



**Meeting of the Airports Commission
20th May 2014 - 10:00 - 13:00
Rm 6.02 Sanctuary Buildings**

Attendees:

Commission Members:

Howard Davies – Chair
John Armitt
Ricky Burdett
Julia King
Vivienne Cox

Secretariat:

Philip Graham



1. Welcome

Howard Davies (HD) welcomed attendees to the meeting.

There were no changes to the register of interests.

2. Note of last meeting

The minutes of the last meeting were agreed.

3. Round up of stakeholder engagement

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Howard had met with Liew Mun Leong, Chairman of Changi Airport (Singapore), and with Singapore Airlines. Changi is concerned about the impact of Dubai. Singapore Airline's low cost business is expanding but it is pessimistic re full-service flights. Singapore has good links to Indonesia and strong local routes and acts as a long haul hub for outward travel. China is seen as a key growing market.

4. Update on Secretariat Progress

Philip Graham (PG) provided an update to the Commission of the progress on key areas. The deadline for the 3 shortlisted refreshed scheme proposals was 14 May and the strategy team will provide an update under item 5.

PG notified the Commissioners that the Secretariat has received no further information on the Mayor's spatial development conference since the Secretariat commented on the draft agenda, but confirmed that the date is still expected to be the afternoon of 18th June 2014, with venue still to be confirmed. It is envisaged that HD will speak at the event but other Commissioners are welcome to attend. John Armitt (JA) said he would be able to attend until 17:30pm.

ACTION: Secretariat to contact TfL with regards to an update on the Conference and circulate information to Commissioners.

5. May 14 Submissions

██████████ provided an update on Gatwick Airport's updated scheme. The full documentation is 3,200 pages long and the structure follows the appraisal framework. There were no surprises in the updated scheme proposal. Gatwick states that a second runway would cost significantly less than expansion at Heathrow and would be privately funded. It also states that a much lower delivery cost of £7.8 billion will not involve an additional cost to the taxpayer and will maintain charges to airlines at a competitive level. The key points in the strategic argument and predicted ATMs etc. were covered in Gatwick's two page summary which was distributed to the Commissioners at the meeting. Commissioners asked the Secretariat to consider if current surface access can meet the predicted increased demand.

██████████ provided an update on HAL's (Heathrow Airport Ltd) updated proposal. The update was mainly as expected, with two main new developments: Heathrow's suggestion of a congestion charge for those travelling to the airport in private vehicles and details on the compensation scheme. Heathrow focus on the arguments for concentrating new capacity at a single hub, arguing that this could create over 100,000 new jobs across the UK, and connect the UK regions to new global markets. Costs are estimated at £15.6 bn with a contribution of £1.9 bn to the required surface access work. They have considered three different noise scenarios.

██████████ provided an update on Heathrow Hub's updated scheme proposal. Heathrow Hub's proposal has less detail than the others and the Secretariat are awaiting the cost and commercial section. Their strategic case is also focused on the importance of a hub to the UK and the submission argues that the Heathrow Hub scheme would have lower environmental and community impacts than HAL's proposed runway. The station hub is a central part of the scheme, which it is argued would spread the economic benefits effectively. The Commission noted the different

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patents claimed for extending a runway but agreed it is not a Commission matter, beyond being aware of any delivery risks it might create.

It was noted that only Heathrow's proposal is in the public domain at present.

ACTION: Secretariat to send the updated scheme proposals to the Commissioners.

6. Appraisal Process

██████████ provided a table of project deliverables. He stated there are 60 deliverables to be completed in a 15 week timetable from May to August. There are two critical paths, the first being Airport Operations and Safety as this determines the timeline. The second is the Economic Analysis, which is highly reliant upon outputs from other modules.

Commissioners asked whether there was a dynamic approach to Air Quality (AQ). ██████████ explained that there are a number of ways to measure AQ. Defra figures state that AQ in the future will improve due to advanced technology, however it was noted that assessment must not be too optimistic. Improvement would be likely to rely on reduction in pollution from surface access by increasing the number of electric vehicles at and travelling to the airport.

Commissioners asked if the variables of future weather patterns change the impact. ██████████ said that the Secretariat was speaking with the Met Office regarding operational risks and this will be covered in the appraisals of options. This will include some level of sensitivity testing of potential optimisations.

Commissioners stressed the importance of considering the full impact point i.e. 2040 or 2050, and not just 2030, for relevant modules.

The Commissioners noted they needed to see the work of the consultants in a full but digestible form. They will consider if individual Commissioners should concentrate on specific areas of the work in full detail.

ACTION: Secretariat to have bilateral discussions with Commissioners to identify which specific areas are of interest to each.

7. Regional Discussion Paper

██████ and ██████ talked the Commission through the amendments made to the second draft of the discussion paper on regional airports and other airports in the South East. As requested by the Commission, the latest draft focussed more closely on the impacts of the recession on demand for domestic air services, and has posed questions about potential market consolidation and its impact on UK connectivity in the round. New analysis was also presented on the UK's regional airport situation in comparison with its EU neighbours, and on the financial pressures often felt by regional airports. A greater focus on business and general aviation traffic has been achieved in the sections on other South East airports.

