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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

16th July 1986*Dea Norman,***SINGLE PAYMENTS**

We spoke about your authorisation of the printing of the reply to SSAC on single payments incorporating the concession on miscellaneous needs payments. As you know, I am greatly concerned that you did this without clearing your lines with me in advance following my letter of 8 July and yours' of 12 July.

This action on your part comes on top of your failure to consult me, before Tony Newton wrote to Willie Whitelaw, about the proposed expenditure of £12 million to meet the concern expressed in the Lords about the severely disabled. I must remind you that departmental Ministers have no authority to commit expenditure in this way without express Treasury authority; and I must ask for your assurance that you will in future abide by the normal rules and courtesies. I fully realise that you are often working against close deadlines but this does not excuse action of this kind.

In the circumstances you leave me with no alternative but to agree to the concessions on single payments. An announcement has already been delayed for far too long (at considerable cost) and must be made today. I remain unconvinced that concessions are justified; as your own figures show they would add £50 to a sum which could be as much as £750 for a lone parent with two children.

You promised me however that you would absorb the extra expenditure in the current year. Since I have already agreed well over £200 million so far this year for policy

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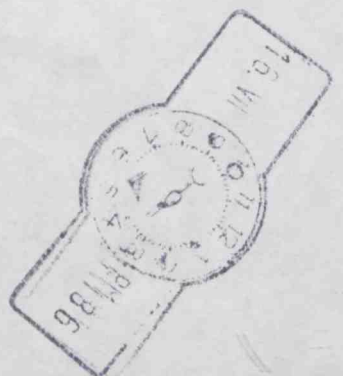
and administration changes and FOSSE already predicts increases of over £1 billion since last year's White Paper, you will have to make a further policy change to absorb this expenditure. I should be grateful to know your proposals (and your plans for implementing them) straightaway.

I am copying this letter to the Prime Minister, Willie Whitelaw, Norman Tebbit, John Biffen, David Young, John Wakeham, and Sir Robert Armstrong.

Yours ever,
JM

JOHN MacGREGOR

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From the Minister of State for Social Security and the Disabled

Mrs J Pitt
Private Secretary to the
Attorney General

Dear Private Secretary,

*15 July 1986
NBP.*

My Minister attended a meeting at No 10 this morning to discuss the timing of our announcement of the Supplementary Benefits Single Payments regulations. It was agreed at that meeting that the Law Officers should be consulted for their opinion on the vires of the regulations as now drafted. It is our intention to lay the regulations next Monday.

I therefore enclose a copy of them, together with a note of a meeting which officials of this Department had with Michael Beloff. I am copying this to Mrs M Barber, Private Secretary to the Solicitor General for his consideration, and the letter to David Norgrove at No 10 for information *(w/out attachment)*.

*Yours ever,
C A H Phillips*

C A H PHILLIPS
Private Secretary

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