly, to the staff who have to operate the checks and procedures.
3. I raise in my commentary a couple of wider issues - the case for abolishing both the upper earnings limit on contributions and the married woman's election to pay reduced rate contributions. I do so, not to diminish the team's proposals but to complement them.
4. Since completing the scrutiny, the team leader, Mr N L J Montagu, has been promoted to Assistant Secretary to work in the contributions area.
5. I am copying this to the Secretary of State for Social Services and to Mrs Chalker.

There would be more NI contributions on employer as well.

*Derek Rayner*  
DEREK RAYNER  
15 April 1981

Enc: