



Treasury Chambers, Parliament Street, SW1P 3AG

The Rt Hon Nicholas Ridley AMICE MP
Secretary of State for Transport
Department of Transport
2 Marsham Street
London
SW1P 3EB

4 December 1986

Dear Nicholas,

AIR POLLUTION CONTROL: CONSULTATION PAPER

I have seen a copy of your letter of 24 November to Willie Whitelaw covering the draft consultation paper.

I hope that the statement in the consultation paper that the "costs for industry are expected to be tolerable" is borne out in the responses to the paper.

The proposed new duties for local authorities will add to their costs. You mention a preliminary estimate of £0.5 million a year. Paragraph 32 of the consultation paper notes that we should consider whether charges should be levied for consents by the national inspectorates and the local authorities. I suggest we propose in the consultation paper itself that a power to charge for these consents be given to local authorities. Charging would help to offset the potential new burden on local government. In line with our general policy on new burdens, any extra LA spending arising from less than full cost recovery must be offset by a reduction on cash-limited DOE programmes. I am also keen for an early review of charging for consents by the national inspectorates. Perhaps you would let me know when you plan to start the review. I would want an opportunity to comment on the terms of reference.

I note that there may be some extra costs for the NHS. I would expect any extra costs to be met by a reordering of NHS priorities, rather than additional public expenditure. Perhaps Norman Fowler would confirm this.

The proposals, if implemented, will also affect the mix of air pollution work which DOE will have to handle, but I understand that your officials have assured mine that the manpower and running costs

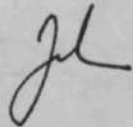
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implications for DOE are expected to be neutral. I would expect to hold you to that.

Subject to the point in paragraphs 3 - 5 above, I am content for the consultation paper to issue.

I am copying this letter to other members of H Committee, and to Peter Walker, Michael Jopling and Sir Robert Armstrong.

Yours ever,



JOHN MacGREGOR

