



January 2015

# The Gatwick Coordination Group

A consultation response to the Sir  
Howard Davies Airports  
Commission.



The Gatwick Coordination Group  
HOUSE OF COMMONS LONDON SW1A 0AA

## **Contents**

<b>About the Gatwick Coordination Group</b>	<b>Page 2</b>
<b>Executive Summary</b>	<b>Page 3</b>
<b>Impact on local infrastructure</b>	<b>Page 4</b>
<b>Impact on towns, communities and countryside</b>	<b>Page 7</b>
<b>Noise</b>	<b>Page 10</b>
<b>Financing</b>	<b>Page 12</b>
<b>Economic benefit to the UK</b>	<b>Page 14</b>
<b>Transparency and accountability</b>	<b>Page 15</b>
<b>Conclusion</b>	<b>Page 16</b>

# **GATWICK COORDINATION GROUP RESPONSE TO THE AIRPORTS COMMISSION CONSULTATION ON ADDITIONAL RUNWAY CAPACITY IN THE SOUTH EAST OF ENGLAND BY 2030**

## **About the Gatwick Coordination Group**

The Gatwick Coordination Group was formed on 11<sup>th</sup> June 2014 to represent serious local concerns over plans for a second runway at Gatwick Airport, as shortlisted by the Airports Commission.

Members of Parliament on the group:

- Crispin Blunt MP – Member of Parliament for Reigate (Chairman)
- Sir Paul Beresford MP – Member of Parliament for Mole Valley
- Rt Hon Sir Nicholas Soames – Member of Parliament for Mid Sussex
- Charles Hendry MP – Member of Parliament for Wealden
- Rt Hon Nick Herbert MP – Member of Parliament for Arundel and South Downs
- Rt Hon Sir John Stanley MP – Member of Parliament for Tonbridge and Malling

The Rt Hon Francis Maude MP (Member of Parliament for Horsham), as a member of HM Government, is not formally a member of the Group but wishes to be associated with this submission to the Commission.

The group also includes representatives of the neighbouring County Councils, Parish and Town Councils, and civil society.

We share the common objective of ensuring a critical examination of the case for a second runway at Gatwick Airport, and that its consequences are understood.

## **Executive Summary**

Proposals for a second runway at Gatwick airport are overwhelmingly opposed locally. Whilst the associated economic growth had seemed superficially tempting to many, on examination it became clear that the consequences would be a disaster for the surrounding communities. They have been rejected by West Sussex Council (w/c 19 January 2015) and Kent County Council as well as 44 Gatwick Area parish and town councils, and almost universally by surrounding planning authorities. We understand that you will receive parallel submissions from Crawley, Horsham, Mid Sussex, Mole Valley, Tandridge, Tunbridge Wells, and Reigate and Banstead Councils, either expressing formal opposition and/or making clear the need for a complete infrastructure reappraisal to sustain the GAL proposal. There are many reasons why they have done so and they are outlined briefly below.

The scale of development required to serve nearly three times more passengers than today would devastate the local environment and would result in there being a UK hub airport in the wrong place. Heaping further pressure onto current, and planned infrastructure, where there is already a significant, prevailing deficit, would be a devastating blow.

The character of surrounding towns and countryside would be irreparably damaged as they are forced to accommodate tens of thousands more people.

It would be the wrong, and an irresponsible, decision in the national interest. The Commission's own analysis is that the relative economic benefits that flow from Heathrow expansion in excess of those that flow from Gatwick are of the order of £100 billion. Since Heathrow is better placed to meet demand for connectivity for all regions of the UK and the spread of benefits across the country, this assessment seems soundly based.

An 'airport bigger than Heathrow' at Gatwick would leave London with a principal airport which has no resilience in its surface access, importing a workforce population of around 120,000 people – the population of Cambridge.

It is very uncertain whether the finance for development would be forthcoming. The stated disposal policy of the principal owner combined with the near 1000% increase in debt and an increase in passenger charges by over 100% calls into question the continued presence of low cost carriers such as Easyjet, who themselves have expressed concern about such a rise.

We call on the Airports Commission to recommend one of the Heathrow options for a third runway rather than a second runway at Gatwick to make crystal clear where the national interest lies.

## Impact on local infrastructure

Heathrow Airport has more than 45 million<sup>1</sup> surface access movements each year. It is already accessible via the M25 and M4, the Piccadilly Line, the Heathrow Express, Heathrow Connect. Plans exist for additional rail entry<sup>2</sup> from Waterloo via Clapham Junction and Staines into Terminal 5, and Crossrail will be completed by 2018. If one of these routes is taken offline, all of the other routes provide solid resilience<sup>3</sup>. New rail access from the west and intersection with HS2 will further improve overall access to a larger Heathrow.

No such situation exists, or is even planned, for Gatwick. Yet Gatwick Airport Limited (GAL) predicts 25.7 million<sup>4</sup> train journeys per year by 2030 – double the number using rail at Heathrow today. That is without even taking account of rail journeys by airport staff and by workers in new firms attracted to the area, nor the 'million tonnes' of freight Gatwick claims the rail and road infrastructure might need to accommodate<sup>5</sup>.

Gatwick is served only by a single rail and motorway connection. The airport, its passengers and its airlines are already dangerously vulnerable to disruption<sup>6</sup>. The proposals at Gatwick for increasing public transport mode share from 40 to 50% for three times as many air passengers, and twice as many staff is challenging at an existing airport location with well-established passenger and staff choices. However, whatever pattern of travel is established it will much more frequently than now overwhelm current planned road and rail infrastructure.

Gatwick relies - and would continue to rely – on the Brighton main line (BML) for all of its rail connections to and from London. This is an issue that the Commission's appraisal has highlighted but seemingly downplayed in the consultation document. Jacobs report states:

*Given Gatwick's current reliance on the BML for rail connections into London and much of the rest of the UK, we feel this represents a potential long term risk to airport expansion plans.<sup>7</sup>*

---

<sup>1</sup> 2013 CAA Passenger Survey data

<sup>2</sup> Plans exist for two additional rail entries, that mentioned from the south which is judged as 'highly likely to be required and in place by 2030' (2.2.1, pg 18, AC Appraisal of HAL NWR). A rail connection to Reading in the West via Slough is also planned as part of Network Rail's CP5 Enhancements Delivery Plan, to be operational in CP6 (April 2019 – March 2024) details can be found at <http://www.networkrail.co.uk/publications/delivery-plans/control-period-5/cp5-delivery-plan/>.

<sup>3</sup> "In addition to redistributing these two new routes will offer improved resilience to London passengers over the present situation. If one route is closed by an incident, the other routes should be unaffected" Jacobs Report Heathrow NWR p8 para 5.

<sup>4</sup> Airports commission indicated a passenger rail mode share of 43% and an employee rail mode share of 20%, which we estimate would be even higher at 26.9 million rail journeys a year in 2030.

<sup>5</sup> Gatwick's May submission stated that 'Gatwick's cargo volumes are forecast to grow to 1,070k tonnes by 2050 in Option 3' (para. 5, pg 54, A Second Runway for Gatwick - Appendix A6 - Surface Access)

<sup>6</sup> Jacobs' appraisal of GAL surface access for the Airports Commission states 'data provided by NR indicates that 22 'four-line block' incidents requiring the closure of the BML have occurred in the last three years on the section between London and Gatwick, an average of just over 7 per year' (3.6.5, pg 37, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway)

<sup>7</sup> 3.3.9, pg 30, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway

The substantive provisions in GAL's surface access submission are based on existing infrastructure improvements designed to meet the capacity demands of today, not the significant additional requirements of a tripling of passenger numbers. It is deeply concerning that there are no new plans to create additional capacity on a line where a high proportion of commuters already stand and standing room only is already common on off-peak services. The current level of demand is already so great that passenger control measures at Victoria Underground at peak-times are now planned for East Croydon station.<sup>8</sup>

This line also runs through the deepest cutting in Europe and is particularly vulnerable<sup>9</sup> to extreme weather. Suicides happen about once a month bringing the line to a standstill for over an hour each time. Rail resilience to "events"<sup>10</sup> is weak to non-existent as there is no realistic alternative route.

