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CC/NO

Spoke FW 17/10
(need for guidelines to
NCB?)
BIF with P. Hunt
Comments.

David Norgrove Esq
10 Downing Street
London
SW1

17 October 1985

New David,

EMLEY MOOR COLLIERY

Thank you for your letter of 7 October about the reports that the NCB are unwilling to sell the pit to a group of Emley Moor miners when it closes at the end of the year.

I enclose a note prepared by the NCB which sets out the history of the Board's discussions with the group concerned and summarises the reasons why the Board concluded that the proposal was not viable.

The Board have assured Mr Hunt that they have made every effort to assist the group in identifying a viable mining opportunity in the locality. They have explained that the Board's staff carried out a thorough and detailed technical appraisal of the group's proposal to work Emley Moor. Regrettably, because of the exhaustion of viable reserves, and the fact that the mine was designed and laid out to employ a much larger number of men than can be licensed to work it, they concluded that the geological, technical and physical obstacles to the continuation of viable and safe work at the colliery were insuperable. The safety requirements which would be demanded by the Mines inspectorate before any licence could be granted would add to the difficulties faced by those attempting to initiate such a project.

As a measure of the difficulties involved, it is the Board's assessment that maintenance of the infra-structure of the pit would cost around £250,000 a year before taking into account direct production costs.

The Board took the view that they could not responsibly encourage men to invest their resources in a project which, on the basis of their technical experts' assessment of the likely output and manning levels of the pit, would be almost certain to fail.



Nevertheless, the Board remained sympathetic towards the principle of ex-NCB employees operating small mines. In an effort to salvage something from the original proposal the Board offered their services to investigate and make constructive proposals for an alternative licensed mine in the locality. Discussions were held with the group about two other propositions which the Board considered had a chance of success and merited further evaluation. The Board's commitment extended to the funding by NCB (Enterprise) Ltd of an investigation of these alternative proposals by an independent mining engineer instructed by the Emley Moor group.

The Board were both disappointed and surprised to learn from the press that the group had decided against pursuing either of these alternative proposals, as they had not heard from the group direct. John Whitfield MP has been involved at all the meetings as several of the men are his constituents in Dewsbury. David Hunt has been in touch with him and a meeting has been arranged in the Department with Mr Whitfield on Thursday 24 October when Mr Hunt will be seeking to establish the current position.

The Board say they have not seen the report on the original Emley Moor proposal by the independent consultant commissioned by the group. Their local management would be pleased to provide further comments on the proposals in the light of this report if the group wished them to do so.

Yours,

A handwritten signature in dark ink, appearing to be 'G S Dart', written in a cursive style.

G S DART
Private Secretary



NATIONAL COAL BOARD
HOBART HOUSE
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01-235 2020

CHAIRMAN
Ian MacGregor

11th October, 1985.

David Hunt, Esq., MBE, MP,
Department of Energy,
Thames House South,
Millbank,
London, SW1P 1QJ.

Dear Mr. Hunt,

Emley Moor Colliery

We spoke earlier today about the Prime Minister's request for a report on the position regarding the proposal by a group of mineworkers at Emley Moor Colliery to be allowed to work the mine under licence. As you know Mr. John Whitfield MP has taken a special interest in this project, and I understand that Mr. Tyas, the group's spokesman, has recently written to you on the matter.

I attach notes setting out the history of the Board's discussions with the group concerned. Board officials have held a number of meetings with the group and have made every effort to assist them in identifying a viable mining opportunity in the locality. The Board's staff have carried out a thorough and detailed technical appraisal of the group's proposal to work the mine. Regrettably, because of the exhaustion of viable reserves, and the fact that the mine was designed and laid out to employ a much larger number of men than can be licensed to work it, it has become clear that the geological, technical and physical obstacles to the continuation of viable and safe work at the colliery are insuperable. The Board could not responsibly encourage men to invest their resources in a project which, on the basis of our technical experts' assessment of the likely output and manning levels of the pit, would be doomed to failure. The onerous safety requirements which would be required by the Mines Inspectorate before any licence could be granted would only serve to exacerbate the difficulties faced by those attempting to initiate such a project.

I should perhaps mention that the independent consultant's report on Emley Moor to the group has not been seen by the Board. Local management would be pleased to provide further comments on the proposals if this were made available to us.

On the Board's assessment, the infra-structure costs of maintaining the pit could be of the order of £250,000 per annum before taking into account the costs which vary with production.

Nevertheless, as the Board are sympathetic to the principle of ex-NCB employees operating small mines and were reluctant to have to give a disappointing response to the mineworkers concerned, we offered the services of the Board's staff to investigate and make constructive proposals for an alternative licensed mine in the locality. Discussions were held with the group about two other propositions, and the Board's representatives considered that both of these sites had a chance of success and merited further evaluation. The Board's representatives made considerable efforts to meet the group's concerns on a number of points, including eligibility of the individuals concerned for redundancy payments, a guaranteed market for the period of the licence, and assistance from NCB (Enterprise) Ltd., who have funded the investigation of alternative sites by an independent mining engineer instructed by the employees.

The Board were therefore disappointed to hear that the group concerned seem now to be deciding against pursuing an alternative proposal, although local management have not heard from the group direct that this is, in fact, the case.

I hope this information is helpful in replying to the Prime Minister's request.

