



PRIME MINISTER

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STANSTED/HEATHROW TERMINAL 5 PUBLIC INQUIRIES

We are meeting tomorrow to discuss the handling of the Inspector's report on the Stansted/Terminal 5 public inquiries. I thought it would be helpful if I set down the options as I now see them.

Background

We expect to receive the Inspector's report at the end of the month. I plan to publish the BA prospectus in mid-February. The Attorney General has advised that the Inspector's report will then have to be published as being material to BA's prospects. Decisions on the Inspector's report would have to be taken by the end of January if we are to stick to the normal planning procedures, whereby Inspectors' reports are only published with the decision letters.

I do not think that there is any chance of our reaching decisions on the 20 different applications involved, and drafting decision letters (which will need to be drafted with great care to avoid the risk of challenge in the Courts) by end-January.

Options

This gives us the following options for publication of the Inspector's report:-

- i. to delay publication of the BA prospectus;



- ii. to publish the Stansted report in advance of our decision;
- iii. to reach and announce decisions on the Inspector's report by end-January (at the same time publishing the report), but deferring the issue of decision letters (which cannot be rushed);
- iv. to use the Special Development Order (SDO) procedure.

Option (i): I am strongly opposed to delaying the publication of the BA prospectus. I have already announced that we hope to privatise BA in early 1985, and the Chancellor is very concerned that the sale proceeds should be received in this financial year. This could not be achieved if there is any delay in the BA prospectus.

Option (ii): there is a risk that publishing the Inspector's report in advance of a decision would set a difficult precedent, but we could point to the unusual circumstances of BA privatisation. Energy Ministers are already committed to publishing the Inspector's report on the Sizewell inquiry in advance of a decision.

Option (iii) brings its own problems. The legal advice is that to announce a decision without issuing a decision letter could well lay us open to successful challenge in the High Court. This course of action would also invite further representations, and Ian Gow and I would be in an extremely difficult position if, after we had announced a decision, new evidence was presented which led us to take a different view. And a debate



would be much more difficult to handle if decisions had been taken but the applications were still before us. I am conscious too that the late receipt of the Inspector's report - and we cannot be certain it will not be further delayed - means that carrying out the thorough appraisal that is legally required, and reaching agreement with other Ministers, will be difficult, if not impossible, to achieve by end-January.

One possibility which would avoid some of the pitfalls of option (iii) would be to publish the Inspector's report prior to the issue of the BA prospectus indicating that Ministers were minded to take a particular decision. But this approach would resemble consultation, with an implied invitation to "unsuccessful parties" to put forward further representations in the hope of changing our minds, and it would still be difficult to reach different conclusions.

Option (iv): to use the SDO procedure would require us to reach and announce our conclusions by early February, when we would publish the report. But it would give us a little more time since we could defer the laying of the SDO. However, this device has a number of serious disadvantages:

- (i) we should have to refuse the major planning applications, and invite Parliament to approve the proposal we endorsed;
- (ii) the SDO might be voted down, either in the Commons or the Lords;
- (iii) there would be difficulties in dealing with the associated decisions.



We cannot be sure that Parliament would agree on any one site for another major airport development in the South East.

/ The attached annex showing the views of the various interest groups demonstrates that there would probably be a majority against Stansted, but no majority for any other realistic solution.

In view of these difficulties I recommend in favour of publishing the report in advance of the decision. If colleagues are concerned about the precedent, I suggest we could cite the particular difficulties arising from the BA prospectus. We could make a virtue of it by saying we want to hear the views of the House, but this would risk creating a difficult precedent for other major planning cases.

Parliamentary Debate

More than 80 Conservatives have now signed the Early Day Motion opposing the development of Stansted. For the reasons given in paragraph 9 above, I do not favour giving the final decision to Parliament by using the SDO procedure. I recommend that we should provide for a debate after the report is published, and proceed to a Ministerial decision in the normal way. We do not, however, need to decide now which of these courses to take: we should merely say now, if colleagues agree to publish the report before a decision, that that is our intention, and that we will provide for a debate in due course.

The risk with allowing a debate under the normal planning procedures is that new evidence might be raised which would have to be referred back to the parties.



That could in certain circumstances lead to a reopening of the inquiries and would in any event delay a decision for some months. We could not, alas, ensure that the debate is not on a substantive motion.

Civil Aviation Bill


I will need to announce how we propose to handle the Inspector's report in Wednesday's Second Reading debate on the Civil Aviation Bill. A number of MPs have said that we should defer implementing the ATM limit until we have taken our decision on Stansted Terminal 5. I am happy to defend the timing of the Civil Aviation Bill. The Bill is required now if the ATM limit is to be in force in October 1985: a scheme for implementing the limit will have to be agreed by June 1985 to enable airlines to plan their forward schedules. The ATM limit was reaffirmed at the Stansted Terminal 5 inquiries. Its implementation will not of itself require new runway capacity at London's airports, but could affect the timing. But if we are to make concessions on the advance publication of the Inspector's report, I would wish to be able to announce that on Wednesday.

I am copying this minute to John Biffen, Peter Walker, Ian Gow, John Moore, John Cope, and Sir Robert Armstrong.

Nicholas Ridley

pp. NICHOLAS RIDLEY
19 November 1984

*(Approved by the Secretary of State
& signed in his absence).*


VESTED INTERESTS

The following oppose development of Stansted. They would not be able to agree on a realistic alternative:-

- (i) MPs and local authorities in the Stansted area;
- (ii) airlines who use Heathrow, who would prefer to see T5 developed;
- (iii) Northern MPs and local authorities, who see the development of regional airports as an alternative to providing further capacity at the London airports.

2. Some of these interests also oppose, or will oppose, the ATM limit, since by limiting the capacity of Heathrow's runways it weakens the case for T5, and strengthens the case for Stansted. The Northern lobby also oppose the ATM limit since they see it as endangering domestic services to Heathrow from regional airports.

3. The following support the development of Stansted:

- (i) most MPs and local authorities local to Heathrow;
- (ii) most MPs and local authorities local to Gatwick;
- (iii) BCal who do not wish to see T5 enhancing Heathrow's advantage over Gatwick.

4. The Labour Party may be expected to support the regional lobby, although at their last Conference Mr Prescott spoke in favour of developing both Stansted and regional airports.