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Sir D Wass
Sir K Couzens
Mr Ry
Sir A Rawlinson
Mr Moore
Mr Griffiths
Sir D Lovelock (C&E)



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Covt Mach, Reyner,
P412*

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

7 May 1982

Michael Scholar Esq.
10 Downing Street
LONDON
SW1

Dear Michael

REFUSAL OF CUSTOMS FACILITIES AT WICK AIRPORT

Because of the possibility of political repercussions, the Prime Minister may like to be aware of the Chancellor's decision to support the Customs in their refusal to provide facilities at Wick Airport for an air service to the Faroe Islands, and the reasons for it.

The Civil Aviation Authority have licensed Air Ecosse to run a service from Aberdeen to the Faroes calling in at Wick twice a week on both the inward and outward flights. The CAA act independently and does not have regard in its decisions to the ability of HM Customs to provide facilities at non-Customs airports. We feel this is an unsatisfactory state of affairs and the Economic Secretary is now writing to the authority with a view to improving its awareness of the implications of its licensing procedures for Customs.

The aircraft to be used on the proposed service would have a maximum capacity of 12 passengers and those boarding or leaving the aircraft at Wick might well be no more than two or three. Indeed on some flights there could be no passengers at all.

The Customs have to cover for the Home Office (Immigration) at small ports and airports and it is a Home Office requirement that they should attend all flights to control the movement of non-UK residents. The Chancellor will be taking this up with the Home Secretary. The aircraft will also carry freight, thus involving Customs attendance to certify export or to provide clearance for imported freight.

A recent Reyner study on Customs attendance at ports and airports (in which the Prime Minister has expressed a particular interest) is still the subject of Ministerial consultations. That study identified as an important potential source of economy in Customs operations the elimination of Customs attendance at ports and airports where

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Customs officers cannot be fully employed because of the inadequate volume of traffic. Sir Derek Rayner himself strongly supports this objective. To concede the claim for Customs clearance at Wick would be directly contrary to the conclusions of this study. The amount of time taken up in providing Customs facilities would be out of all proportion to the amount of work actually involved by the flights, and there would inevitably be a limit to the officer's ability to fit in other work.

The provision of Customs staff in such circumstances is not compatible with the Government requirement for efficient working methods in the public service. HM Customs and Excise are in no way exempted from the campaign to reduce Civil Service manpower. They have already lost well over 2,000 staff and they are expected to make further reductions in pursuance of the April 1984 target.

Had Customs not refused to provide facilities at Wick, there would have been repercussions elsewhere. It would have been extremely difficult for them to refuse concessions at a number of other airports demanding similar services some of them with the prospect of handling much more traffic than Wick. Furthermore it would have been made even more difficult for the withdrawal of uneconomic facilities at ports and airports whom already have them.

A number of representations have been received from local interests. The Secretary of State for Scotland and the local MP, Robert MacLennan, have also approached the Chancellor. Given local sensitivities in the Highlands and Islands, some political repercussions are inevitable. But the Chancellor felt it right to stand firm on the commitment to promote efficiency and economy in the public service.

I am copying this letter to Clive Priestley.

Yours ever
Peter

P S JENKINS
Private Secretary

Rt. Hon. Donald Stewart M.P., P.C.



HOUSE OF COMMONS
LONDON SW1A 0AA

28th April 1982

Mr. D.G. Pitt
Commissioner and Director of
Staffing (Outfield),
H.M. Customs and Excise,
King's Beam House,
Mark Lane,
London. EC3R

Dear Mr. Pitt

CUSTOMS AND EXCISE POSTS IN CAITHNESS

It has come to my attention that H.M. Customs and Excise are in the process of making certain decisions which will have an important effect on the economy and employment of the Caithness area.

Firstly, it appears that Air Ecosse have applied for a franchise to operate a service from Wick to the Faeroes. The Danish Government have given their approval, as have the Civil Aviation Authority in this country. I understand however that H.M. Customs and Excise will not provide Customs facilities at the Wick airport which obviously scuppers the intentions of Air Ecosse.

I would like to point out that a decision like this will have serious repercussions on the development of the area, especially as there is a likelihood of oilfield development to the west of the Shetlands in future.

I would like to ask you if it is also the intention of H.M. Customs to actually cut back on staffing in the Caithness area. If this is the case I would certainly regard it as a retrograde step for the future prosperity and development of the area and I believe that it would also affect existing employment. I hope that you will give consideration to both these matters and clarify the position for me.

I look forward to your early reply,

Yours sincerely,

RT. HON. DONALD STEWART M.P., P.C.