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CCRB

Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Norman Fowler MP
Secretary of State
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London
SE1 6BY

NRPN

9 July 1986

Dear Mr...

SUPPLEMENTARY BENEFIT AND MORTGAGE INTEREST PAYMENTS

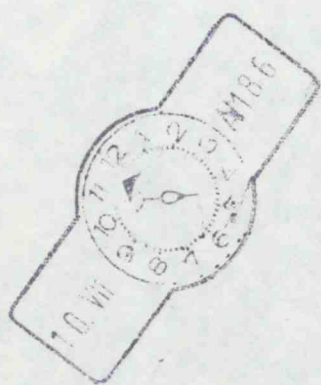
I understand from my officials that SSAC decided last week to take a further month to consider the proposals you put to them on 15 May on mortgage interest, which we have already debated in the House, and that this means that we shall not be able to lay the necessary orders until the Autumn with the result that at least £6 million of the savings you are committed to this year are at risk. This is most unsatisfactory coming as it does on top of the losses from the continuing delay on the single payments package. I would be grateful if you would let me know immediately what you propose to do about securing these savings, if not through the mortgage interest proposals then by some other means.

I am copying this letter to the Prime Minister, Willie Whitelaw, Norman Tebbit, Nicholas Ridley, John Biffen and John Wakeham.

Yours,
JH

JOHN MacGREGOR

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DEPARTMENT OF HEALTH AND SOCIAL SECURITY

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

Telephone 01-407 5522

From the Secretary of State for Social Services

The Rt Hon John MacGregor OBE MP
Chief Secretary to the Treasury
HM Treasury
Parliament Street
LONDON
SW1P 3AG

NBP 7

July 30 1986

Dear John.

SUPPLEMENTARY BENEFIT AND MORTGAGE INTEREST PAYMENTS

Thank you for your letter of 9 July. ^{at nap}

I recognise your concern about the delay in action on mortgage interest. As you will appreciate, we are not able to commit SSAC to a particular consultation period. There is a statutory requirement to consult them and they, in turn, conduct a public consultation exercise for which they allow four weeks for comments to be received. When the Committee met on 2 July, they decided they needed another meeting to consider a further draft of their response and that between now and then (6 August) it was necessary to approach the Building Societies Association again. I understand that their decision to take an extra meeting was influenced by the controversial nature of the change and the large, hostile, response they received in consultation. We will need to consider how best to carry these proposals forward once we have the SSAC's report. They will need careful handling in view of the reactions last time round, especially among our own supporters.

I am copying this letter to the Prime Minister, Willie Whitelaw, Norman Tebbit, Nicholas Ridley, John Biffen and John Wakeham.

NORMAN FOWLER

SOCIAL SERVICES Review PT4



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LCB5



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Norman Fowler MP
Secretary of State for Social Services
Alexander Fleming House
Elephant and Castle
LONDON
SE1 6BY

13 August 1986

NGM

Dear Norman,

SUPPLEMENTARY BENEFIT AND MORTGAGE INTEREST PAYMENTS

Thank you for your letter of 30 July.

It is helpful to have this explanation of the delay, but I am not clear what answer you are giving to my original question. Do you envisage securing the £6 million from a modified version of the original mortgage interest package, or do you propose to deliver those savings in a different way?

I am copying this letter to the Prime Minister, Willie Whitelaw, Norman Tebbit, Nicholas Ridley, John Biffen and John Wakeham.

Yours,
John

JOHN MacGREGOR

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Southern Services Review Pt 4

