

SECRET



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon John Moore MP PC
Secretary of State for Social Services
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London
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7 September 1987

Dear John,

SURVEY: SOCIAL SECURITY: OUTSTANDING SAVINGS COMMITMENTS

Thank you for your letter of 21 August. I have since seen the No. 10 letter of 3 September recording the Prime Minister's views.

Leaving aside the common earnings rule, on which the Prime Minister has commented, I agree with your proposals, though I would be grateful if your officials could be in touch with mine on your plans for delivering the full £30 m of savings from a special drive against fraud.

Without the savings from the common earnings rule, there is a shortfall of some £8 m in 1988-89 and £75 m in 1989-90 against the savings targets agreed in last year's Survey. I hope you will be able to identify measures soon to bridge these gaps.

I am copying this letter to the Prime Minister and Willie Whitelaw.

Yours Ever,
John

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Public Expenditure

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