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Commission Secretariat  
Airports Commission  
6th Floor Sanctuary Buildings  
20 Great Smith Street  
London  
SW1P 3BT

24/7/2014

Dear Sir/Madam

### **Response to Discussion Paper 06- Utilisation of the UKs Existing Airport Capacity**

We are disappointed to the extent to which London Luton Airport has been overlooked so far, with regards to the potential for London Luton Airport to contribute in the short term to capacity concerns.

London Luton Airport is currently the fifth largest airport in the UK and is this year consolidating this position with very strong organic growth. The current position below lays out our journey to 18mppa. This growth journey is contractually committed and the investment funded by our private sector partner. It will in the short term enable us to be a bigger, better airport.

It has long been acknowledged that London Luton Airport has greater potential than has been demonstrated to date. The Airport White Paper of 2003 detailed a capacity of 30 million passengers per annum (mppa). Our studies have identified the ability for London Luton Airport to grow to between 26-30mppa by 2031 without the need for an additional runway, or runway extension.

London Luton Airport has a strong catchment area. The Luton catchment is larger at 7.1m (one hour drive time) than Gatwick's at 6.8m and substantially bigger than Stansted's at 5.3m. The Luton catchment area is also economically stronger than the Stansted catchment area:

- Average salaries in Luton's catchment area are 5% higher than those in the Stansted catchment area;
- Gross Value Added (GVA) per capita is 17% higher; and
- Economic Activity Rates are higher and Unemployment Rates lower.

This response reminds the commission of our current journey to 18mppa and responds to questions 7.7 of the Discussion Paper around identifying and unlocking the constraints to enable growth above 18mppa.

## **Current Position**

Sunday 30<sup>th</sup> June 2014 was our busiest day ever. June was our busiest month ever with over a million passengers, and we now serve over 10mppa. We are forecasting that July and August will see further records broken.

London Luton Airport received planning consent for its expansion from circa 10mppa to 18mppa in April and subject to any challenges within the Judicial Review period (closes 4<sup>th</sup> August) the aim is to start construction in early 2015. This expansion programme is contractually committed to by London Luton Airport Operations Limited, our concessionaire.

The airport masterplan proposes not only to grow the airport and to improve the experience of the passengers and airlines using it, but also to enable significant economic benefits whilst at the same time mitigating the environmental impacts of a major international airport on its surrounding communities. This will be achieved within the existing airport boundary and by making best use of the existing infrastructure.

London Luton Airport is ideally suited to this role. The airport operates on the smallest land bank per million passengers of any major UK airport. It plans to make a virtue of this compact size, keeping airfield and terminal operations simple and straightforward, avoiding the long aircraft taxiing times and passenger journeys associated with larger, more complex airports.

## **Better Airport**

The first objective is to make London Luton Airport a better airport. We are currently one of the easiest airports for passengers to use being 30 minutes from Central London by Train and 3 minutes from J10 of the M1. However recent growth has placed pressure on the airport and its access infrastructure and the expectations of airlines and passengers alike are, rightly, increasing all the time.

For those reasons, the development will:

- Improve the existing access road
- Improve the public transport interchange
- Increase the number of security lanes
- Improve and increase the retail, food and beverage offer
- Increase the number of baggage reclaims
- Upgrade the fixtures and fittings of the passenger terminal
- Increase passenger seating areas

## **Bigger Airport**

The second objective is to make London Luton Airport a bigger airport. It aims to provide capacity to accommodate 18 million passengers per year within the existing boundaries, maximising use of the existing infrastructure. To achieve the development will:

- Increase the capacity of the runway
- Provide more car parking
- Increase the number of aircraft parking stands
- Build a new passenger pier
- Bring fallow areas of the existing terminal complex into use
- Increase the size of the terminal in some areas

## **Better Neighbour**

The third objective is to be the best neighbour it can be. The airport can only thrive with the support of its communities and growth must be sustainable in environmental terms. With that in mind, the development will deliver:

- A significant increase in employment at the airport, from the current 8,200 direct jobs to 9,900 and from the current total jobs (including indirect) from 14,000 to 18,500. 50% of the current employment at the airport is held by people living in Hertfordshire and Bedfordshire
- A major contribution to the local and regional economy, from the current £966m GVA to £1.23b GVA per year
- An increase in access by public transport to over 40% of passengers by 2017
- A package of mitigation measures to minimise noise impact
- An annual reduction in carbon emissions
- An operation respecting the highest health and safety standards

By delivering against these three objectives, London Luton Airport will fulfil its potential of being both bigger and better, for airlines, passengers and communities. By combining real scale, ease of use and fast access to the capital, it aims over the next few years to establish London Luton Airport as truly London's local airport.

## Future Capacity

In the short term London Luton Airport can provide a good proportion of the capacity required in the London market. London Luton Airport has the potential grow to between 26-30mppa by 2031 without the need for an additional runway, or runway extension.

Responding specifically to the questions in section 7 on the current constraints to this potential:

*7.7 Questions on the constraints to developing further utility and connectivity at airports serving London and the South East, as well as how and by whom these constraints can be mitigated (Chapter 6):*

*Geographical Constraints - Are there longer-term or more extensive surface transport improvements and developments (beyond those committed to in the National Infrastructure Plan) that could support the other London airports to make best use of their capacity?*

*Are there any ways that government, or any other stakeholders, could improve airport site access? Are there any innovative ways that airports could resolve site access problems?*

London Luton Airport currently has 4 major surface access constraints.

