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Margaret

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My ref: H/PSO/13564/81

Your ref:

27 April 1981

[Handwritten signature]

SCRUTINY OF PAYMENTS OF BENEFITS TO UNEMPLOYED PEOPLE

Thank you for your letter of 8 April.

I recognise the need to make progress with carrying forward action on the DE/DHSS report as quickly as possible. But when it comes to implementing these changes on the ground there will be no escape from examining each local office in turn and devising the most economical solution. At that stage it will be necessary to ensure that the maximum staff savings are realised and these savings will need to be balanced against the cost of any necessary accommodation changes. It is at that stage, I suggest, that either consultants' expertise should be brought to bear or else the kind of independent view represented by the scrutiny team.

I am copying this letter to the Prime Minister, Christopher Soames, Willie Whitelaw, Francis Pym, Geoffrey Howe, Jim Prior and Patrick Jenkin; and to Sir Robert Armstrong.

[Handwritten signature]

MICHAEL HESELTINE

Sir Derek Rayner

28 APR 1980

