

Report to: **Lead Cabinet Member for Economy**  
Date: **12 November 2013**  
Report By: **Director of Communities, Economy and Transport**  
Title of Report: **Response to the Airports Commission on long term proposal for addressing capacity issues at Gatwick Airport**  
Purpose of Report: **To consider the submission to the Airports Commission on Gatwick Airport Ltd's proposals for addressing aviation capacity issues in the longer term**

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**RECOMMENDATIONS: The Lead Cabinet Member is recommended to**

**(1) Support Gatwick Airport Ltd's submission to the Airports Commission for a proposed second runway at Gatwick Airport; and**

**(2) Advise the Airports Commission accordingly**

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**1. Financial Appraisal**

1.1 There are no financial implications arising from the recommendation accompanying this report.

**2. Supporting Information**

2.1 The Coalition Government commissioned Sir Howard Davies in 2012 to examine the need for additional UK airport capacity, and to recommend how this can be met in the short, medium and long term.

2.2 The Airports Commission invited proposals earlier this year on how additional airport capacity in the UK could be met in the longer term. Over 50 proposals were submitted to the Airports Commission in July 2013 from various stakeholders, including all the major airports, and details of these proposals are available on the Department for Transport's website: <https://www.gov.uk/government/publications/long-term-options-proposals-received-by-the-airports-commission>.

2.3 The Airports Commission has invited comments on these long term capacity proposals. Appendix 1 provides a synopsis of the range of proposals put forward to the Airports Commission on how different airports could accommodate an increase in airport capacity in the longer term.

2.4 A report on the outcomes of this process is due to be published by the Airports Commission at the end of 2013, and will recommend a shortlist of options to address long term aviation capacity for further consideration. A more detailed assessment of the shortlisted proposals and consultation on these proposals will then take place during 2014. A final report will then be submitted by the Airports Commission to Government in Summer 2015 which will recommend how any additional capacity which is needed should be met.

**3. Comments / Appraisal**

3.1 Increased airport capacity in the South East is required in order for UK plc to continue to compete and trade with existing as well as emerging markets across the globe. If airport capacity was not provided in the South East it could mean:

- Airlines relocate to an airport with better capacity either elsewhere in the country or in mainland Europe, such as Paris Charles de Gaulle or Schipol Amsterdam.

- A potential decline of up to 6,000 jobs in and around Gatwick (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, West Sussex County Council and Surrey County Council).

3.2 Gatwick Airport submitted a proposal to the Airports Commission for a second runway at the airport. Within the submission, it identified the range of anticipated benefits that a proposed second runway would bring, which will have a knock-on benefit for East Sussex. These include:

- The creation of in the region of around 20,000 jobs on and off the airport (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, WSCC and Surrey CC) including for residents living in East Sussex.
- Contributing up to £1.66 billion a year to the regional economy (GAL's submission to the Airports Commission).
- Providing improved links for businesses in East Sussex to existing and emerging markets across the globe, helping to drive international trade and encourage inward investment.
- Helping to attract tourists and tourism to the area thereby supporting local businesses.

3.3 Whilst there will be considerable benefits, it is recognised there could also be some disbenefits including:

- Increased pressure on the local and strategic transport network,
- Increased noise and air pollution in communities near the airports and flight paths, and
- Detrimental impacts on residential and commercial properties..

3.4 At present, there is limited information within Gatwick Airport's submission to the Airports Commission to know how these detrimental impacts could be remedied or alleviated, and this will be part of the further assessment work required should Gatwick be identified on the Commission's short list of longer term capacity options published at the end of the year. The County Council attends and makes representations at a range of Gatwick Airport related meetings, including GATCOM, Gatwick Joint Local Authorities Group and the Gatwick Airport led Surface Access Transport Group meetings. It is through these meetings that our concerns can be raised regarding key issues including improving surface access (e.g. by road and rail) to the airport for both staff and airport passengers, and the air pollution and noise impact on local communities in the county.

3.5 However, on balance, because of the proximity of Gatwick to East Sussex, the proposals for a second runway at the airport would have significant benefits in delivering the Council's key priority, supporting economic growth in the county, and therefore should be supported.