On the roads, traffic on the M25 between Heathrow and Gatwick is frequently at a standstill especially at peak-times. The A23 into and out of London is already heavily congested with journey times often far longer than they should be. The A23/M23 and M25/M23 are both already beyond capacity and tinkering with several junctions on the M25 and using the hard shoulder from time to time is not going to address the problem<sup>11</sup>. Once again, the analysis from the appraisal document reveals significant concerns – in this case of the Highways Agency:

*However, discussions with the HA [Highways Agency] indicate that there is a concern over the heavy reliance of Gatwick on the stretch of the M23 between 8 and 9 for strategic road connectivity. In the event of a major incident it is likely that the link would be closed for a period of time, and this issue needs to be taken into consideration when assessing the merits of the proposal for a second runway at the airport.<sup>12</sup>*

With local infrastructure already beyond capacity, when anything goes wrong, air traffic control, shortage of baggage handlers, and most frequently suspension of the rail line – the knock-on effect both on passengers and the surrounding area is major disruption to services. All of this gets demonstrably worse as Gatwick gets bigger.

---

<sup>8</sup>Jacobs appraisal forecasts that the demand to seat ratio on services between East Croydon and London Bridge will be at 205% in the peak hour in 2030.

<sup>9</sup>Jacobs states 'The two lines have provided resilience when one has had to be closed for maintenance but because of the deep cuttings, they are still vulnerable to flooding' (3.5.4, pg 34, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway)

<sup>10</sup> Jacobs' appraisal of GAL surface access for the Airports Commission states 'data provided by NR indicates that 22 'four-line block' incidents requiring the closure of the BML have occurred in the last three years on the section between London and Gatwick, an average of just over 7 per year' (3.6.5, pg 37, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway)

<sup>11</sup>Jacobs appraised Gatwick's road link capacities as part of their appraisal for the Airports Commission. The M25 is forecast to have a demand to capacity ratio of over 100% between junctions 7 and 10 in 2030, with the M23 under 85% VCR due only to the HA's proposed smart motorway scheme between junctions 8 and 10 (4.2.2, pg 45, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway).

<sup>12</sup> 4.2.12, pg 47, Appraisal Framework Module 4. Surface Access: Gatwick Airport Second Runway

The risk that the Gatwick proposal poses to the Exchequer and its investors are identified in Paragraph 3.36 of the Commission's assessment of Gatwick's business case<sup>13</sup>. Currently proposed infrastructure is plainly incapable of bearing the burden intended for it. Addressing this would require strategic-scale investment in the A23/M23/M25 and the BML. Options such as tunnelling A23 access into central London and additional track capacity for the BML would have to be in play to make Gatwick surface access sustainable. The cost of these are to be counted in billions of pounds. They would seem to make the Gatwick case either much less affordable to taxpayers or to GAL investors.

---

<sup>13</sup> Paragraph 3.36: Airports Commission: Gatwick Airport Second Runway: Business Case and Sustainability Assessment.

## **Impact on towns, communities and countryside**

Locally, we enjoy a strong economy and low unemployment. As of November 2014 there were just 23086 JSA claimants in the entire region stretching from north to south from Croydon to Brighton, and east to west from Lewes to Bognor Regis. The median percentage figure is just 1.5% of the entire population seeking work. (Appendix 1).

GAL is yet to define where the 122,000-person workforce is going to materialise from in this saturated labour market – equivalent to the population of Cambridge. (Appendix 2).

