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PRIME MINISTER

INSPECTOR'S REPORT ON STANSTED/HEATHROW TERMINAL 5 INQUIRIES

1. Ian Gow and I have arranged for the publication of the Inspector's report on the Stansted/Heathrow Terminal 5 Inquiry on Monday 10 December. This minute summarises the Inspector's main findings, and how we will be handling his report. Ian Gow will be announcing a publication by written answer tomorrow
2. We agreed to publish the report as soon as practicable after we received it (your meeting of 20 November). Following the debate on Second Reading of the Civil Aviation Bill, I decided that it was important that we should make the Inspector's report available before the Committee stage of the Civil Aviation Bill (which starts on Tuesday 11 December). There is an additional reason for early publication: the Inspector has made some critical comments on the proposed Air Transport Movement limit at Heathrow, and we would not want to be accused of keeping this information from the Committee. To ensure early publication, Ian Gow has agreed to the publication of a summary document of extracts, including all the Inspector's conclusions and recommendations, to supplement copies of the full report. This would probably have been necessary in any case as the Inspector's report is 2,500 pages long. There will need to be a subsequent printing of the full report, and I suggest that we do not make arrangements for the Parliamentary debate that we have promised until these further copies are available. This means that the debate should not take place until the second half of January.
3. I am attaching a copy of the Inspector's summary of conclusions. You will note that on the applications before him the Inspector recommends that BAA's application to develop Stansted up to a capacity of 15 million passengers a year should be permitted, but only on condition that the Government gives an unequivocal declaration that no second main runway should ever be built. He considers that only Stansted can provide the additional capacity needed at the London airports in the early to mid 1990s, and

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the environmental and land use consequences of a one-runway airport, if carefully managed, can be accepted in the national interest.

4. But the Inspector has interpreted his remit very widely, going far beyond the immediate planning applications. He is very critical of 'ad hoc' decisions by previous Governments, and recommends strongly that the Government should take its decision on the BAA's application only as part of a coherent strategy to meet demand into the next century.

5. The Inspector sets down his own views on what that strategy should be. His recommended strategy is based on making the most effective use of existing airports, especially Heathrow which he sees remaining as the primary London airport. He recommends that in due course Heathrow should be expanded westwards to the line of the M25 to provide additional terminal accommodation with an ultimate capacity of 15 million passengers a year (taking total capacity to 53 million passengers a year) and to provide direct access from the M25. This would require the removal of the Perry Oaks sludge treatment works, and is a more ambitious scheme than the planning application that was before him. It raises problems that will have to be looked at very carefully. The Inspector suggests a number of other improvements to the present "second-rate" facilities - cargo facilities, the internal road system, road and rail access - and advocates the abolition of the Air Transport Movement and, as a recompense to the neighbouring population, a ban on night flights.

6. The Inspector supports our existing policy of developing Gatwick with its one runway up to a capacity of 25 million passengers a year, except that he again recommends a ban on all night flights.

7. At Stansted he says that adequate road and rail access should be provided, and ultimately the terminal capacity could be increased

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to match the capacity of the one runway, ie to 25 million passengers a year. Again, he suggests a ban on all night flights.

8. The Inspector envisages the three airports continuing to develop as a system providing a gateway to the UK, the South East and London, with licensing and other Government policies employed to achieve their efficient operation.

9. As to the implementation of this strategy, the Inspector makes some interesting recommendations. He suggests that with the long history of inquiries, culminating in the one that he conducted for 258 days, "the people have had a fair crack of the whip", and that the Government should in due course proceed with a fifth terminal at Heathrow by primary legislation.

10. At first sight, by producing so ambitious a report, the Inspector has made it more difficult politically to achieve the immediate goal of providing additional capacity at the London airports by the early 1990s. His report will please neither of the virulent lobbies that oppose further development at Stansted and Heathrow. At the same time he dismisses the case made by those who argued that further development should take place at regional airports, noting that this was not supported by a single airline. It is clear that the report raises many difficult issues. When Ian Gow and I have been able to digest it, we will report on how we propose to handle these. We will also make a further report in due course about the handling of the Parliamentary debate.

11. I am copying this minute to members of the Cabinet, Ian Gow, John Cope, Bertie Denham, John Selwyn Gummer and to Sir Robert Armstrong. Perhaps I could remind colleagues that in view of the statutory role of the Secretaries of State for the Environment and Transport in relation to the inquiries, no public comment should be made on the Inspector's report or on any of the cases made at the inquiries.

NICHOLAS RIDLEY
6 December 1984

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