#### **4. Conclusion & Recommendations**

4.1 The proposal for a second runway at Gatwick Airport will generate significant benefits for East Sussex in supporting economic growth and job creation in the county. Therefore, Gatwick Airport Ltd's submission to the Airports Commission for a second runway to address long term aviation capacity in the South East should be supported, and the Airports Commission should be advised accordingly.

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Director of Communities, Economy and Transport

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Local Members: All

#### **BACKGROUND DOCUMENTS**

Appendix 1: Background report on longer term options to address aviation capacity in the longer term

### **Aviation Commission**

#### **Report - Note to inform response to Airports Commission on long term options for aviation in the South East**

##### **1. Background**

1.1 The Airports Commission was set up by the Government to examine the requirement for additional airport capacity, and to identify ways by which this could be met.

1.2 Discussion papers produced by the Airports Commission invited proposals on how additional airport capacity could be met. These proposals are available and comments are invited until 27 September.

1.3 A report is due to be published by the Commission at the end of 2013 which will recommend a shortlist of options for further consideration. A more detailed assessment of the shortlisted proposals will then take place, with those who are proposing additional airport capacity consulting on their proposals as part of this assessment. This is anticipated to take place in 2014. A final report is envisaged in 2015 which will recommend how any additional capacity which is needed can be met.

##### **2. Introduction**

2.1 The Airports Commission is currently seeking views on the range of proposals submitted to them by stakeholders, including Gatwick and Heathrow Airports. There is an opportunity for comments to be made in respect of these submissions.

2.2 Whilst airports are seeking to make best use of existing capacity, increasing demand for air travel will ultimately require significant investment in longer term measures, such as additional runways or a potential new airport hub.

2.3 The short and medium term options involve utilising existing capacity, but the longer term options require significantly more investment and infrastructure, and will have the greatest impacts on the surrounding rural and urban environment.

2.4 Whilst it is recognised there are benefits and disbenefits for all of the longer term options, it is the proposal for a second runway at Gatwick Airport which is most pertinent to economic growth in East Sussex.

### 3. General comments on addressing aviation capacity issues in the short / medium term:

3.1 Overall, we support the need to identify options for making best use of existing capacity in the short and medium term - essentially measures which do not require the provision of additional runways or terminals. In summary, some of the main ways capacity could be addressed in the short and medium term which are being considered by the Airports Commission are:

- Operational changes.
- Changes to governance, incentives, regulations and frameworks.
- Changes to Airport Passenger Duty.
- Encourage new routes between the UK and overseas.
- Improve surface access to the airports.
- Financial incentives around the use of airport capacity.
- Changes to night flight regimes.

3.2 Further detail can be seen in the Airports Commission 'Summary of proposals for making best use of existing airport capacity in the short and medium term': <https://www.gov.uk/government/publications/short-and-medium-term-options-proposals-for-making-the-best-use-of-existing-airport-capacity>

### 4. Longer term proposals

4.1 Below is a synopsis of the proposals for addressing airport capacity in the longer term:

#### 4.2 **Gatwick Airport**

- Provision of a second runway to the south of the existing runway (three options available).
- Advocate that the best way to maintain the UK's hub status is for Gatwick, Stansted and Heathrow to all have two runways.

#### 4.3 **Heathrow Airport**

- Three potential locations for a third runway - to the southwest, northwest and northeast of the existing runways.

#### 4.4 **Stansted**

- Provision of a second runway (two options available).
- An option for a new four runway hub airport (i.e. three additional runways).

#### 4.5 **New Airport Hub** (Mayor of London's proposal)

- Three options for a new four runway hub airport at:
  - Isle of Grain, Kent
  - Stansted
  - Outer Thames Estuary

#### 4.6 **Manston**

- Improve existing facilities to relieve capacity pressures from other London airports.

#### 4.7 **Birmingham**

- Utilise existing runway until 2030 when a second runway should be built as part of a network of UK airports.

4.8 Out of all these airports, Gatwick Airport is most pertinent to delivering economic growth in East Sussex. This airport is considered to be the most frequently used airport for East Sussex residents travelling for work and leisure purposes, and it is also the airport which provides the most employment for East Sussex residents and provides a link for business to other markets across the world.

