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Social Services

2 MARSHAM STREET
LONDON SW1P 3EB

CONFIDENTIAL

My ref: H/PSO/11716/81

Your ref:
27 February 1981

Dear Home Secretary

REPORT OF THE DE/DHSS RAYNER SCRUTINY OF BENEFITS TO UNEMPLOYED PEOPLE

Jim Prior and Patrick Jenkin asked in their note to you for comments on the proposed response to the above report.

I welcome the general trend of this report and response which emphasised the need for payment of benefits to the unemployed to be simplified. Most of the individual recommendations are, of course, in consequence very much for them, but recommendations 7 and 67-70 concern me as, under the present funding arrangements, the expenditure would fall on my Department's vote.

Recommendation 7 proposes that £2.4m per year be spent on minor improvements to the public waiting areas in D/E and DHSS offices. This will have to compete with the claims of other colleagues for very tight PSA funds and I cannot believe it will be accorded a very high priority. Indeed, Jim Prior has recently had to seek additional funds to relieve the acute overcrowding in UBOs resulting from unemployment increases. I appreciate that we should not reject the recommendation out of hand, but I would rather see the response accept it "in principle", avoiding commitment to any actual level of expenditure.

Recommendations 67-70 involve a large programme of works and may well take many years to implement; very large additional funds would certainly be required. Before committing ourselves to the sums quoted in the report, I would want to be assured that the implementation plan was based on a solution requiring the minimum of accommodation changes. I see that PSA is represented on the working party which is reviewing the options, and I am content with the working on this in the draft response.

Copies go to Patrick Jenkin, James Prior and those who received copies of their minute.

Yours sincerely
Michael Heseltine

P-B MICHAEL HESELTINE

Approved by the Secretary of State
and signed in his absence

27 FEB 1981