By its own analysis, Gatwick already employs around a third (31%) of the total workforce in Crawley, 1 in 10 people (9%) in Reigate but only 3% in Croydon.

The assertion that the additional workforce will come from Croydon – a town where at its worst, unemployment is at 4.4% in Croydon North - is fanciful, even if attractive to the London Borough of Croydon. A similar picture presents itself on the south coast where the worst unemployment is in Brighton Kempton at 3%.

These figures show that there is no workforce, immediate or approximate, capable of staffing an expanded Gatwick. A fact supported by the failure of Gatwick to secure enough baggage handlers to maintain the airport's operations in July 2014.

However, employment projections to date in fact understate the associated additional requirement for labour at the airport. Based on the most recent assessment by the Gatwick Area Conservation Campaign (GACC)<sup>14</sup>, a second runway would create around 60,000 new, on-airport, indirect, catalytic and induced jobs. To staff this vast new enterprise will require the migration of thousands of workers into the local area, flooding the existing infrastructure of schools, transport, health services and housing.

Blithely adding to housing forecasts which are already undeliverable without loss of Greenbelt and countryside does not answer how local communities are expected to cope with such an influx.

Consultants commissioned by the West Sussex County Council and the Gatwick Diamond Initiative have concluded that the new jobs created by a new runway would require a further 30,000 – 45,000 new houses, equivalent to a town the size of Crawley<sup>15</sup>. This is significantly higher than the 18,400 new houses estimated by the Commission and accounts for the aforementioned underestimation in terms of new job creation.

Gatwick Airport's assessment of housing need is built primarily on assumptions about local population decline over the planned period, resulting in a net loss of available labour and therefore requiring net additional workers taking up residence in the area.

---

<sup>14</sup> Gatwick unwrapped, <http://www.gacc.org.uk/resources/Gatwick%20Unwrapped%201.pdf>

<sup>15</sup> Gatwick unwrapped, <http://www.gacc.org.uk/resources/Gatwick%20Unwrapped%201.pdf>



Crawley's Locally Generated Housing Needs Assessment (2011) identifies that economic scenarios do not include assumptions about significant growth related specifically to Gatwick.

Gatwick sits in a significantly more sensitive location than Heathrow in which to plan for growth. The Gatwick Diamond, for instance, includes large European designated sites with a significant buffer area (Ashdown Forest), the High Weald Area of Outstanding Natural Beauty and the South Downs National Park.

All planning authorities in Gatwick's immediate locality have well documented problems in meeting even their own housing needs. For example, the emerging or recently examined local plans for Crawley, Horsham, Mid- Sussex, Brighton, Wealden and Reigate & Banstead have all confirmed an inability on environmental grounds to meet their own objectively assessed needs.

- Crawley's Local Plan has just been submitted for examination with the explicit recognition within it that the Borough does not have the environmental capacity to meet more than 3,000 homes required for its own population;
- The Mid Sussex Local Plan was found unsound in 2013 by its Inspector on the basis that it failed to meet the duty to co-operate by not planning to meet any unmet needs from adjacent authorities. The draft revised plan has just been published with the same indicative housing figures, supported by an Environmental Capacity Assessment which concludes that no more housing land can be sustainably planned;
- The Wealden Local Plan has been approved – it survived a legal challenge to do so because of concerns about significant effects on Ashdown Forest and its buffer zone;
- The Brighton and Hove Local Plan failed its examination earlier in 2014 because it did not provide enough housing to meet local needs. The Plan has just been resubmitted to the postponed examination with explicit recognition that the Council is short by 13,800 homes in the number it can provide with environmental limits and that it must rely on other authorities to meet its un-met needs (although all adjoining authorities argue that they have no capacity);
- In December 2014 the Planning Inspector ruled that the increased level of housing involved in the proposed Mayfield new town between Henfield and Sayers Common was "not required in current circumstances". However, he made clear that a second runway at Gatwick would have "major implications" for planning and would require development plans to be revisited: "As was acknowledged by virtually all participants at the hearings, any decision to expand Gatwick Airport by building a second runway would have major implications for the planning of the whole sub-region and would almost certainly necessitate an urgent review of the HDPF (and quite probably the plans of all authorities in the Gatwick Diamond area). If that were to occur, the way in which future development needs should be met would undoubtedly be raised again. It would be for the Council to determine, in constructive cooperation with other relevant bodies, including particularly Mid Sussex DC, how those needs would be met."

