

PROPOSAL TITLE:	London Heathrow Airport –3rd Runway: Northwest Option	Short Term	<input type="checkbox"/>
SUBMITTED BY:	Heathrow Airport Limited	Medium/Long Term	<input checked="" type="checkbox"/>

PROPOSAL

New 3,500m runway constructed to the northwest of the existing airport with linking taxiways to the west of the current north runway. The new runway could operate independently from the existing runways. Includes expansion of existing terminals, plus a new Terminal 6 immediately west of Terminal 5. Terminal 6 would serve new satellites and aprons located between the new and current northern runways. The proposal requires tunnelling of the M25 under the new development, plus a reconfiguration of the existing M4/M25 interchange.

The new runway is located as far west as possible in order to reduce noise impact over London..

INITIAL ASSESSMENT COMMENT

One of three clearly presented schemes for the expansion of Heathrow from the airport owner.

The proposal enables increased airport capacity and therefore appears to be in line with the Commission’s remit.

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OVERVIEW

Proposal	New 3,500m independent runway constructed to the north of the existing airport with linking taxiways to the west of the current north runway. Expansion of existing terminals plus new Terminal 6, west of Terminal 5, serving new satellites and aprons located between the new and current northern runways. New runway located as far west as possible to reduce noise impact over London.		
Approach	<u>Enabling legislation 2015-2019 with construction commencing in 2019 with opening in 2026</u> following established regulated mechanism. <u>Public support required for surface access and other costs: property and noise compensation, and mitigation and flood and ecology impact mitigation, and the infrastructure costs of building over the M25.</u>		Stated Capital Cost <u>£16.9 bn</u>
Potential Benefits	<ul style="list-style-type: none">▪ Phased expansion building upon existing airport and surface access infrastructure, with potential to expand to four runways if required.▪ <u>Increased GDP of £100bn (NPV) and wider economic benefits/agglomeration benefits primarily in London and along corridor supporting Heathrow</u>▪ Current jobs maintained with <u>70,000-150,000 new local jobs</u>▪ Reduces the number of people affected by noise nuisance. Increased respite options assuming current restrictions continue.▪ Lower construction carbon footprint compared to new hub locations with use of existing infrastructure.▪ Increased resilience over current Heathrow operations.▪ Based on established RAB approach (roughly doubling current RAB value) but <u>with regulatory modifications plus government financial support required.</u>	Additional Capacity (mppa) 40	Additional Capacity (ATM) 260,000
Key Issues & Risks			
Strategic Fit	<ul style="list-style-type: none">▪ The scheme adds to capacity, seeking to minimise the environmental impact of flying whilst making maximum use of existing infrastructure. It is therefore aligned with the Commission’s terms of reference.		
Economy	<ul style="list-style-type: none">▪ <u>Some services could transfer from Gatwick due to enhanced opportunities to increase their viability and take advantage of hub connectivity.</u>		
Surface Transport	<ul style="list-style-type: none">▪ Uncertain assertion that <u>no new road links are required as possible to deliver without increasing airport-related traffic.</u>▪ Similar uncertain assertion that <u>planned/anticipated rail improvements (Crossrail, Piccadilly Line upgrade, HS2 Heathrow spur and Western Rail Access), can provide sufficient capacity to support airport passengers and staff demand.</u>▪ <u>Southern Rail Access also required.</u>		
Environment	<ul style="list-style-type: none">▪ Risks to air quality continuing in medium term.▪ Large number (950) of residential demolitions required;. 31 listed buildings lost.▪ Although the scheme proposes to reduce the number of people impacted by noise pollution, a large number of people remain affected by noise and air quality▪ Significant levels of mitigation and/or compensation required to ensure Water Framework Directive and flood risk storage requirements are met.		
Cost	<ul style="list-style-type: none">▪ Includes £2.1bn surface access cost, for which public support is suggested. Uncertainty as to whether this is the total surface cost or only the contribution. Total cost, including HS2 spur, is likely to be c £5-10 bn.▪ Major reconfiguration required to M4/M25 motorway junction.		
Delivery	<ul style="list-style-type: none">▪ Unspecified regulatory modifications stated as necessary.▪ Government support of £4-6bn funding plus potential debt underwriting needed to support ability to attract inward investment/viability.▪ Government support requirement raises issue re affordability and value for money.▪ Effects on aero charges etc. not specified but asserted to be lower than other hub options.		
Mitigations	<ul style="list-style-type: none">▪ Scheme extends current mitigation approaches for noise to meet noise nuisance reduction objectives.		