

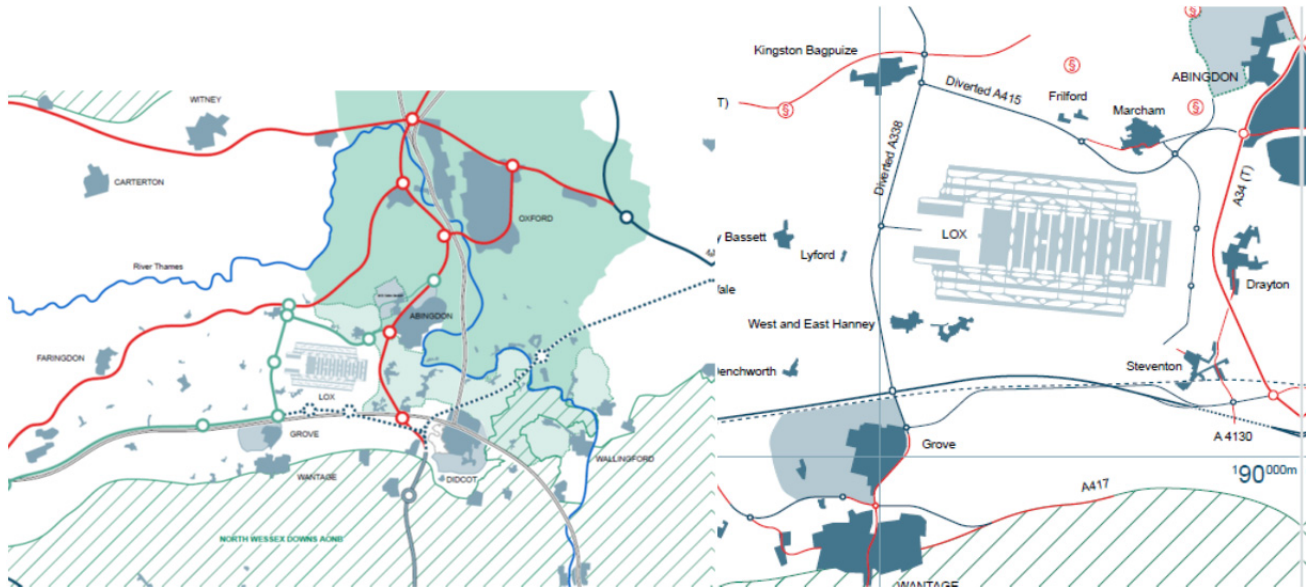
PROPOSAL TITLE:	LOX	Short Term	<input type="checkbox"/>
SUBMITTED BY:	Pleiade Associates	Medium/Long Term	<input checked="" type="checkbox"/>

## PROPOSAL

New 3 or 4 runway airport constructed on farmland near Abingdon in Oxfordshire approximately 50 miles west of central London. It is proposed that the airport would operate in competition with Heathrow, or as a dual-hub.

The three runway option provides two dependent runways and one independent runway; the four runway option adds a further close spaced runway to provide independent pairs. Runways would be 4km long in an East/West orientation served by one terminal building with satellites linked by rail.

New passenger station would adjoin passenger terminals and link to Great Western Mainline. Potential to link via a spur to HS2.



## INITIAL ASSESSMENT COMMENT

It is not clear that the scheme would be commercially viable in competition with Heathrow as proposed.

Whilst commercial viability as a dual-hub or in competition with Heathrow may be uncertain, as a replacement for Heathrow the scheme may have merit extending the catchment of the single hub airport beyond the south east. However, its distance from London may be challenging and only resolved by potentially significant surface transport links.

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## OVERVIEW

Proposal	New 3 or 4 runway airport near Abingdon in Oxfordshire approximately 50 miles west of central London. It is proposed that the airport would operate in competition with Heathrow, or as a dual-hub.		
Approach	<b><u>Enabling legislation to be provided 2015-2017. Construction starts in 2018 and start of operations end 2022/start 2023.</u></b>		<b>Stated Capital Cost</b> <b><u>£20 bn</u></b>
Potential Benefits	<ul style="list-style-type: none"><li>▪ Larger, more efficient configuration than Heathrow offers potential for a more resilient operation than Heathrow, offering increased frequencies and/or destinations served.</li><li>▪ Lower noise impact than Heathrow.</li><li>▪ Adjacent to the Great Western Mainline facilitating access to Central London.</li><li>▪ Significantly advanced connectivity for Oxfordshire, encouraging local and regional employment and economic development: <b><u>85,000 new jobs in Oxfordshire by 2050</u></b>, albeit in an area with currently low unemployment.</li></ul>	<b>Capacity (mppa)</b> <b><u>125</u></b>	<b>Capacity (ATM)</b> <b><u>720,000</u></b>
Key Issues & Risks			
Strategic Fit	<ul style="list-style-type: none"><li>▪ Although the commercial viability is not clear, the proposal offers significant airport capacity by 2023, supplementing Heathrow in a dual-hub role.</li><li>▪ The proposal could conversely be seen as providing competition to London’s airports, with the potential to provide point to point capacity, potentially freeing slots at constrained London airports for hubbing movements. The scheme would therefore appear to be aligned with the Commission’s terms of reference.</li></ul>		
Economy	<ul style="list-style-type: none"><li>▪ Proponents advance Oxford as an additional airport into the London system, but it appears unlikely that it could be viable or have any significant demand to realise the claimed benefits unless Heathrow was closed.</li></ul>		
Surface Transport	<ul style="list-style-type: none"><li>▪ Substantial investment required for new surface transport to serve greenfield location.</li><li>▪ Uncertain that the proposed dual-hub concept and “Express Rail Link” would be effective.</li></ul>		
Environment	<ul style="list-style-type: none"><li>▪ Currently un-impacted 19,000 population could be affect by noise.</li><li>▪ Direct loss to over 20 cultural heritage sites and a conservation area. Impact on local high landscape value area.</li><li>▪ Residential property loss 205.</li><li>▪ Large area of agricultural land loss 3213ha.</li><li>▪ Large area of flood plain, 1055 ha, lost requiring compensatory storage.</li></ul>		
People	<ul style="list-style-type: none"><li>▪ Likely to increase housing and infrastructure demand in the area. Impacts on health, vulnerable groups and local communities are not specifically addressed other than through general noise and air quality and employment opportunities.</li></ul>		
Cost	<ul style="list-style-type: none"><li>▪ The stated capital cost appears low by comparison with other submissions, but would appear to relate only to airport elements. Whilst it includes surface transport upgrades local to the airport, it excludes the wider off-site works necessary to connect the airport regionally.</li><li>▪ Given location, these additional costs are potentially significant and could increase the total cost to £40-50 bn.</li></ul>		
Delivery	<ul style="list-style-type: none"><li>▪ No proposed commercial/financial structure or funding/financing strategy provided.</li><li>▪ Ability to attract private finance may require government co-funding/risk underwriting and/or suitable commercial structure.</li><li>▪ Scheme assumes Heathrow remains open – hence no costs of closure/compensation etc. However, this may raise certain risks (e.g. re level of demand) that render the scheme unviable.</li></ul>		
Mitigations	<ul style="list-style-type: none"><li>▪ Flood storage area of 550 Ha and attenuation ponds identified and water course diversions</li><li>▪ Limited scope to reduce impacts on designation and agricultural land loss. Additional land area identified for off-setting biodiversity losses</li><li>▪ Greenbelt extension proposed to control pressure for additional development</li></ul>		