

(1)
PRIME MINISTER

DHSS have taken a very long time to produce advice on this request to meet the National Pensioners Convention.

Mr. Fowler's view is that you should accept, as in earlier years. If you agree, he would also like to be present.

Agree to a meeting in your room at the House after Questions on 1 March?

Dms

Yes not

10 February, 1984



10 DOWNING STREET

From the Private Secretary

13 February 1984

The Prime Minister has asked me to thank you for your letter of 3 January. I am sorry not to have replied earlier.

The Prime Minister has asked me to say that she agrees to your request for a meeting with organisations' representatives of the National Pensioners Convention. Mrs. Thatcher would like to suggest a meeting in her room at the House of Commons at 4.15 p.m. on Thursday, 1 March, after she has answered Questions in the House. If you would kindly let me know whether this would be convenient, we can proceed with the detailed arrangements.

MR. D. BARCLAY

The Rt. Hon. Lionel Murray, O.B.E.



GR

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

PO 4715/370

David Barclay
Private Secretary
10 Downing Street

8 February 1984

Dear David,

I understand that rather than a draft reply to Mr Murray's letter you would like advice on whether or not the Prime Minister should meet the Delegation.

The Prime Minister has met the Delegation in recent years and as the Delegation seem certain to meet the leaders of the other political parties we advise that she should meet them again this year.

Our Secretary of State will also be free to attend as he did last year.

The issues likely to be raised are contained in the Convention's Declaration of Intent. I have enclosed a copy for your reference and also a copy of the response our Parliamentary Under Secretary sent to the Convention last year.

We will of course provide detailed briefing material should the meeting go ahead.

Yours ever,
Colin Phillips

COLIN PHILLIPS
Private Secretary



cf

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY
Telephone 01-407 5522

From the Joint Parliamentary Under Secretary of State

PO(6) 2814/73

Norman Willis Esq
Secretary
National Pensioners' Convention
TUC
Congress House
Great Russell Street
London
WC1B 3LF

8 June 1983

Dear Mr Willis,

Following on from the meeting earlier this year with the Prime Minister and the Secretary of State, Norman Fowler, yourself and other representatives of the National Pensioners' Convention, a number of organisations and individuals, representing pensioners' interests have written seeking details of the issues discussed. I thought it might be helpful therefore if I wrote to you to detail the Government's thoughts on the Conventions' Declaration of Intent.

The level of the retirement pension is a cornerstone of the Declaration of Intent. I believe that our record on pensions is an achievement of which we can be proud. In recent years, the nation has suffered the effects of a serious, worldwide recession and yet despite these difficulties we have more than kept our pledge to protect the value of retirement pension against rising prices. In the four pension upratings between November 1978 and November 1982 we have increased the standard basic rate of pension for a single person from £19.50 to £32.85 a week, a rise of 68.5 per cent. In the same period the general index of retail prices rose by 61 per cent and the pensioners price indices, which we are sometimes called upon to use in preference to the RPI, rose by only 58 per cent. The rise in pensions is only marginally less than the rise in average earnings over this four year period. We shall not be in a position to give the details of this year's pension increase until later this month, but it will again be consistent with our pledge to protect pensions fully against inflation. This pledge, initially given by the Prime Minister for the last Parliament, has been reaffirmed for the coming Parliament.

As the Prime Minister made clear at your meeting in March, the Government would dearly love to see a much higher level of pension. But it is not just a question of what we would like to do, it is a question of what we can afford to do. The cost of implementing the Declaration of Intent would be phenomenal and place

an unbearable strain on the economy. For example the cost of your main demand for pensions of half average gross earnings for a married couple and one third for a single person would be in the region of £14 billion extra a year. If employers were to be spared any of this extra cost, in order to protect the competitiveness of industry and so help economic growth, the cost would fall on employees and the self-employed. This would mean an extra £20 a week for a man on average earnings. We simply cannot ask the working population to bear such a cost. The level of pensions can only be improved over a period of time and in fact this is what the new earnings related pension scheme is doing.

Part of your main demand calls for uprating at six-monthly intervals. Each one per cent increase in pensions and other long-term benefits brought forward to May would cost around £100 million. The pattern of annual upratings has now become well established and has continued through periods of high inflation. I think you will agree that more frequent upratings take on less importance in times of low inflation, such as we have managed to achieve and are determined to maintain. It must also be remembered that most pay awards are geared to an annual cycle. With all this in mind I do not feel it right to change the frequency of upratings.

I would now like to comment on the other specific proposals in the Declaration of Intent and will do so in the order in which they are listed.

