

MAP 2
to see in
PRIME MINISTER

A further progress
report
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Prime Minister

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cc Transport
- Jubilee line
- June 78

I met Horace Cutler yesterday to discuss with him the continuing work by officials on lower cost alternatives to the Jubilee Line and the next steps before decisions are taken on a total transport package for Docklands in the summer.

The work now in hand, including studies of engineering feasibility, costs and environmental impact of the light rail alternative, will provide a reasonably firm basis for decisions by June. In the meantime I have agreed with Sir Horace that the initial joint report by our officials should be published later this month as a basis for consultation and public discussion of the alternatives.

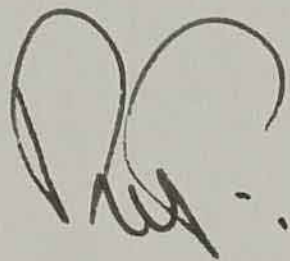
The share of London's main programme expenditure that is allocated to Docklands will reflect the high priority given by the Greater London Council and by my Department to developments there. Nevertheless the difficult expenditure outlook will severely limit the scope for any further increases and the size of the Docklands package will almost certainly depend on the extent to which Horace is able to supplement the local transport main programme expenditure by the use of capital receipts. I therefore took the opportunity to outline to him our thinking about these as set out in Geoffrey Howe's minute to you of 26 March. Although I did not go into details he is broadly content with what is proposed. Tom King is in touch with the GLC about the application of new capital control system to them and the related question of the future of the GLC Money Bill.

[attached]

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The next step will be to produce a realistic investment package, taking account of all sources of funding. Officials will be working on this over the next few weeks as a basis for consultation with colleagues in good time before announcements are made in the summer.

I am sending copies of this minute to Geoffrey Howe, Tom King, Members of Misc 28, Mark Carlisle, Patrick Jenkin and Sir Robert Armstrong.



NORMAN FOWLER
2 April 1980

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