- A similar situation exists to the north of Crawley, except that those districts have the added constraint of Green Belt. Reigate and Banstead's local plan Inspector, for instance, concluded that the district could not meet its housing needs and that there was no prospect of neighbouring authorities meeting them either.

The Commission proposes that these properties be evenly split across 14 local authorities, but all the evidence above demonstrates clearly the problems in so doing, given existing constraints and without provision for the fact that many of these areas are within the green belt. The local planning authorities are not even close to meeting existing housing demand. Massive additional demand would lead to a Gatwick region planning crisis.

## Noise

The Commission estimates that the number of people affected by noise (within the 54 leq contour - moderate community annoyance) could increase from just under 10,000 to just over 30,000.<sup>16</sup> A wide range of noise impacts is shown in the Commission's consultation document, depending on the type of metric used and on the future use of the airport, but they all show that the number of people affected by noise with a new runway would be two or three times as many as at present.

If noise impact is measured by the total number of people within the leq contours then there are obviously far more at Heathrow. Nevertheless, it is worth noting that the Commission find that, while a new runway at Gatwick would treble the number affected, a new North West runway at Heathrow would actually result in a reduction in the number affected.<sup>17</sup>

The figure of 30,000, moreover, does not include the 5,000 people who will be moving into the new houses currently being built at Forge Wood, on the north east of Crawley. (These houses were permitted by a decision of the High Court partly based on a statement by Gatwick Airport Ltd in 2010 that they 'had not a shred of interest in a new runway.'<sup>18</sup>) Nor do the figures include the inhabitants of the 500 houses recently given planning permission in Copthorne; nor the inhabitants of the village of Warnham despite that village being clearly shown under a new flight path from the new runway.<sup>19</sup> Owing to Gatwick's close proximity to Crawley, 20 churches, and 31 schools and nurseries would fall within the 54 leq contour.<sup>20</sup> There is evidence from Heathrow that aircraft noise can have an adverse effect on children's health and learning.<sup>21</sup>

GAL is incorrect to claim that a major advantage of Gatwick compared to Heathrow is that, because the approach and take-off paths would be mainly over rural areas, comparatively few people would be affected. We are glad that the Commission recognise that *'there are areas around Gatwick that are rural and have high levels of tranquillity that would be adversely impacted by new development at the airport.'* Many rural businesses require a high level of tranquillity<sup>22</sup>. Noise metrics which do not take into account of ambient noise in rural or urban environments are somewhat meaningless.

Moreover, Gatwick is surrounded on three sides by Areas of Outstanding Natural Beauty – the High Weald AONB and the Surrey Hills AONB – each visited by over a million people each year in search of peace and tranquillity. Local councils have a statutory duty to conserve and enhance the natural beauty of these areas, and this applies to any decisions they may take, not merely to planning applications.<sup>23</sup>

---

<sup>16</sup> Airports Commission Consultation Document November 2014 paragraph 3.31. 54 leq

<sup>17</sup> Airports Commission Consultation Document November 2014 paragraph 3.138

<sup>18</sup> Permission to build these houses was granted by the High Court, against the wishes of Crawley Borough Council: the judge based his decision partly on assurances given in 2010 by GAL that they had no interest in building a new runway

<sup>19</sup> Airports Commission. Noise: Local Assessment. Chapter 3.2

<sup>20</sup> A Second Runway for Gatwick GAL April 2014 page 48

<sup>21</sup> <http://www.scmp.com/news/world/article/1371346/domes-shield-students-aircraft-noise-near-heathrow-airport>