The Government believes that most elderly people want to stay in their own homes for as long as possible. We have taken measures to help. The Home Improvement grant system has been made more flexible so that local authorities can, for example, give grants for small improvements such as a more effective heating appliance. The rates of grant have been increased. Repair grants have been introduced for older dwellings - many of which are occupied by elderly people; priority rates have been introduced for the elderly to insulate their homes. The Housing Corporation's allocation for 1983/84 at £960 million is about one third higher in cash terms than their expenditure in 1981/82. This will enable the Housing Corporation to continue to finance a large programme of sheltered accommodation for the elderly.

We do recognise the importance of the social services to elderly people, particularly those who are frail and live alone. We have kept our promise to maintain and develop the National Health Service which is of such importance to the elderly. It is for local authorities to decide on the level of services for elderly people in the light of local needs and resources although we do expect them to give some priority to those who are the most vulnerable. Many local authorities in conjunction with local voluntary organisations are developing schemes for, for example, mobile wardens or fostering of elderly people. We welcome such initiatives.

A national scheme of concessionary fares on public transport is not the answer. We believe decisions whether to provide concessions should remain with individual local authorities who are familiar with local needs and priorities and can best decide how scarce resources should be spent.

The full range of National Health Service provision is of course already available to everyone irrespective of age. Elderly patients occupy nearly half of all National Health Service beds and over 40 per cent of current health and social services spending is related to services for elderly people. All people of pensionable age are exempt from prescription charges, those in hospital or in receipt of a supplementary pension qualify for free optical and dental treatment under the National Health Service and others with low income may also be eligible for help towards the cost of such treatment.

regards help with fuel costs our strategy has been to concentrate help on those of greatest need in order to provide a worthwhile level of assistance. We are already spending far more in real terms than any previous Government on supplementary benefit heating additions. About £325 million a year goes to help nearly 2½ million homes. We have made heating additions automatically payable to supplementary pensioners age 70 or over and about 90 per cent of all supplementary pensioners now get a heating addition. To extend the schemes as you suggest would be to either pay out without regard to financial need or entail a means test. Neither is a course I think we should follow.

Our White Paper on elderly people, "Growing Older", discusses ways in which they might be enabled to enjoy a full and active retirement and suggests that more should be done to improve their access to educational and leisure facilities. We hope that local authorities will continue to secure access to educational facilities for adults of all ages and take full account of the needs of elderly people in planning their provision. Most authorities offer concessionary fares to pensioners and under our expenditure plans for 1983/84 it should be possible for these concessions to be increased. The Minister for Sport recently launched a major campaign to try and persuade the owners of private sports facilities to make them more available for community use. The response has been most encouraging and talks will be held shortly with the CBI and Sports Council to discuss the next step. The Sports Council recently launched a scheme called "50 plus". Although it is aimed primarily at people approaching retirement it is hoped those taking up new activities at that age will carry on into retirement. The scheme has already attracted many people in their 60s or 70s.

A clear indication of the Government's concern for pensioners was our early action to legislate to make the Christmas bonus a permanent feature of the Social Security Scheme. While we too would like to increase the bonus but to do so to the £20 you suggest would cost an extra £106 million a year. This cannot yet be given any priority.

Earlier retirement on full pensions has to be ruled out on grounds of the formidable costs involved. It would cost around £2,500 million extra a year to reduce men's pension age to 60. We simply do not have that money available. We would like to see individuals having a greater freedom of choice in deciding when to retire. The Social Services Committee have recently published their report on "The Age of Retirement" and they too recommend greater flexibility. We are now considering their proposals in detail. It remains our intention to continue raising the limit of the earnings rule for retirement pension and to abolish the earnings rule as soon as we can.

Last year we published a Consultative Document on the death grant setting out possible ways in which the money now used to provide a small death grant to all who satisfy the contribution conditions could be used to provide a much higher grant limited to those with the most obvious need for it. The representations we received did not show any clear support for any one of the options. We are now considering what action, if any, to take with regard to the grant.

I appreciate that I have written at some length but I thought that you would find it more helpful if all the issues in the Declaration of Intent were included.

Yours sincerely,
Trefgarne

LORD TREFGARNE

1/6/2

Len MURRAY,
The

FILE 811
3/2



10 DOWNING STREET

From the Private Secretary

31 January, 1984

Martin Jackson wrote to me on 25 January about the letter which the Prime Minister had received dated 3 January from Mr. Len Murray, inviting her to meet representatives of the National Pensioners Convention on 1 March.

As I explained to you over the telephone, I think the Prime Minister would be grateful for your Secretary of State's advice on whether or not she should accept this invitation, on the background to the Convention, their current pre-occupations, and so on. Could we please have this advice by the end of this week. We will then be able to seek a decision from the Prime Minister on whether to meet the Convention, in the light of which we will send a suitable reply to Mr. Murray.

DAVID BARCLAY

Derek Reid, Esq.,
Department of Health and Social Security

da

David - DHSS say that they do not wish to send a full reply as it is dependent on whether or not the PM sees Len Murray.

