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CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 01- 233 8224

27 February 1981

The Rt Hon James Prior MP
Secretary of State for Employment

James Prior

SCRUTINY OF THE PAYMENT OF BENEFITS TO THE UNEMPLOYED

1. Thank you, ^{TPM} and Patrick Jenkin, for copying to me your minute of 18 February to Willie Whitelaw. I have seen the Prime Minister's comments (in Mike Pattison's letter of 23 February to your private secretary) and have very little to add. *with nap?* The only other points which struck me were these.
2. I thought that paras. 9-20 of the draft response had a slightly metallic note. Would it help if the reference at the end of para. 6 to an improved service for the public was filled out by quoting an example or two (eg the extension of quarterly attendance under recommendation 23) and if paras. 9-20 were made to sound a bit more human?
3. I wondered too how quickly you hope to get ahead on correcting the over-spending attributable to the difference in payment periods (recommendation 38) and on adjusting management formulas (recommendation 62-66). Both these points struck me forcibly during the scrutiny. (I understand that changed circumstances may have altered the case on management formulas somewhat since last year, but there is now at least a good opportunity for adjusting them.)
4. I am copying this to the Prime Minister, Willie Whitelaw, Geoffrey Howe, Christopher Soames, Patrick Jenkin and Robert Armstrong.

Derek Rayner
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