<sup>22</sup> Gatwick unwrapped, <http://www.gacc.org.uk/resources/Gatwick%20Unwrapped%201.pdf>

<sup>23</sup> Countryside and Rights of Way Act. Section 85

Gatwick with two runways is planned to handle 560,000 air traffic movements a year, compared to 250,000 a year at present. Aircraft at present take-off or land at a rate of nearly one a minute. With a new runway it would be nearly two a minute.<sup>24</sup>

A major problem at Gatwick is that the two existing terminals are on the north side of the existing runway while the new runway would be to the south. It is therefore proposed that the runways would operate in 'independent mixed mode' with each runway handling both arriving and departing aircraft. Aircraft using the new southern runway would use a new terminal between the runways, and would mainly use flight paths to the south. Aircraft using the existing runway would use the two existing terminals and would mainly follow flight paths to the north.<sup>25</sup>

The introduction of PR-Nav in 2014 has given a foretaste of the impact locally. Residents of Reigate, Redhill, the Eden Valley, Holmwood, Billingshurst, Penshurst, Crowborough, Tunbridge Wells and Warnham are among the communities newly impacted by aircraft noise and a sustained outcry has followed.

Therefore, with both runways handling arrivals and departures, it would be virtually impossible to provide respite for our constituents by alternating runways, as is presently the case at Heathrow and would remain so with the addition of a third runway.<sup>26</sup>

---

<sup>24</sup> An average of 98 air traffic movements an hour. Gatwick Airport Second Runway: Business Case and Sustainability Assessment. Airports Commission. November 2014. Paragraph 1.44

<sup>25</sup> A Second Runway for Gatwick GAL April 2014 page 27

<sup>26</sup> At night it would be possible to use each runway on alternate nights, but GAL have promised Crawley Council that all night flights would use the existing runway

## Financing

The Commission has confirmed that the level of finance needed for the project, is significantly larger than the company's financing to date. We believe that this substantially underplays the risk of expansion at Gatwick and undermines any claim that it would be either easier to deliver or is deliverable at all.

The “negative credit implications” of expansion raised by the ratings agency Moody’s in their December 2014 report on airport expansion is a further indication that Gatwick’s proposals may have no viable business case to support them. Heathrow Hub estimate that to support the investment proposed by Gatwick GIP would need to increase debt and equity by almost 1000% - more than three times the scale of increase for even the more expensive Heathrow scheme, where large scale projects have already been delivered.<sup>27</sup>

This is further grounded in the fact that airlines do not appear to want to see an expanded Gatwick. Instead of endorsing the proposals, Carolyn McCall, Chief Executive of Gatwick’s biggest carrier EasyJet has admitted that she is “quite concerned” that Gatwick landing charges could rise.

Furthermore, Willie Walsh, CEO of International Airlines Group has said he would “not support a runway at Gatwick”, going on to say “I don’t believe there’s a business case, and we would not be prepared as a significant operator there to see charges increase.” We agree that raising charges by over 100% appears to be a huge risk – for airlines and to financing of the scheme. The same cannot be said at Heathrow, with proven investment credentials and a larger asset base – further noted by the Heathrow Hub financial analysis cited above.

Without the support of airlines, Gatwick is likely to struggle to raise the required financing in the private sector. In fact, concerns over the reaction to increased charges have led Moody’s, among others, to highlight the risk that airlines will desert Gatwick for Stansted, making the business case even less viable than it is today.

Our concerns about the viability of financing GAL’s expansion further extend to its owners’ intentions. Its principal shareholder, by its own policy, typically holds assets for only up to 10 years, which is before this project will be financed. Recommendation of their proposal would increase the value of the asset in the short term and by preventing expansion at Heathrow, maintain its value if the owners chose not to finance expansion. It would make the financial case for the boards of Gatwick’s owners to finance the investment of a second runway even weaker.