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The Commission agreed that the paper was in good shape and that responsibility for clearing it for publication could now be delegated to the Chair. The planned publication date was Monday 9 June.

ACTION: The Commission requested that more information is included on the UK's Core Cities' connections to London. Comments in hard copy were given to [REDACTED] to consider.

ACTION: Chair of the Commission to review next draft and clear for publication.

8. Consultation Process

[REDACTED] talked through the updated slidepack. The presentation addressed three issues:

- The suite of products for the consultation
- Timing and handling for an announcement on the Estuary option
- Engagement before and during the consultation

The Commission discussed the issues around an Estuary announcement, stating there will be great media and political interest in the decision. The Commission agreed that a balanced approach to engagement would be appropriate.

- Publish decision documentation on website; issue press notice; Twitter; proactive media strategy for Chair (e.g. breakfast broadcasts at Millbank/Broadcasting House; pre-interview with national print)

If the decision is not to take the Estuary option forward an Autumn consultation will take place. A discussion was had on pre-consultation publicity and engagement and the risk that politicians will take a view prior to a general election. The Commission agreed that a balanced approach to engagement would be appropriate.

- Secretariat and Chair to proactively provide more clarity in meetings with stakeholders on consultation timing, format/objectives and plans for public engagement. More detail on timing and format of consultation in press lines to take. Use social media (Twitter) to publicise timing and format of consultation & developing plans for evidence sessions with wider public from late June

It is proposed that (in the event that a decision is made not to proceed with an Estuary option) 20th October, following the 14th October Commission meeting, is the date for the Consultation launch. A 10-12 week consultation was envisaged. The Commission agreed that a balanced approach to engagement would be appropriate for the Consultation launch.

- Publish consultation documentation on website; issue press notice; Twitter; proactive media strategy for Chair (e.g. breakfast broadcasts at Millbank/Broadcasting House, pre-interview with national print)

During the Consultation process, in order to promote open and transparent engagement, and to fulfil the existing expectation for public events, the Commission

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agreed to a balanced approach with public hearing sessions within the areas of Gatwick and Heathrow.

- No large set piece events but a programme of Chair and secretariat stakeholder briefings and meetings to promote consultation, 2/3 Commissioner public hearing sessions (on 2 days from 11 & 12 Nov; 3 & 16Dec) and Parliamentary briefing

If the decision is to take forward an inner Estuary option then the Consultation will not take place until early 2015 and a similar approach to engagement will occur.

The Commission stated that the consultation process would be a sensitive issue, and asked the Secretariat to ensure the approach was broadly consistent, whichever decision is taken on the Estuary, and to ensure a reasonable opportunity for respondents to give their views.

9. Inner Estuary

██████████ presented the process going forward including the decision products and an update on the projects. The closing date for the call for evidence on the Inner Estuary is Friday 23rd May. To date there have been around 100 responses. All the technical responses will be published alongside a summary of the non-technical responses, mainly from local residents. The four reports will be published after 8 July to allow the public to comment on them but the reports themselves will be final. The Secretariat was asked to consider whether the reports could be published as and when each one is completed.

To continue to follow the same Phase 1 process the Secretariat were asked to update the sift templates in respect of the four areas previously identified by the Commission as forming the subject-matter of further investigation, if new and better information emerges. Additional information on the areas identified for further study will also be considered by the Commission, alongside any updated templates, in reaching its decision.

There will not be an emerging thinking paper or speech when the studies are published.

Note: Julia King left at 12.40pm.

With reference to the note sent to the Commission prior to the meeting ██████ asked the Commissioners to give a steer on which surface access package should be taken forward for high-level appraisal. There were four options:

- a. **Option 1** – utilises planned HS1 and Crossrail lines. New extensions needed off HS1 to Grain, southern extension to Crossrail, a new shuttle service from Grays and a new shuttle service from Strood;
- b. **Option 2** – in addition to proposals in option 1, utilises existing Waterloo stopping service to Kent, with a new extension of this line to Grain;
- c. **Option 3** – in addition to proposals in option 2, extends Crossrail north and through Essex, introducing a new tunnel similar to the Metrotidal Tunnel concept;

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- d. **Option 4** – in addition to proposals in option 3, includes a new Airport Express service from London Bridge through the city to Grain. This option is most similar to the phase one package, except the phase one package did not include the northern extension to Crossrail.

The Commission considered the four options put to them and agreed that two options should be taken forward for study: i) a version of option 4 without the northern Crossrail extension; and ii) option 3 (i.e. with the Crossrail northern extension, but without a new high speed line).

ACTION: The Secretariat to take forward options 3 and 4 as agreed by the Commission.

10.AOB

None.