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PRIME MINISTER

COMMUNITY CARE: PRESERVED INCOME SUPPORT ARRANGEMENTS

Last week you saw the latest papers on the detailed community care package. You were concerned that there should be no limits on future access to income support for people currently in residential care homes, whether or not they are currently claiming income support.

Nicholas Scott has now sent round a further letter (flag A) commenting on this and other aspects. I think you can leave most of the other points raised to be sorted out with the Treasury. But you will want to consider what is said in paragraph 2 of the letter about preserved income support together with the attached redraft of the relevant section of the White Paper.

Richard Wilson's note at flag B provides advice on the preserved rights issue. Rather than my seeking to summarise the issues, I suggest you read through his minute. The issues are:

- are you content that there should be a reference in the White Paper to a possible future review of the preserved entitlement for those people in residential care who are currently supporting themselves?
- content to urge that the drafting ambiguity identified in paragraph 6 of Richard Wilson's minute is resolved?

PAUL GRAY

1 November 1989

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