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10 DOWNING STREET

From the Private Secretary

14 November 1985

MISC 111

Your Secretary of State with the Minister of State for Social Security yesterday saw the Prime Minister to discuss the proposals he would be putting to MISC 111. The discussion centred on the number of gainers and losers under the proposals.

The Prime Minister suggested that it would be right, if there was a need to reduce the number of pensioner losers, to look for savings elsewhere in the social security programme, for example, by reducing the extent of support given to younger people. Your Secretary of State undertook to look at this.

The presentation in the proposed White Paper of the figures for gainers and losers was also discussed. It was agreed that your Secretary of State would consider this further, taking into account the possibilities for, in some way, bringing together the distributional impact of the proposed changes to housing support and the proposals to be made in the Green Paper on rates reform. It would also be worth considering whether the distributional tables should take account of assumed up-ratings between now and April 1988, and of possible changes in tax allowances. The Chancellor and the Secretary of State for the Environment should be consulted.

David Norgrove

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SMH.