In 2012, Stewart Wingate told the Daily Mail that GIP, which owns 42 per cent of Gatwick, had been ‘quite clear’ when it bought the airport three years ago that it would keep its holding, and

---

<sup>27</sup>

<http://www.heathrowhub.com/UploadedImages/20141119%20Expansion%20at%20Heathrow%20would%20be%20much%20easier%20to%20finance.pdf>

controlling interest, for a limited period of between five and 10 years before selling<sup>28</sup>. That would take it up to 2019 when work on a new runway could begin.

This statement is more concerning when viewed in the context of comments made by Gatwick's own chairman in 2013. Sir Roy McNulty is reported by the Financial Times to have said: "We do not think we would get our money back on the investment in a new runway for at least 15 to 20 years. The timescale would extend to 30 to 40 years if Heathrow was allowed to build a third runway at the same time. What businessman is going to make an investment of that nature?"<sup>29</sup>

The lack of transparency over the probable rate of return to GAL's owners for any investment they have to make to enable the proposal is of immense concern. Necessary change, for example, bringing forward capital expenditure on a new terminal instead of early expenditure on a cheaper pier model, makes the rate of return lower, but GAL's data is invisible to external analysis.

The financing of a second runway at Gatwick raises profound questions about whether there would be a satisfactory rate of return to justify shareholder funds being put at risk.

---

<sup>28</sup> <http://www.dailymail.co.uk/news/article-2219031/Gatwick-row-Second-runway-open-decade-double-travellers-70million-year.html>

<sup>29</sup> <http://www.ft.com/cms/s/0/b3d576e6-626d-11e3-99d1-00144feabdc0.html>

## Economic benefit for the UK

As representatives in Westminster we must also look beyond our own constituencies. The central 'exam question' turns on how to maintain global connectivity for the UK, the UK's competitiveness, and future national growth and jobs. The Commission's own analysis shows that even in Gatwick's imagined future – where 'Low Cost is King' – expansion here would be worth dramatically less to the UK in terms of GDP and jobs than the alternatives.

The Commission's analysis is that on most of all its economic scenarios £100 billion would be foregone by the UK if we went for Gatwick rather than Heathrow.

It is a rare thing to have an airport so well connected as Heathrow – one of only six in its class around the world serving more than 50 long haul destinations – if we cannot afford to replicate and indeed improve that option east of London it would defy logic to abandon Heathrow's expensively won position.

Gatwick is a very good airport for what it is. But its failure to attract major airlines to fly from here to the destinations served by our competitors in France and Germany is striking. A steady stream of announcements continue to underline this point – most recently Vietnam Airlines withdrew services from Gatwick. This follows Air China and others. Garuda's new route to Indonesia requires a stop in Amsterdam to pick up passengers. All Nippon Airways and others have also publicly stated their choice to locate operations in Frankfurt or Paris because they cannot access Heathrow – not to Gatwick or other London airports. Notably, Gatwick has historically been unable to sustain a long haul route to New York.

We ponder if IAG truly thought Gatwick was a genuine alternative to Heathrow, they would be expensively proposing to buy Aer Lingus for the Heathrow slots it brings with it?

While Heathrow has been full for the last decade, Gatwick has virtually no long haul connections to the next generation of economic powerhouses – Brazil, India, and not a single route to China. For the UK as a whole, a future that prevents the addition of new long haul connectivity by expansion of Gatwick over Heathrow would be a significant competitive blow. Your own figures demonstrate the cost – up to £100 billion by 2050.

