

SECRET



Energy

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10 DOWNING STREET

From the Private Secretary

MR. ROBIN IBBS
CENTRAL POLICY REVIEW STAFF

Vale of Belvoir Inquiry

I have shown the Prime Minister your further minute of 8 July on the above subject. I am afraid she is still not persuaded by your approach to this problem. She believes the planning decision on Belvoir should be looked at on its own merits, rather than in the context of the NCB/NUM problem.

I had suggested to the Prime Minister that you should have a private meeting with her to discuss this matter in advance of the meeting with other Ministers. However, I think she would prefer to wait now until the latter meeting before discussing the issue further. (The meeting, which has been set for 30 July, may in any case have to be postponed because of Mr. Heseltine's absence in Liverpool.)

I am sending a copy of this minute to Sir Robert Armstrong.

J. P. LANKESTER

17 July 1981

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PRIME MINISTER

c.c. Mr. Duguid

Vale of Belvoir Inquiry

You have expressed your continued disagreement with Mr. Ibbs on the approach which he proposes regarding the Vale of Belvoir.

He said in his minute that he would be happy to discuss this with you. I think this would be a good idea, because we do not want to get into the meeting with Mr. Heseltine and other Ministers (which has been set for 30 July) with the CPRS, Mr. Howell and almost certainly the Treasury taking a different line to yours.

May I arrange a 15 minute meeting some time during the next 10 days?

No - MH is now otherwise occupied.

mf

IL

You should also see John Hoskyns' note on this at Flag A.

13 July, 1981.

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cc Mr Dennis

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Ann Huntley
A. D. Doynd 3

Qa 05611

To: MR LANKESTER

From: J R IBBS

We just said -
lead the Belvoir
matter in this way.
What Dr. Ibbis says
is what the merits of
the matter are. I do
not agree.

We all believe this is an
exceptionally important issue.
If planning permission is
refused, this could have a
significant effect on this
year's coal settlement, and
hence on the pay round as
a whole. We can still refuse
instant approval. Although the
final decision is for Mr Heskine,
I think he can take account of
colleagues' views. So I hope, like

Vale of Belvoir Inquiry

Reg A

1. Thank you for your minute dated 6 July. I was very interested to know the Prime Minister's comments on my minute dated 1 July. *Mr Ibbis, that our meeting on 2 late this month can discuss, at least informally, the merits of the decision.*
2. I appreciate that the Secretary of State is in a quasi-judicial position and that the decision is his and not a collective one. The draft paper I have seen refers to his preliminary conclusion and I do not know what further consideration he may give to the matter, nor what views he may seek, before coming to a final conclusion on the evidence before the Inspector. *72*
3. My concern is that the Prime Minister should be aware of the significance that the decision on Belvoir is likely to have in the context of achieving the lowest possible miners' settlement this Autumn. The work which the CPRS has been doing on the NCB/NUM problem has confirmed that the Government is not well placed to determine the outcome because this is not an occasion on which it would be prudent to risk a miners' strike. In these circumstances the attitude of the moderates in the NUM is likely to be of crucial importance, and anything that can be done to ensure that they are in a mood to exert a restraining influence will be valuable. The decision on Belvoir could well be a major factor in shaping the attitude of the moderates. *9/7*
4. The significance of Belvoir is highlighted because the decision appears to be the best card the Government holds in the run up to this year's negotiation with the miners. The outcome of that negotiation

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will have a major influence on settlements in other parts of the public trading sector and considerable influence more widely. It is thus of great importance to the success of the Government's economic strategy.

5. It may be that because of the Secretary of State's quasi-judicial position this important card has to be played, so far as its pay implications are concerned, at random. Even so, I should not wish the Prime Minister to be unaware of its importance in the light of our work on the NCB/NUM problem.

6. Obviously, I would be happy to discuss this with the Prime Minister if that would be helpful in view of the importance of the subject.

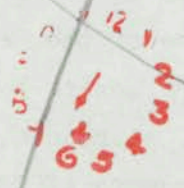
7. I am sending a copy of this minute to Sir Robert Armstrong.

Handwritten signature

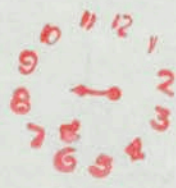
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