### 5. Gatwick Airport - Key Considerations and Recommendations

5.1 Due to the proximity of Gatwick to East Sussex (in comparison to expansion at the other airports), in the context delivering economic growth in the county, proposals for this airport only are being considered in respect of a response to the Airports Commission.

5.2 Below are some of the key issues which need to be taken into consideration.

#### 5.3 **Benefits of a second runway at Gatwick Airport:**

- Creation of around 20,000 jobs on and off the airport (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, WSCC and Surrey CC).
- Contribute up to £1.66 billion a year to the regional economy (GAL's submission to the Airports Commission).
- Improved links for businesses.
- Increased jobs and investment.
- Help to drive international trade and encourage inward investment.
- Attract tourists.

#### **5.4 Disbenefits of a second runway at Gatwick Airport:**

- Increased pressure on the local transport network.
- Increase in noise and air pollution (although in respect of air pollution it is anticipated this could be mitigated e.g. by a cleaner fleet).
- Detrimently affect between 50-100 residential properties and 60-120 commercial properties.

5.5 The Airports Commission will shortlist proposals for more detailed consideration at the end of 2013. If this is to include a second runway at Gatwick Airport, a formal consultation on the options will need to be undertaken, and is likely to take place in 2014.

#### **5.6 Disbenefits of additional runway capacity being provided elsewhere in the South East:**

- Airlines relocate to an airport with better capacity.
- Potential decline of up to 6000 jobs (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, WSCC and Surrey CC).

## APPENDIX 2

### **Aviation Commission - invitation to comments on long term options for aviation in the South East**

#### **Response from East Sussex County Council**

19 September 2013

#### 1. Introduction

1.1 Thank you for the opportunity to comment on the long term options for aviation in the South East.

1.2 This response has been endorsed by the Lead Member for Economy, Councillor Rupert Simmons.

#### 2. General comments on addressing aviation capacity issues

2.1 Whilst airports are seeking to make best use of existing capacity, increasing demand for air travel will ultimately require significant investment in longer term measures, such as additional runways or a potential new airport hub.

2.2 Overall, we support the need to identify options for making best use of existing capacity in the short and medium term - essentially measures which do not require the provision of additional runways or terminals.

2.3 Longer term options require significantly more investment and infrastructure, and will have the greatest impacts on the surrounding rural and urban environment. Whilst it is recognised there are benefits and disbenefits for all of the longer term options being put forward, from an East Sussex perspective, the proposal for a second runway at Gatwick Airport is most pertinent to delivering economic growth in the County.

#### 3. Gatwick Airport 2<sup>nd</sup> runway proposals – East Sussex County Council comments

3.1 Gatwick is considered to be the most frequently used airport for East Sussex residents travelling for work and leisure purposes. Also the airport provides employment opportunities for East Sussex residents, as well as a link for East Sussex businesses to other markets across the world.

3.2 Therefore, due to the proximity of Gatwick to East Sussex (in comparison to expansion at the other airports), in the context delivering economic growth in the county, proposals for this airport only are being considered in respect of our comments to the Airports Commission.

3.2 We support the principle of a second runway at Gatwick Airport, and we wish to see the option of a second runway at Gatwick Airport put forward to the next stage of the Airports Commission, i.e. for more detailed assessment and consultation on the options.

3.3 The provision of second runway at Gatwick would:

- Create in the region of around 20,000 jobs on and off the airport (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, WSCC and Surrey CC) including for residents living in East Sussex.
- Contribute up to £1.66 billion a year to the regional economy (GAL's submission to the Airports Commission).
- Provide improved links for businesses in East Sussex to existing and emerging markets across the globe, helping to drive international trade and encourage inward investment.
- Help to attract tourists and tourism to the area thereby supporting local businesses.

3.4 If the additional runway capacity was not provided at Gatwick, it could mean:

- Airlines relocate to an airport with better capacity either elsewhere in the South East or in Europe.
- A potential decline of up to 6000 jobs (Berkley Hanover Consulting Report, 2012 - commissioned by Crawley Borough Council, WSCC and Surrey CC).

3.5 Once more detailed information is available, a formal decision from the County Council on support for a second runway at Gatwick Airport will be made.