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- 3 FEB 1984

*John G. ...*  
*7.2. @ 6/2*

*Ack*  
*Thank Graham*  
*extremely well*

*Dear White*

I understand from my Special Adviser that you are undertaking a survey of difficult issues which may require sensitive handling over the coming months and have asked for contributions from each Department by Friday 3 February.

I attach a draft timetable of events in the transport field which we have prepared for our internal information, together with a covering note commenting on particular topics, with particularly difficult problems marked with an asterisk. Many of the items in the list are tentative and we are hoping to update the list at regular intervals.

If your office has any queries perhaps they could get in touch with my Special Adviser, Katharine Ramsay.

*We have scraped the barrel to leave no banana skins uncarved*

*Nicholas Ridley*  
*Nicholas*

NICHOLAS RIDLEY



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FUTURE EVENTS WHICH WILL REQUIRE CAREFUL HANDLING

1. Future of Port of London Authority

\* We are going to have to take difficult decisions on the future of the Port of London Authority, which may involve tackling the Dock Labour Scheme. Whatever we do a dock strike looks very likely.

2. Heavy Lorries

We are expecting to make a number of announcements on matters affecting heavy lorries.

- a. announcement of **the** results of lorry track cost consultation
  - this could mean reduced tax rates for some classes of lorry, depending on the Chancellor's decision in the Budget.
- b. announcement of increase in lorry speed limits on dual carriageways.
- c. a statement on a new code of assessment for short span bridges.

This is likely to involve proposals that bridges should eventually be strengthened to accommodate 40 tonne lorries.

- \* d. in the EEC we are trying to co-operate with our partners to reach agreement on a Directive to harmonise lorry weights, as the only way to get a liberalisation of Road Haulage Quotas on the Continent. There is no prospect of asking Parliament to increase the 38 tonne limit, but we may have to accept a higher weight limit as an ultimate goal.
- e. enforcement of lorry overloading incorporates a tolerance level, which has quite wrongly been interpreted by the AMA as providing for 38 tonne vehicles to run at 40 tonnes without prosecution.

This will need careful handling and I hope to make a statement of our policy on heavy lorries towards the end of February.



3. Channel Link

We are expecting the Anglo-French Bankers Group report on the Fixed Link towards the end of February. Contenders for the Channel link are already lobbying hard in advance of the report, and we will no doubt be under heavy pressure from all sides. Ministers should be receiving an assessment of the report in April with possible Cabinet discussion in May, followed by an announcement. Careful timing will be needed so as not to prejudice the Euro election chances on 14 June.

4. Severn Bridge

We hope to make an announcement on the strengthening of the Severn Bridge and the feasibility study on a second crossing very soon. This has been a very difficult issue, but I hope the announcement will retrieve the situation.

5. Laker Case

Proceedings in US Civil Courts could cause problems at any time for the Government and for British Airways and British Caledonian, and at worst could delay privatisation of British Airways.

\* 6. BR Paper on future options for BREL

We will be receiving this in the summer. While we do not yet know what it will say, it may well foreshadow further reductions in capacity at BREL workshops. I would be surprised if it leads<sup>to</sup> a strike, but that is possible.

6a. The BR Board will be publishing their paper on bus substitution, and this combined with Sir Alfred Sherman's report for NBC and ideas for the Great Central Busway, will prove difficult to handle.

7. Future of Bus Industry

We are examining possible policy initiatives in the area of bus licensing and bus subsidy. Depending on our conclusions, we may be attacked by entrenched interests in the bus industry.



8. Appeals of Bus Licensing

I am considering an application to run a shuttle bus service to Heathrow Airport and will shortly be receiving the Inspector's report on an application by AMOS to run minibus services in London. Both applications are contentious.

\* 9. Stansted

The Inspector's report is expected in April to May. We will have to take decisions soon afterwards.

\* 10. CAA Review of Aviation Policy

Whatever the outcome of the review, its conclusions, particularly as they affect British Airways, will need careful handling prior to privatisation.

11. Airports

We must decide soon about the future of airports owned by the Metropolitan Counties; also on our plans for private capital for BAA, and also on the Air Traffic Movements limit on Heathrow. All of these issues are contentious. I will be putting papers to colleagues.

\* 12. LRT

We are by no means out of the wood on London Regional Transport. The future of concessionary fares and transport for disabled, such as Dial-a-Ride is the most difficult issue.

13. Allocation of responsibility for road and traffic management on Abolition of the Mets

In April we will be announcing the results of our consultation on these issues. These may well prove controversial, particularly the allocation of responsibility for roads.

14. Future of TSG

We expect to announce a move to capital only TSG in February. I will be putting a paper to colleagues shortly. This will inevitably be unpopular with local authorities who spend proportionately more on revenue subsidies.