We agree with the analysis of the CBI and the Chambers of Commerce that the benefits of a hub airport are demonstrated and can be expected to continue.<sup>30 31</sup>

---

<sup>30</sup> "British Business Calls for Heathrow expansion" <http://mediacentre.heathrowairport.com/Press-releases/British-business-calls-for-Heathrow-expansion-a1a.aspx>

<sup>31</sup> CBI "Hub is the Nub." [http://www.cbi.org.uk/media/2870743/the\\_nub\\_is\\_the\\_hub\\_-\\_cbi\\_position.pdf](http://www.cbi.org.uk/media/2870743/the_nub_is_the_hub_-_cbi_position.pdf)

## Transparency and accountability

We are pleased to be able to make a submission to the Commission consultation and that all interested parties have been invited to do so. This is particularly so because Gatwick's own consultation and wider engagement has been poor. You will be aware of the controversy caused by Gatwick's refusal to acknowledge over 4000 signatures on a petition from the Woodland Trust. Gatwick management has repeatedly refused opportunities to explain their plans and answer questions from our constituents.

Gatwick chose to dedicate time and resources to arrange public meetings in Colnbrook (near Heathrow) rather than Charlwood or Capel (near their own airport scheme!). It is insulting and has added to growing mistrust locally – not to mention outright opposition.

Gatwick also sent its entire expansion proposal to the Commission *before* it had completed its supposed consultation on runway location options. How can they truly have taken any comments on board in their proposal? Failure to publish their submission has also made it even more difficult to scrutinise their plans and your analysis of them.

We believe conceding the claimed need for commercial confidence is in error. There is no alternative making a proposition on the same competitive basis yet the Commission has permitted redactions on tax, financing, profit and loss, cash flow and more, and it is the assumptions that underlie these figures that are critical to enable us and the public to evaluate this proposal.

2014 was a disaster in community engagement for GAL. The dreadful implementation and management of PR-Nav combined with the conduct of the second runway campaign has badly damaged GAL's reputation. An unequivocal recommendation from the Commission that Gatwick should not be the site of a second runway will assist in the repair of fractured local relations and a return to management focussing on the current successful business model. This needs to include management priority on addressing the complexity of implementing PR-Nav and FAS in a new way to minimise pre-2014 overflight patterns as well as addressing existing night flight concerns.



## **Conclusion**

Gatwick would be the wrong decision for the UK. The reality is that Gatwick is big enough and that its supporting labour market, rail and road infrastructure are already beyond economic saturation.

To ask more would be to condemn the people, schools, housing and transport infrastructure across our constituencies to intolerable strife. Whilst some local businesses will, of course, welcome a massive injection of extra demand, the reality is that demand cannot be served, certainly not on current plans. Businesses around the country, their Chambers of Commerce and business groups like CBI assert the value of the hub airport.

There is no guarantee, indeed serious doubt, that this proposal would be financed. However, a recommendation for Gatwick would still suit its shareholders by holding back its main competitor, the principal hub in the UK.

The consequences of a recommendation in favour of Gatwick's proposals will be an irrevocable disaster for local communities and the national interest. We oppose this and we would urge the Commission to unequivocally reject a second runway at Gatwick in its final report.

Appendix 1: Regional Unemployment. Source: House of Commons Library November 2014

Constituency	Total JSA Claimants	% Population
Reigate	553	1.1
Mole Valley	335	0.7
East Surrey	569	1.1
Crawley	967	1.6
Horsham	460	0.9
Mid-Sussex	366	0.7
Croydon Central	1532	2.6
Croydon North	2591	3.7
Croydon South	929	1.6
Brighton Kemptown	1283	2.9
Brighton Pavilion	1176	2
Tonbridge and Malling	598	1.2
Sevenoaks	492	1.1
Wealden	418	0.9
Lewes	648	1.6
Arundel and South Downs	394	0.9
Hove	1223	2.2
Eastbourne	1302	2.7
East Worthing and Shoreham	681	1.4
Worthing West	701	1.6
Bognor Regis and Littlehampton	903	1.9
Sutton & Cheam	743	1.4
Carshalton & Wallington	1010	2
Guildford	507	0.9
Chichester	692	1.4
Epsom & Ewell	419	0.8
Tunbridge Wells	496	0.9
Bexhill & Battle	697	1.6
South West Surrey	401	0.8
	<b>Total: 23086</b>	<b>Median 1.5%</b>