### **1. Transit from Airport Parkway Train Station to Terminal**

The current main weakness of London Luton Airport is the disconnect between the Train station at Luton Airport Parkway and the Terminal building. The existing transport link is provided by a bus service that runs every 10 minutes and takes roughly 10 minutes for the 1.5m journey. At the Parkway Station end customers have to take 2 lifts (or the stairs, if there is a queue) to get to the bus and then man handle bags onto the bus. The current bus service is a sub optimal service and currently only 17% of Luton's passengers chose to travel by Train.

As mentioned above we have a desire, over the medium term, to increase to 40% the amount of public transport used to access the site, as part of making ourselves a better neighbour. To deliver an appropriate transport mode split we need to deliver a different, substantially better rail connectivity.

Appendix 1 includes some notional Rail forecasts. It is clear from these forecasts that a future Mass Passenger Transit System will need to be able to cope with upto 2000 passengers going in each direction in any one hour, in order to deliver high growth.

LLAL and LLAOL are currently developing a project to meet these future infrastructure needs. This project has the potential to deliver the extensive surface transport improvements and developments needed to remove this access constraint.

The initial financial modelling for the project includes substantial projected investments from both organisations. The need to invest in improving connectivity is also understood by both organisations. It is probable however that there will still be a funding gap despite this potential investment. To bridge this gap we will need Government support.

## **2. Rail Services/Station Facilities**

Rail services and station facilities will also need to improve to meet the increased demand, including:

- LLAOL is working with Govia (Govia Thameslink Railway Limited) the new operator of the Thameslink Rail Franchise that serves the Airport to seek to improve the speed and frequency of trains serving the Airport. The Commission's endorsement of this would be particularly welcomed.
- London Luton Airport is the only major airport not to benefit from a branded Express service. This must change.
- Appropriate way finding and signage and notification of Luton Airport Parkway Services are needed at St. Pancras station which is only 21 minutes from Luton Airport Parkway.
- Luton Airport Parkway station should be renamed London Luton Airport station.
- Appropriate way finding and signage and branding are needed at Luton Airport Parkway to aid transit through the station.
- There will need to be the appropriate access entry/egress arrangements from Luton Airport Parkway station to tie in seamlessly with a Mass Passenger Transit system.
- We forecast that Luton Airport Parkway station will need an extra stair/escalator core and bridge by 2026 to cope with upto 2000 passengers per hour and upto 300 on an y one train.

## **3. East West Rail and the Stewartby Cord**

The Network Rail (NR) Business Plan for Control Period 5 (2014-19) includes proposals for the western section of East West Rail (EWR) and an electric "freight spine" between the south coast and the East Midlands. Proposals for both schemes first emerged in the rail High Level Output Specification published by the Department for Transport (DfT) in mid 2012. Further work by NR indicated that there were severe constraints for operating rail freight trains in the St Johns area of Bedford, and as a result the length of the EWR western section between Bletchley and the Midland Main Line (MML) is currently under review by NR and DfT rail.

In 2012-13 Luton Borough Council, a member of the EWR consortium, developed proposals for two rail chords connecting the Marston Vale Line (part of the EWR western section) with the MML in the vicinity of Stewartby (with the potential for both north & south facing links) and with the West Coast Main Line at Bletchley. Providing these two chords would overcome the problems of freight trains accessing the MML at Bedford.

The provision of south-facing links at Stewartby on to the MML combined with the suggested north-east chord between west coast mainline and EWR at Bletchley would only allow for direct train services from MK, Northampton, Oxford and beyond on WCML to London Luton Airport via Luton Parkway. Proposals that are being developed in the next NR Control Period to complete the

“Central section” of EWR could also open up opportunities to serve London Luton Airport from places like Cambridge, Norwich and Ipswich to achieve an airport that is truly well connected by rail from all directions in its catchment area.

#### 4. Road Access to the East

Road access is needed to the eastern side of the site to open up a development site known as Century Park, an area with a long held planning permission for a business park. This will provide additional jobs to support growth at the airport

As part of the Local Growth fund recently secured by SEMLEP, one of the projects with provisional allocations is an indicative allocation of £20m in London Luton Surface Access for a start in 2016/17. This project will deliver improved road access to the Century Park site which provides an important opportunity to grow airport related activity, the aerospace and high end engineering sectors.

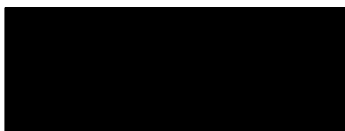
LLAL are now working with LLAOL and Luton Borough Council to drive forward this project.

*Airspace constraints - Are there any medium term airspace developments that could support making best use of capacity, beyond those set out in the Interim Report?*

The medium term opportunity for ATM growth at London Luton Airport should not be adversely affected by traffic growth at either STN or RAF Northolt. The former has potentially many years of growth recovery before matching or exceeding its 2007/8 traffic and then the alignment is such there remains opportunity to manage the situation. The latter, whilst growing significantly in percentage terms, has relatively limited movements albeit predominantly crossing London Luton Airport's western control zone.

However for the longer term it is of particular importance. If the future recommendations of the Davies Commission include expansion at LHR then the impact of increased movements to its northwest and the knock on impact of the concentrating of Northolt traffic towards London Luton Airport needs to be mitigated to ensure that London Luton Airport is not constrained.

Yours faithfully

  
  
London Luton Airport Ltd

Appendix 1- Notional Rail Forecasts