RM 31/1

(Derek Reid, DHSS on 7405)

DHSS ringing back on Monday
morning re the earlier draft.

BM
27/1



DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Secretary of State for Social Services

PO 4715/370

David Barclay Esq
Private Secretary
10 Downing Street

25 JAN 1984

Dear Mr Barclay,

*GR: Have we
had an earlier
draft?*

I have enclosed a draft addition to the reply for the TUC as you requested. *D 22/1*

In previous years the Prime Minister and our Secretary of State have met representatives of the National Pensioners Convention to discuss the Declaration of Interest. If that is to be so again this year we would recommend that our addition be excluded as the same ground will be covered at the meeting.

*yours sincerely
Martin Jackson*

MARTIN JACKSON
Ministerial
Correspondence

intent.

Our Ref: 4715/370

DRAFT REPLY FOR LIONEL MURRAY, TUC

NO 10 COMMENTS ON MEETING

As regards the Declaration of Intent, the Prime Minister and Ministers at the DHSS have made it clear that the phenomenal cost of implementation would place an intolerable burden on the working population. The massive increase in public expenditure it would entail would prove to be counter productive as it would increase inflation, the real enemy of those on fixed incomes.

Lionel MURRAY



Chased 24/11

10 DOWNING STREET

From the Private Secretary

9 January 1983

I enclose a copy of a letter the Prime Minister has received from the TUC.

I should be grateful if you could let me have a suitable draft reply which the Prime Minister might send to Mr. Murray, to reach me by 23 January.

(David Barclay)

Tim Young, Esq.,
Department of Health and Social Security

ds

TRADES UNION CONGRESS

CONGRESS HOUSE · GREAT RUSSELL STREET · LONDON WC1B 3LS

Telephone 01-636 4030

Telegrams TRADUNIC LONDON WC1

29/11

Mrs M Thatcher
Prime Minister
10 Downing Street
London
SW1

YOUR REFERENCE

OUR REFERENCE

LM/PJ/SW/JB
DEPARTMENT
Social Insurance &
Industrial Welfare

January 3, 1983

Dear Mrs Thatcher

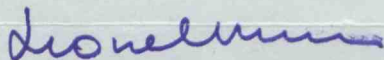
National Pensioners Convention
March 1, 1984 Lobby of Parliament

I write to you on behalf of the Steering Committee of the National Pensioners Convention. The Committee has decided, on behalf of the organisations representatives, to hold a lobby of Parliament on Thursday, March 1, 1984 between 2.30 pm and 5.00 pm. The purpose of the lobby is to enable pensioners and those who support their demands, to express their views to Members of Parliament. In particular we wish to press for the early implementation of the improvements set out in the Declaration of Intent (copy attached) which was endorsed at the previous National Pensioners Conventions.

The Steering Group has also decided to ask each of the main Party leaders to meet a group of representatives from the organisations involved. We should be grateful, therefore, if you would agree to meet a delegation on the day of the lobby preferably in the early afternoon. Detailed arrangements will then, of course, have to be made. As you may be aware the organisations involved on the Steering Committee include the British Pensioners and Trade Union Action Association, the National Federation of Old Age Pensions Associations, the Scottish Old Age Pensions Associations, the Trades Union Congress and the Transport and General Workers Union Retired Members Section.

I look forward to your reply and hope, in view of the considerable importance of the matters concerned, that you will be able to agree to our request.

Yours sincerely



General Secretary

GENERAL SECRETARY: RT. HON. LIONEL MURRAY OBE DEPUTY GENERAL SECRETARY: NORMAN WILLIS

ASSISTANT GENERAL SECRETARIES: KENNETH GRAHAM OBE AND DAVID LEA OBE

National Pensioners' Convention

Declaration of Intent

This Convention declares that every pensioner has the right to choice, dignity, independence and security as an integral and valued member of society.

These rights require an adequate State retirement pension. There must be an immediate commitment to a pension level of not less than one half of average gross earnings for a married couple and not less than one third of average gross earnings for a single person, uprated at six monthly intervals.

In addition to an adequate income a pensioner should, as of right:

- live in accommodation which is appropriate to personal need and circumstance with a reasonable degree of choice including sheltered housing;
- be able to call on the full range of community and personal social services to give full support as need arises, including, for example, home helps, meals on wheels, chiropody, television and telephone;
- be able to use a National Scheme of substantial concessionary facilities on all public transport in all parts of the country;
- have ready access to comprehensive free health care on demand;
- be able to maintain a warm and well lit home with adequate heating allowances covering all fuels;
- have full access to a varied and extensive range of education and leisure facilities;
- be paid a regular tax-free Christmas bonus of £20, adjusted in future in line with inflation;
- be eligible for an adequate retirement pension on ceasing work at any time of his or her choice after the age of 60 years, without being subject to an earnings rule;
- be entitled to an adequate death grant irrespective of age.