

By email: airports.consultation@systra.com

Sir Howard Davies
Chairman
Airports Commission

Dear Sir Howard,

AIRPORTS COMMISSION CONSULTATION DOCUMENT: 11/2014

I am writing in my capacity as Chief Executive of London Luton Airport.

London Luton Airport Operations Ltd. (LLAOL) is the operator of London Luton Airport under the provisions of a concession agreement granted by the freehold owner of the site, London Luton Airport Limited (LLAL), which is a wholly owned subsidiary of Luton Borough Council.

On 23 June 2014, LLAOL was granted planning permission for works that will facilitate the growth of the airport from its current capacity of 12.4 million passengers a year to 18 million passengers per year.

LLAOL's shareholders (Aena, the world's largest airport operator and Ardian Infrastructure) have committed to invest £100M to fund the airport's expansion development over the next three years.

This investment will:

- Increase our passenger volume by 50%
- Fundamentally change the passenger experience
- Bring much needed additional capacity to the London system
- Create a new integrated transport hub that links UK travelers with continental Europe and a broader global network
- Boost economic activity through the creation of 5,000 new jobs
- Add a further £283 million to the local and regional economy

- Deliver greater choice for passengers through a combination of greater flight frequencies and new flight destinations
- Make the airport a “must use” destination for business and leisure travelers, without adding new runway capacity

In strategic terms London Luton Airport (LLA) plays a major role in meeting existing capacity needs in the London system and wider region. What is of greater importance is its considerable potential to meet capacity demands as the UK economy returns to a full growth trajectory.

Our response to the Airports Commission consultation exercise reflects the factors detailed above and the great potential that LLA has to serve the needs of aviation passengers from across the UK.

[REDACTED]
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**LONDON LUTON AIRPORT (LLA)
RESPONSE TO THE AIRPORTS COMMISSION CONSULTATION
DOCUMENT (NOVEMBER 2014)**

(i) Response to question areas

Q1: What conclusions, if any, do you draw in respect of the three short-listed options? In answering this question please take into account the Commission's consultation documents and any other information you consider relevant.

- None of the shortlisted options will provide a solution to the UK's short-medium term capacity requirements. An ultimate decision on a preferred option will inevitably be subject to further public scrutiny and a decision by Ministers in the 2015 – 2020 Parliament. Any actual development may then not be completed until 2030, adding to congestion and diminishing UK economic growth
- What matters most in this context is that a decision is taken regarding one of the proposed options. This will provide some degree of certainty over the number of available runways in the South East; more importantly it will stop the Heathrow/Gatwick debate from diminishing the role of developing airports such as LLA
- From our perspective it is the trajectory of decision making that remains most important, as opposed to which airport is preferred for runway expansion. Whichever option is ultimately chosen must be deliverable within a defined timetable and without unduly relying on public funds
- We believe that LLA provides a prescient example of how passenger capacity can be increased, over a deliverable period, without recourse to public funds or delays born out of historical controversy
- LLA's growth will additionally provide a means for air passengers from across the UK to access services; without entering the

heavily congested Greater London conurbation and further adding to its environmental challenges

- LLA will also enable new airlines to enter the South East aviation sector, without having to encounter the considerable barriers to entry caused by the lack of available slots at Heathrow or Gatwick for transfer or “point to point” carriers
- The fact is that by 2020 LLA will be serving an additional six millions passengers, while Heathrow/Gatwick remains the subject of fierce debate and with little prospect of new construction beginning in the foreseeable future

Q2: Do you have any suggestions for how the short-listed options could be improved i.e. their benefits enhanced or negative impacts mitigated?

- The issue is not one of focusing on notionally “preferred options”, but instead focusing on the broader South East runway configuration
- Policy makers must look at a six runway schematic that takes account of capacity at London Luton, Heathrow, Gatwick, Stansted and City Airports. This change in emphasis to deliver an integrated but competitive system benefits passengers, carriers and the entire supply chain community supporting South Eastern airports
- This perceptual change would enable an incoming Government to plan for what is deliverable i.e. within the current runway configuration, as opposed to what might be i.e. if an additional runway is added at Heathrow or Gatwick. Decisions on transport planning and investment could be made in this context and with the added benefit of knowing that business and leisure travelers would see real benefits
- In the context of LLA this should ideally result in a new Government, without an undue focus on Heathrow/Gatwick, considering how partnership investment could:

- Provide a dedicated rail express service linking London and the Airport with English towns and cities in the North/Midlands, via a revised East Midlands Train franchise
 - Deliver a light rail system to improve passenger transit from Luton Parkway Railway Station to the passenger terminal; replacing an outmoded bus service
 - Ultimately enable millions of passengers to enjoy the benefits of an integrated transport hub, encompassing air/road/rail travel within the UK and beyond
- The greatest benefits will ultimately arise from Heathrow/Gatwick not being allowed to “crowd out” strategic transport planning by national/local authorities during the 2015 -2020 Parliament

Q3: Do you have any comments on how the Commission has carried out its appraisal?

- We believe that the Commission has fairly carried out its appraisal within the context originally set
- In ideal circumstances the Commission should have been “re-aligned” to consider South East capacity requirements on a strategic basis i.e. focusing on the totality of runways as opposed to two historical options

Q4. In your view are there any relevant factors that have not been fully addressed by the Commission to date?

- We have detailed the relevant factors, not fully addressed by the Commission, in our answers to Q1/Q2/Q3 above

Q5: Do you have any comments on how the Commission has carried out its appraisal of specific topics (as defined by the Commissions 16 appraisal modules), including methodology and results?

- These are detailed in our answers to Q1/Q2/Q3 above

Q6: Do you have any comments on the Commission's sustainability assessments, including methodology and results?

- These are detailed in our answers to Q1/Q2/Q3 above

Q7: Do you have any comments on the Commission's business cases, including methodology and results?

- These are detailed in our answers to Q1/Q2/Q3 above

Q8: Do you have any other comments?

- We believe that the Airports Commission should, within an enhanced timetable, publish its conclusions over a preferred option
- Any undue delays would reduce the potential for new Ministers to act decisively over the issues of South East runway capacity and add further uncertainty to communities in West London, South London, Sussex and Kent
- Regardless of which option is chosen we would recommend that the Commission hosts a conference of South East Airport "industry leaders" who could produce an enhancement plan that would:
 - Establish immediate investment/infrastructure needs during the 2015 -2020 Parliament and how passengers would benefit from these needs being met
 - Produce a report for incoming Ministers that detailed these needs with an action plan for policy makers and investors
 - Deliver a strategic roadmap for aviation service development in the absence of new runway capacity at Heathrow/Gatwick over the course of the coming decade