



2 February 2015

Sir Howard Davies
Airports Commission Consultation
Freepost RTKX-USUC-CXAS
PO Box 1492
Woking
GU22 2QR

Dear Sir Howard,

Coast to Capital LEP's Response to the Davies Airports Commission

Coast to Capital LEP would like to thank the Commission for the opportunity to respond to its consultation on the shortlisted options. Our response is summarised below with an attached Annex 1, providing specific responses to the questions posed in the consultation document.

Coast to Capital LEP is a business-led partnership between the private sector and public authorities with the responsibility for driving long term growth. We were established by the present Government in 2010. The Coast to Capital region includes Brighton and Hove, Lewes, the London Borough of Croydon, the Gatwick Diamond, West Sussex and the eastern part of Surrey.

The vision of Coast to Capital is straightforward and exciting, to create over 100,000 jobs in 25 years. To do this, it places international growth and entrepreneurship at its very heart. Our aim is to transform business and economic performance so that our region can compete in any international marketplace. Coast to Capital aims to develop an economy that is trade-led with a business community that is outward looking, investment focused and driven by the need to be innovative. It will have a skilled workforce delivering high value added and knowledge-driven products and services. The role of Gatwick Airport is integral to the development of our key economic priorities.

Coast to Capital believes that Gatwick is the best overall choice for the site of the new runway capacity in the South East. Gatwick is the most cost effective proposition to meet future demand for air travel and to provide the connectivity that London, the South East, and the UK needs, and, we remain of the view that Gatwick can meet those needs sooner than either of the other options.

London is the best connected city in the world but this position and the advantages that it brings, will remain under constant threat until the current capacity issues in the London airport system are addressed. As an organisation charged with the creation of jobs and the removal of the barriers to such creation, Coast to Capital sees the new capacity at Gatwick as integral to the success of both the national and regional economy.

This century has seen constant evolution and liberalisation of the aviation sector. Passengers are already seeing the benefits of this change through a wider range of airline business models, routes, fares and other innovations emerging from London's airports. This is characterised by growth in the choice of airport for flights to diverse destinations and a continuous improvement in air connectivity for London and the rest of the UK.

This must continue if the UK economy is to continue its pre-eminent position in the financial services sector and if it is to make the most of innovation and development in new technology areas. The Government is investing heavily in the development of technology start-ups in Gatwick's catchment area and the airport and the routes it offers are an important part of the attractiveness to new businesses in the Coast to Capital region which helps to sustain those businesses in their infancy.

The heart of the evolution of the London airport market has been the growth in competition between airports, which we believe, is healthy. Like all competition it benefits the consumer and in this case means more choice of air routes, closer to home and at a lower price. These are all factors that are critical to the businesses in our region. Coast to Capital believes that without the development of Gatwick, this competition will only shrink and the cost of travel for our region's businesses increase.

This cost to business is only one direct impact that leads us to favour the development of Gatwick over Heathrow. There are however a number of factors that make Gatwick the lower cost and better option. Gatwick requires far less supporting external infrastructure and will be far less disrupting in its delivery, meaning lower direct costs for the Exchequer and much lower costs to existing business through disruption.

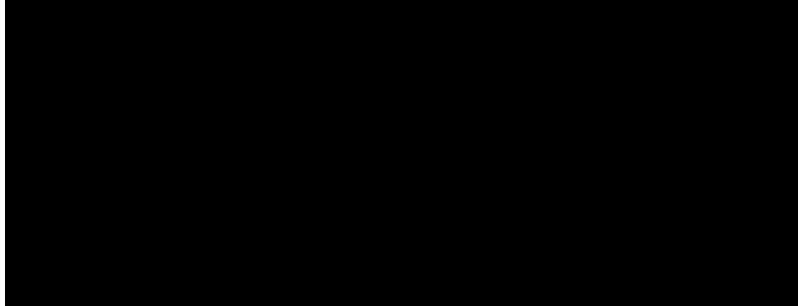
A new runway at Gatwick will also be delivered faster, allowing benefits to stream through to UK PLC far quicker than similar development at Heathrow.

The argument around costs also extends to the impacts caused by aircraft noise. Whatever the changes in aircraft technology in the coming years, the simple facts of geography will mean that a larger Gatwick affects fewer people than an expanded Heathrow. There will be an undoubted environmental cost of runway development but we believe that if the economic benefits of a new runway are to be realised, then the fairest way to do this is to affect the least number of people. There are clear lessons to be learnt from the recent London airspace trials and these must be incorporated into any development consent process at either airport if the impacts of new capacity are to be managed fairly.

