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The Rt Hon Norman Fowler MP
 Secretary of State
 Health and Social Security
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Prime Minister 2
Lord Yang and
N Fowler continue to
squabble. A report is due to
reach you by 16 June 1986
2 July.

DLW

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mt

at 11:00

Thank you for your letter of 10 June.

You are quite right to point out that at the meeting on 2 June I should have quoted 1300 rather than 1700 as the total number of cases referred to your Department under the Restart pilots as a result of unemployed people failing to turn up for their compulsory Jobcentre interviews. I misread the figure and they were not all "lost". But my concern about the handling of such cases remains.

As you know, the compulsory Jobcentre interview is a key element of the Restart programme. Failure to attend carries the penalty of benefit loss and it is imperative that this sanction is known to work. It is vital that the long term unemployed appreciate the importance we attach to the Restart interview and they must be in no doubt that they are required to attend as part of the condition for the receipt of benefit. If the sanction for ignoring the summons to a Jobcentre interview is not swift and effective - and seen to be so - then the credibility of the programme will be undermined.

As I understand it, of the 1300 "failure to attend" cases referred to your Department by the end of May, there are nearly 900 cases where the outcome of the referral is not known. At the latest count (6 June) there were a total of 1510 referrals but only 471 cases where the outcome is known to us. You rightly point out that the pilots revealed weaknesses in the procedures for benefit referral in both our Departments and that steps have been taken to try to correct them. But I suspect that any procedure which involves passing papers between three separate organisations - the Manpower Services Commission, your Department and finally the Unemployment Benefit Service - is likely to give rise to some delays and uncertainty.

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The Unemployment Benefit Service in my Department is already responsible for deciding all other benefit referrals from Restart (notably cases of people who are suspected at the Jobcentre interview of not being "available for work"). The suggestion I have put to you is that responsibility for deciding "failure to attend" cases should also be located in the Unemployment Benefit Service. I believe that this concentration of responsibility for specific benefit sanctions arising from Restart in one organisation is the only way to ensure that decisions are taken swiftly and consistently in all cases. I am not asking for any extra resources from you to do this work, other than those allocated under Restart, or for any staff to be transferred from your Department to mine.

I very much hope you can agree to this change, on which I have already written to you, so that new arrangements can be in place as soon as possible after the nationwide launch of Restart next month. We also need to discuss the transfer of the Unemployment Review function which similarly could enhance the work of Restart if located in my benefit offices. I know you are seized of this point; our Private Offices are arranging a meeting.

I am sending copies of this letter to the Prime Minister, Nigel Lawson, Norman Tebbit, John MacGregor, Kenneth Clarke and Peter Morrison.

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See 10

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