



10 DOWNING STREET

Prime Minister ①

Mr Fowler has responded
on two points raised by
Dennis Whitte

(i) he proposes to round
the £15 deduction to £16 at
the next uprating

(ii) he proposes to accept
the findings of the Chief
Adjudication Officer that
a striker who falls sick
remains a striker who
cannot claim SB on top
of contributory sickness
benefit.

Agree that he is taking
the right course on both?

Yes me

AT

31/10



10 DOWNING STREET

Prime Minister ①

It Committee has considered the payment of strikers' housing costs. It decided to go ahead immediately with the proposal to make payments for mortgage interest through a grant payable to the building society.

Your idea of making such payments a loan received some support but will take time to implement. Meanwhile Mr Fowler will go ahead as planned while your idea is investigated. David Willetts advises that the tougher regime be continued to strikers.

Content?

Temporarily
Yes
ml

AT

31/10

SECRET

31 October 1984

MR TURNBULL

PAYMENTS OF STRIKERS' HOUSING COSTS

Mr Whitelaw's letter reports that several members of H Committee think the new arrangements for paying mortgage interest direct to a building society should apply to all claimants rather than just strikers.

Obviously it is politically attractive to toughen the regime for everybody. But the costs of administering Supplementary Benefit, already too high, would rise further, because of the extra Girocheques paid to the building society. So the new scheme should be restricted to the 10,000 strikers getting their mortgage interest paid, rather than the 250,000 claimants receiving such payments. Otherwise we will need several hundred extra DHSS staff. That would be a politically unacceptable way of toughening the regime.

David Willetts

DAVID WILLETTS

SECRET