Coast to Capital is at the heart of delivering growth in the region surrounding Gatwick airport. We are a clear voice for business in that area and we will work with all our local partners in both the public and private sector to ensure that the benefits of a new second runway will be shared across our region, not just in the immediate environs of the airport.

Coast to Capital believes that Gatwick is the right choice, not simply for our region but also for the UK economy as a whole.

Yours sincerely,



Att

Annex 1

Consultation response

We would like to commend the Commission for its work to date. The Commission's analysis and conclusions have been both comprehensive and professional. The Gatwick/Heathrow decision is one of the most challenging and divisive questions that the UK faces. It is also a decision that we must get right. We are very grateful to the Commission for the transparent and equitable way that it has conducted its work.

The consultation asks for the conclusions that we draw in respect of the three short-listed options. We believe that it is important to view the remaining options in the context of the recommendations that the Commission have already made.

Firstly, we would agree that there is a case for at least one net additional runway in London and the South East by 2030, and that there may be a case for a further additional runway by 2050. Heathrow is the world's busiest two runway airport. Gatwick is the world's busiest one runway airport. The UK's economic prosperity could be severely damaged if we do not provide further runway capacity.

Secondly, we fully agree with your assessment that the only feasible options are to expand either Heathrow or Gatwick. Whilst we should make every effort to maximise the use of high speed rail, it is not a replacement for additional airport capacity. A new airport in the Thames Estuary would be considerably more expensive and require substantial surface access improvements. We therefore think that the Commission is right to focus on Heathrow and Gatwick.

The Commission is also right to place a large emphasis on resilience and flexibility. We do not know how the aviation market will develop in the next 20 to 30 years. The UK would be best served by a two airport model which would cater for a range of scenarios. There is significant risk in concentrating all the South East's growth in capacity in one site.

The question which then remains is whether the additional immediate capacity should be provided at Heathrow or Gatwick.

We believe that the decision should take account of capacity, cost, timescale and the impact on people's lives and the environment.

The Commission's analysis shows that all three remaining options would provide sufficient capacity to meet the assessment of need for new capacity by 2030 (paragraphs 3.11, 3.61, 3.116).

The Commission estimates that an additional runway at Gatwick would cost up to £9.3 billion (paragraph 3.39), compared with £13.5 billion (paragraph 3.92) for the Heathrow Extended Northern Runway scheme and £18.6 billion (paragraph 3.143) for the Heathrow North West Runway scheme.

The Gatwick scheme is the cheapest in both total cost and cost per Air Transport Movement. It is also the only option that can be delivered without financial support from the Government.

All three runways could be delivered to similar timescales – 2025 for Gatwick and 2026 for the two Heathrow options although, intuitively, the scale of challenge at Heathrow leads us to believe that in reality Gatwick will be faster to deliver in terms of development consent and infrastructure delivery.

It is clear that the Gatwick expansion would cause far less impact to people's lives and the environment than either of the two Heathrow options. The number of people affected by noise from Gatwick is predicted to be in the thousands or tens of thousands. In the most extreme scenario, around 36,000 would be affected by noise at Gatwick (figure 3.3).

By contrast, the Heathrow options would affect hundreds of thousands of people. In the most extreme examples, more than 900,000 people would be affected by noise with the Extended Northern Runway scheme and more than 800,000 people with the North West Runway option.

The Commission's analysis shows that Heathrow expansion would affect more than 20 times more people than an additional runway at Gatwick. It is true that quieter aircraft might mitigate some of these impacts, but this would affect both airports equally.

Expansion at Gatwick Airport would therefore meet the Commission's forecast need for capacity by 2030. It is by far the cheapest, quickest and least environmentally damaging option.

Coast to Capital can understand local concerns about the expansion of Gatwick airport. But viewed in the context of the national interest and the considerably more damaging effects of expanding Heathrow, we believe that Gatwick is the only sensible choice.

For these reasons, Coast to Capital Local Enterprise Partnership wholeheartedly recommends the expansion of Gatwick Airport by the construction of a new wide spaced runway

The consultation document also asked if we had suggestions for how the short-listed options could be improved. Regardless of which airport is chosen for additional runway capacity, we believe there is a clear case for improvements to the transport infrastructure in the South East of England, in particular to improve road and rail journeys on East-West corridors to the South of London. This would include electrification of the North Downs line to aid journeys between the two airports, as well as improvements to road corridors such as the M25 and A27.

These improvements are needed now to cater for additional transport movements, and become more important when one or both of the airports grow.

We do not have comments on questions 2 to 8 of your consultation document. The Commission's analysis seems to be commendably thorough and even-handed.