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CONFIDENTIAL

25 MAY 1989

PRIME MINISTER

I am writing to tell you I have decided that we should end free welfare milk for children in day care from the end of this school term. I propose to make an announcement and lay Welfare Food Amendment Regulations before the end of June.

The present Regulations provide that any child under 5 attending a day nursery or registered childminder can receive a third of a pint of milk a day. This applies irrespective of family need or income and is a hangover from the days when all children in state schools received such milk. It also creates, haphazardly, a double benefit for some families on Income Support or Family Credit who either receive a pint of milk a day or a cash allowance in lieu under those schemes.

Expenditure on day care milk is at present about £4 million annually (plus administration costs of some £120,000). But since the 1988 Social Security Act withdrew the discretionary power of Local Authorities to provide free school milk, some of these authorities are increasingly using the day care provision to supply free milk to children under 5. If this trend continues the cost could go to £14 million a year.

There is no nutritional or health evidence either for or against day care milk. We proposed amendments to discontinue it in what became the Social Security Act 1988, but decided that the issue was too sensitive at that time. Accordingly during the passage of the Bill we announced that no change was being made. However, the scheme is an increasingly expensive anomaly and although it will be a sensitive issue with some Local Authorities and voluntary bodies and cause a ritual row with the Opposition I believe it is right to end it before the next school term begins.

I am copying this letter to Malcolm Rifkind, Peter Walker, Tom King, Kenneth Baker, John Moore, Nicholas Ridley, John MacGregor and John Major.

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25 May 1989
Department of Health

KC

CONCERN : School Milk



and Dear Sirs

