

Subject  
KC Mustee.



cc: Mr. Wybrew

10 DOWNING STREET

From the Private Secretary

13 June 1985

OPENCAST COAL

The Prime Minister held a meeting today to discuss open cast coal mining and the planning system. Present were the Lord President, the Secretaries of State for Energy, Scotland, Wales and the Environment. Also present were Sir Robert Armstrong and Mr. Wybrew.

The Secretary of State for Energy said the recent change in the planning system as it applied to opencast coal had been a Manifesto commitment and should not be reversed. The issue was how to secure an adequate flow of planning consents under the new system. At present there was an unnecessary procedure under which, in addition to consent from the local planning authority, authorisation for an opencast site was required from a Secretary of State. It had originally been intended to introduce a Bill in the 1984-5 Session to amend the Opencast Coal Act 1958 to eliminate this separate procedure. This Bill had been put into cold storage during the miners strike and had not been given a place in the 1985-6 programme. The Secretary of State for Wales agreed that it would be wrong to revert to the old system. Under the new system conflicts between development and environmental interests could be resolved within the Welsh Office without involving the Department of Energy.

The Secretary of State for Energy identified two problems in securing sufficient planning consents. First, the local authorities in many of the areas where potential deposits were to be found were controlled by miners whose outlook favoured deep-mined coal. Secondly, despite the fact that it had made the original complaint about the planning procedures, the NCB also shared this prejudice against opencast coal, even though this was the most profitable part of its business. He suggested that local authorities might approve applications more quickly if the Department of the Environment had set out guidelines on the environmental conditions which it was reasonable to impose. In addition, the Board should be ready to lodge appeals quickly, taking advantage of the fact that an application not dealt with within two months was a deemed refusal.

The Secretary of State for the Environment believed the NCB could do more to prepare the ground with local

authorities before submitting applications. The oil companies had developed sophisticated presentations to back their applications for permission to drill for onshore oil. DOE officials would be happy to discuss this with the NCB. The Department of the Environment and Department of Energy had jointly produced a booklet about planning and onshore oil; a similar booklet could be prepared on opencast coal. While the additional authorisation stage remained, it provided an opportunity for district councils who were not planning authorities to press for public inquiries, even in cases where the county council which was the planning authority had approved the development. It was desirable, therefore, to amend the Opencast Coal Act as soon as possible. He suggested that the legislation which had been postponed might be incorporated into his Bill on planning.

It was noted that the Home Secretary was proposing to amend the Emergency Regulations to allow environmental restrictions on opencast operations, e.g. on road movements, to be lifted during an emergency.

The Prime Minister noted that in addition to putting forward its own applications for opencast sites, the NCB also issued licences for smaller private sector operators. There was no justification for the NCB to retain this control over licences and it should be reviewed as part of the study of the long term structure of the industry. She also noted that there were surplus stocks of opencast coal in Scotland and substantial opportunities for further development. To develop these resources it would be necessary to expand the inter-connector as Scotland's demand for coal would fall as further nuclear capacity came on stream. It was agreed that this issue should be considered in a different context.

Summing up the discussion, the Prime Minister said the recent change in planning control as it applied to opencast coal should not be reversed. The Secretary of State for the Environment should consider with the Lord President whether the clauses needed to amend the Opencast Coal Act could be reinstated in the legislative programme, possibly as part of the Bill on planning. The NCB should be encouraged to adopt a more positive approach to opencast coal and should be more generous in the issue of licences for smaller operators. The Department of the Environment should consider issuing standard guidelines on environmental conditions to be imposed at opencast sites and should consider the preparation of a booklet on opencast coal similar to that published for onshore oil.

I am copying this letter to Joan McNaughton (Lord President's Office), Michael Reidy (Department of Energy), John Graham (Scottish Office), Colin Jones (Welsh Office), Rachel Lomax (H.M. Treasury) and Richard Hatfield (Cabinet Office).

Andrew Turnbull

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