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PRIME MINISTER

SOCIAL SECURITY POLICY REVIEWS

Prime Ministry Color To note, paricularly evention of la third review on benefits and I young people. Policy limit will want to be on the coordinating group.

AT 17/2

This minute follows up the response from yourself and colleagues to my minute of I February about the housing benefit and supplementary benefit reviews and deals with the third proposed review we have discussed that of benefits for young people.

Housing benefits review

I accept that it is important to get the right person to chair the housing benefit review. I shall be writing about possible names very shortly. I shall make it clear to whoever is appointed that there is no question of remedying the defects of the housing benefit scheme through additional expenditure. I also agree about the need to ensure that the housing benefit review takes full account of the implications for public sector rents and housing subsidies.

Supplementary benefits review

It is my intention that as part of the review options for savings should be identified.

Benefits for children and young people

Having thought further about the scope of this review, I have concluded that it should not focus narrowly on benefits for those aged between 16-20. Instead, it should cover the whole field of provision for children and young people before they become fully independent.

The benefits that are provided for younger children have a natural link to those provided for young people above school leaving age - for example the amounts payable and eligibility for benefit. Moreover, some of the other issues involved are common to younger and older children. In particular, there is the importance

of striking the right balance between helpfor working and for non working families, and the question of how far the state should help families who are not poor.

So I propose that the third review should have a wider perspective with the following terms of reference:

"To review the present scope of financial assistance for families with children and for young people above school leaving age".

A review on this basis would be more in keeping with our general aim of a series of studies which subjects the social security side of the welfare state to the most thorough reappraisal it has had since Beveridge. We should make use in this review of the outcome of the review by officials of the family income supplement scheme.

I propose to ask Rhodes Boyson to take charge of this review, in the same way as Tony Newton is taking the lead on the supplementary benefits review. The aim would be for him to report to me later in the year, after which I would reach conclusions and discuss them with colleagues.

As you know, I have already announced the housing benefits review and will look for a suitable opportunity to announce the ministerial reviews.

I shall want to make sure that the reviews reflect the points that colleagues have made. For this reason, and so as to ensure that the reviews complement each other and do not follow divergent tracks, I propose to have a coordinating committee of officials chaired by my Second Permanent Secretary. It would include representatives of the Treasury, the Department of Environment and other Department's concerned.

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I am copying this to Patrick Jenkin, Peter Rees, Tom King, and Sir Robert Armstrong.

16 February 1984

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10 DOWNING STREET

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From the Private Secretary

20 February 1984

Social Security Policy Reviews

The Prime Minister has seen your Secretary of State's minute of 16 February. She has noted his intention to establish a further review into benefits for children and young people. She welcomes the establishment of a group to co-ordinate the results of the three reviews which have now been established. She has asked that the No.10 Policy Unit should be represented on it.

I am copying this letter to John Ballard (Department of the Environment), John Gieve (Chief Secretary's Office), David Normington (Department of Employment) and Richard Hatfield (Cabinet Office).

Andrew Turnbull

Steve Godber, Esq., Department of Health and Social Security. 4

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MR TURNBUZL ST, 7/2 ale

SOCIAL SECURITY POLICY REVIEWS

The Policy Unit is quite happy about the proposed outline for the three separate reviews.

If it was thought appropriate the Policy Unit would like to have a place on the coordinating committee of officials. If we do have a place I would like to attend myself.

JOHN REDWOOD 17 February 1984

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NSAM AT 29/2

The Rt Hon Norman Fowler MP Secretary of State Department of Health and Social Security Alexander Fleming House Elephant and Castle LONDON SE1

SOCIAL SECURITY POLICY REVIEWS

Thank you for sending me a copy of your minute of 16 February to the Prime Minister about the Social Security Policy Reviews.

I too welcome these and the proposal that there should be a co-ordinating committee, and would wish my Department to be associated with the work, in view of its interest in the payment of supplementary benefits to the unemployed and in benefit for the young. Indeed, I wrote to you about some important aspects of young people's benefit on 23 November and officials have since followed this up. Since then we have reaffirmed in the white paper "Training for Jobs" that there will be a further review this year of the individual entitlement of young people to supplementary benefit. From the point of view of the relationship of benefit to YTS it is important that the review reaches conclusions by the early summer.

I am copying this to the Prime Minister, Patrick Jenkin, Peter Rees and Sir Robert Armstrong.

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SECRET NAPPH Treasury Chambers, Parliament Street, SWIP 3AG Rt Hon Norman Fowler MP Secretary of State for Social Services Department of Health & Social Security Alexander Fleming House Elephant & Castle LONDON SE1 6BY 24 February 1984 SOCIAL SECURITY POLICY REVIEWS I have seen your minute to the Prime Minister of 16 February. I am content with what you propose. I take it that your review of benefits for children and young people will, as with the other reviews, identify options for savings in expenditure. I am copying this letter to the Prime Minister and to Patrick Jenkin, Tom King and Sir Robert Armstrong. Ynnew hin PETER REES SECRET

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