- X
- Shuttle bus decision announced
  - Revised proposals for review of traffic law to Secretary of State
  - O
  - Decision announced on Severn Bridge strengthening and possible feasibility study on Cross Severn routes
- February
- Paper to E(A) on PLA
  - Ministerial decisions on terms of reference of study with LAAs of partial transfer of responsibility for trunk roads to local highway authorities. Followed by announcement.
  - Re-appointment of SACTRA with modified membership and terms of reference.
  - Issue initial advice to PTEs for preparation of Transport Act 1983 plans (to be submitted by 31 July)
  - Decision by Secretary of State and clearance with Colleagues on future of TSG
  - X - Secretary of State's speech on heavy lorries
  - Announcement of new code of assessment for short span bridges
- February/  
March
- Possible Cabinet Committee discussion on VED
  - Announcement of revised arrangements for TSG 1985/86 settlement and beginning consultation with LAAs
- Permanent Secretary's appearance before PAC on VED Evasion and the sale of Associated British Ports (6 February)
  - Sealink purchase papers released
  - X - Proceedings in US Civil Courts in respect of Laker could precipitate a crisis, at any time from February onwards.
  - MMC Report on LT Bus Maintenance published
  - GLC decision on heavy lorry ban.
  - Public Expenditure White Paper published.
- Finalisation of instructions to Counsel on transport aspects of abolition of GLC and Metropolitan Counties



- Discussion with industry (led by Mr Jenkin) likely to reintroduce fixed prices for contracts of up to two years.

March

- Announcement of results of Review of Noise Insulation Regulations.
- Secretary of State's statement to House on interim regime for BA

- X- Possible legislation to raise the limit on the amount of financial support the Government can give the PLA.

- Budget
- Selection of system for Docklands Light Railway
- AMOS decision announced

March/  
April

- Paper to E(DL) and E(A) on Bus Industry
- Publication of Code of Practice for routine maintenance on trunk roads.
- Report back to E Committee the results of consultation with construction industry on private finance for road construction.

- = Council of European Communities to discuss EC Policy paper on liberalisation of air/transport in Europe.

April

- ⊙ Sale of remaining Government shareholding in Associated British Ports Holdings plc.
- Paper to E(DL) on privatisation of airports.
- Announcement of proposals for London roads and traffic responsibilities.
- Assumption of responsibility for taxis subject to confirmation by PM.

- Appraisal of Channel Fixed Link report and preliminary official-level consultation with French completed followed by note to Ministers.

- MMC Report on CAA Air Traffic Control.

- Preliminary report on their review of BREL received from BR.



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- Issue of Consultation Document on means of implementing ATM limit
  - Publication of Transport Select Committee report on road safety.
- April/  
on May
- Possible consultation document privatisation of airports.
  - Secretary of State to consult Colleagues on reduction of British Airways capital if necessary.
  - Announcement of bus substitution proposals.
  - Decisions required following review of Primary Route network on arrangements for agreeing and implementing the network and determining long term needs.
  - Possible meeting between Secretary of State and Civic Trust to discuss their report on environmental problems, particularly in respect of heavy lorries, leading to review of strategy on bypasses.
  - Detailed decisions taken by Ministers on future arrangements for roads in London and the Metropolitan Counties
  - Receipt of Stansted Report
  - Extraordinary General Assembly of ICAO to consider amendment to the Chicago Convention to make clear that states do not have the right to shoot down civilian airlines.
- May
- Channel Fixed Link paper to ES; announcement thereafter.
  - Severn Bridge Tolls Inquiry.
  - Consider government response to Vaizey Report when the NEDC Committee on Civil Engineering has made its views known.
  - TRRL report on experimental use of wheelclamps to be followed by announcements Ministerial decision on whether to continue experiment
  - Decision on Sealink purchaser taken.
  - Start of new PES round



- May/June
- Possible White Paper on bus industry.
  - Announcement on future of municipally owned bus undertakings
  - Possible legislation on PLA finances (if short Bill in March, more substantive legislation can probably wait until November).
- June
- Laker: UK court proceedings go to House of Lords on appeal.
  - EC Council of Ministers Meeting
  - EC Parliamentary elections
  - Economic Summit
- Mid 1984
- Report to PAC on light-houses.
  - Laker: Grand Jury Investigation in US completed.
  - Publication of Transport Select Committee report on airports.
- June/July
- Ministerial decision on possible localisation of VED enforcement
  - Passage of Finance Bill
- July
- Minutes of appointment of new Board members and removal of unwanted existing members from LRT Board; Formal letter or memorandum promulgating LRT objectives, BR/LT liaison arrangements, plan requirements.
  - Expenditure levels for local authority spending set (Royal Assent for DOE's rate capping legislation June/July).
  - CAA Review of implications of privatising BA expected
  - BR's report of their review of BREL received.
  - BR's Corporate Plan received. (July onwards)



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- September - DVLC Dundee to be closed with possible redundnancies.
- Autumn
- September/ - Announcement of planned consult-  
October ancy studies on London Trunk road improvements.
- October/ - Introduction of Bills accepted  
November for legislative programme.
- Publication of report of review of Public Utilities Street Works Act.
- Announcement of PELs
- November - Announcement of EFL for LRT and LRT financial objectives.
- Announcement of EFL for BR  
Announcement of BR's PSO
- November/ - Final decision by Ministers on  
December principal elements of British Airways offer for sale (with view to sale in early 1985).
- Review of Road Programme - decisions required on additions/ deletions to programme.
- December - Lay LRT ratepayer order before Parliament (debate early January if order prayed against).
- Applications for derogations can be expected from local authorities from September through to December.
- Liaison with DOE leading up to introduction of abolition Bill.
- Possible publication of Transport Select Committee report on public financing.