Sincerely

Jan MacGregor

NATIONAL COAL BOARD
EMLEY MOOR COLLIERY

Proposal by a Group of Miners to Work
The Colliery Under Licence After Closure

BACKGROUND

1. The Board were first approached formally about the possibility of a group of miners from Emley Moor colliery taking over the colliery and working part of it (by licence under Section 36(2)(a) of the Coal Industry Nationalisation Act) on 16th April 1985.
2. Board representatives, including the Chairman and Deputy Chairman, met the Emley Moor Group on a number of occasions and agreed to provide technical assistance for an evaluation of the possibilities by the Group. The Board also expressed their great concern that the Emley Moor proposals were not viable and suggested that the Group consider the feasibility of opening a small drift mine as an alternative. Board officials offered to identify possible sites for such drift mines and two possibilities were discussed with the Group, both of which, in the view of the Board, merited further evaluation. After consideration the Emley Moor Group expressed a number of reservations about the sites suggested (including doubts about security of the market) and about the eligibility of the men concerned, who are under 50 years of age, for redundancy payments.
3. Subsequently the Board's representatives were able to reassure the Group on both of these points. Although men under 50 years of age were only eligible for redundancy payments in exceptional circumstances, the Board agreed that the men concerned could be considered as falling within such a category in the circumstances under discussion.

4. As regards securing a market for the coal, the Board stated that they were willing to guarantee for ten years to buy all or part of the estimated tonnage which would be produced by the proposed private mine. The price would be agreed on a basis related to quality and a handling charge, with the assurance that it would not be the Board's intention to make money but simply to cover associated expenses.
5. NCB (Enterprise) Ltd. also funded the investigation of alternative sites by an independent mining engineer instructed by the Emley Moor Group.
6. The Emley Moor Group have discussed their proposals with H.M. Inspectorate of Mines and Quarries, who raised significant questions about the Group's proposal to work Emley Moor.

REASONS WHY THE BOARD CONCLUDED
THAT THE PROPOSAL WAS NOT VIABLE

7. The Emley Moor Group proposed to work under licence first the Beeston Seam in the Speedwell Area of the Colliery, using the cyclic method of mining. They would then enter the Whinmoor Seam about two years later and work it by the same methods. They asked that the major equipment and machinery be left intact at the colliery.
8. The Board's decision to refuse permission for such a licence was based on the following factors:-
 - (a) Problems with the Beeston Seam

The seam section is extremely thin (18"-20") in the district in which it was proposed to work. Old waterlogged workings are less than 50 metres above. The seam has a very hard floor and a poor roof. It has been proved to be extremely difficult to work and was abandoned for that reason;
 - (b) Problems with the Whinmoor Seam

This split seam of about 3 feet of coal is divided by an 11" thick dirt band. The Board are working the last of the viable reserves at present and when the current face finishes the colliery will close;

(c) Nine Cloggs Drift

It was proposed to use this 900 metre drift as the main access, hauling coal out in tubs. The drift is not high enough to be a main access. About 700 metres would need to be repaired and enlarged before any working was possible;

(d) Second Egress

A second means of egress would be required. The proposal was to use a very steep (1 in 0.73) drift currently serving as an airway and unlikely to be judged a safe means of egress by the Inspectorate. The main shaft, which is 150 metres deep, could not be operated by any licensee as it is at present. A suggested alternative - installing a lift in the shaft - would not be feasible on cost grounds and would also be unlikely to be acceptable the Mines Inspectorate;

(e) Pumping Costs

The Board will need to pump some of the water from Emley Moor to protect the neighbouring Denby Grange Colliery and this will be done from Denby Grange. Any licensees would, however, have to pump from the working seams to the level at which the water will drain to Denby Grange, at a cost of tens of thousands of pounds a year;

(f) Other Power Costs

These would also amount to many tens of thousands of pounds, to keep the mine ventilated, lit, etc. and to drive the machinery;

(g) Provision of Additional Power Lines

There is no power to the Speedwell district at present. If coal cutters were to be used, substantial capital costs would be incurred providing power;

(h) Building Maintenance

The Board will have no continuing use for the colliery buildings. Any licensee would be faced with potentially substantial maintenance and repairs costs for the colliery buildings;

(i) Requirements of H.M. Inspectorate of Mines and Quarries

In addition to the matters referred to at (c), (d) and (e), H.M. Inspectorate of Mines and Quarries would be likely to impose other stringent conditions before allowing a licensee to work Emley Moor. The Board cannot forecast what would be required but the conditions would be likely to include:-

- (i) Methane Drainage: almost certain to be needed, in the Beeston Seam;
- (ii) Supervision of the Colliery: a First Class Certificate would be likely to be required for the Manager. This is not usually the case for a licensed small mine and reflects the extent of Emley Moor compared to small mines generally. Additionally, deputies would also be needed, and mechanical and electrical supervision required;
- (iii) Layout of Workings: The Inspectorate would wish to stipulate the mine layout, particularly with regard to ventilation and water dangers from old and abandoned workings.

9. In view of all the foregoing factors, the Board concluded that the colliery could not be worked safely or viably, in view of the substantial capital expenditure required, the high overhead costs and the small output (less than 25,000 tonnes per annum) which would be produced.



Coal: Nat Ind. PK 18