

From: David Brazier, Cabinet Member – Transport & Environment

Mike Austerberry, Corporate Director – Enterprise & Environment

To: Environment, Highways and Waste Cabinet Committee – 19 June 2013

Decision No:

Subject: Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term in line with 'Bold Steps for Aviation'

Classification: Unrestricted

Past Pathway of Paper: Cabinet Member for Environment, Highways and Waste - approval of the approach for submissions to the Airports Commission.

Future Pathway of Paper: Cabinet Member for Transport and Environment for decision at Cabinet on 15 July 2013 to approve Kent County Council's submission to the Airports Commission.

Electoral Division: Countywide

Summary:

Cabinet Committee is asked to consider and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term, prior to further discussion at Cabinet on 15 July 2013. The content of the proposed submission is in line with Kent County Council's discussion document 'Bold Steps for Aviation' and includes proposals for expansion of some existing airports, better utilisation of regional airports, improved accessibility to airports by rail and reform of Air Passenger Duty; as an alternative to a new hub airport in the Thames Estuary, which is strongly opposed.

Recommendation(s):

The Environment, Highways and Waste Cabinet Committee is asked to consider and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term, prior to further discussion at Cabinet on 15 July 2013.

1. Introduction

1.1 This report sets out an overview of the proposed content of Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term.

- 1.2 Kent County Council's submission to the Airports Commission will be considered at Cabinet on 15 July 2013 and submitted to the Airports Commission by 19 July 2013 deadline.
- 1.3 The submission will meet the technical requirements of the Airports Commission's Guidance Documents and will be in line with the principles of Kent County Council's discussion document 'Bold Steps for Aviation' (May 2012 with revisions July 2012).
- 1.4 Cabinet Committee is asked to consider the principles of the proposed submission to the Airports Commission for providing additional airport capacity in the longer term as outlined in this report; and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of this submission, prior to further discussion at Cabinet on 15 July 2013.

2. Financial Implications

- 2.1 N/A

3. Bold Steps for Kent and Policy Framework

- 3.1 The proposed submission links with the 'Bold Steps for Kent' theme of helping the Kent economy to grow. 'Bold Steps for Transport' in 'Bold Steps for Kent: progress to date and next steps' (December 2012) states that we will explore options to deliver radical transport solutions for East Kent to support vital regeneration through robustly opposing the proposals for a new hub airport in the Thames Estuary by producing 'Bold Steps for Aviation'. This clearly sets out the position that maximising use of existing regional airport capacity, such as Manston (Kent's International) Airport; along with some airport expansion will cater for the UK's growing demand for aviation.

4. Background and Previous Submissions to the Airports Commission

- 4.1 The Airports Commission chaired by Sir Howard Davies will report to Government on short and medium term options for how to make the best use of existing airport capacity in an interim report in December 2013. The interim report will also short list feasible options for long term solutions, if a need for additional airport capacity has been identified. These long term solutions will then be investigated further in 2014, with a final report and recommendation due by the summer of 2015. All non-viable long term options will be discarded from further consideration by the interim report in December 2013. The purpose of this report is to assist in shaping Kent County Council's submission to the Airports Commission on potential long term options.
- 4.2 The Airports Commission has published two guidance documents for submitting proposals for additional airport capacity (see section 8 'Background Documents'). The sift criteria for long term capacity options were produced from responses invited up to 15 March 2013 and Kent County Council provided technical comments at officer level by the Director of Planning and Environment to help inform these criteria in line with 'Bold Steps for Aviation'. Submissions to the Airports Commission must follow the technical criteria outlined in these guidance documents.
- 4.3 The Airports Commission also released a series of discussion papers and invited comments from stakeholders and interested parties to establish

whether there is a need for additional airport capacity; and the nature, scale and timing of that need. These include 'Aviation Demand Forecasting' (February 2013); 'Aviation Connectivity and the Economy' (March 2013); 'Aviation and Climate Change' (April 2013); and 'Airport Operational Models' (May 2013). Kent County Council through the Director of Planning and Environment has responded to each of these discussion papers with technical input in line with 'Bold Steps for Aviation'.

4.4 At the same time, the Airports Commission invited proposals for making the best use of **existing airport capacity** in the short and medium terms (next five to ten years) by 17 May 2013. Kent County Council responded through the Director of Planning and Environment with approval from the Cabinet Member for Transport and Environment with a submission that was in line with 'Bold Steps for Aviation'. It included recommending to the Airports Commission the following measures:

- correcting the UK's competitive disadvantage in regards to Air Passenger Duty (APD);
- allowing mixed mode operations at Heathrow Airport;
- reforming the existing slot allocation mechanism used at Heathrow;
- maximising runway capacity at Gatwick Airport;
- utilising existing spare capacity at Stansted and Luton airports;
- utilising spare capacity available at airports outside the South East, i.e. Birmingham Airport;
- facilitating growth at regional airports, including Southend, and Manston and Lydd airports in Kent;
- improving accessibility by rail to airports where there is spare capacity to accommodate air passenger growth;
- and conducting a full assessment of other financial and regulatory mechanisms to re-distribute air traffic to airports with spare capacity, including differential APD at un-congested airports.

5. Current Airports Commission Call for Proposals for Additional Airport Capacity in the Longer Term

5.1 The Airports Commission is currently inviting proposals for providing **additional airport capacity** in the longer term by 19 July 2013. Submissions need to follow the technical requirements specified in the two Airports Commission Guidance Documents.

5.2 It is proposed that in order to oppose the likely proposals for a new hub airport in the Thames Estuary, Kent County Council submits a proposal in line with 'Bold Steps for Aviation' for an alternative solution to a new airport in the Thames Estuary which includes the following:

- A second runway at Gatwick to be delivered soon after the 2019 planning agreement ends. Gatwick is approaching its capacity limit for a single runway airport (it is the busiest single runway airport in the world) and additional runway and terminal facilities in the 2020s will allow the airport to grow and compete as a hub airport with Heathrow and therefore provide increased long haul connectivity for the UK.
- A second runway at Stansted to be delivered when the need arises, most likely in the 2030s when all London airports (with their current capacity) are forecast to be full.
- Consideration of a second runway at Birmingham Airport if the need arises, as a way of relieving demand on the London airports, which may

become significant with the airport accessible from London within 38 minutes when High Speed 2 (HS2) opens in 2026.

- Better utilisation of regional airport capacity in the South East at Southend, Manston and Lydd airports in Kent, for point to point flights, complementing the main London airports that provide hub operations.
- Improved rail connectivity to airports to create an integrated air-rail transport system that facilitates sustainable surface access to the growing airports and provides the potential for better integration of the London/South East multi-airport system.
- Long term commitment to keep UK airports competitive with European airports in terms of Air Passenger Duty (APD) which currently has a negative impact on the UK's global connectivity and is therefore damaging UK business and tourism; especially to long haul and emerging economies as the UK loses out to its European competitors.

5.3 The submission is intended to be high level looking at the merits of a strategic approach to airport capacity. It is anticipated that individual airport operators will comprehensively assess all the factors outlined in the Airports Commission's Guidance Documents 01 and 02 for any proposed capacity increases at their individual airport sites. It is proposed that Kent County Council's submission presents a strategic solution to the problem as an alternative to proposals for a new hub airport in the Thames Estuary. Nevertheless, a certain level of technical understanding is required for submissions to the Airports Commission and this is currently being worked on by the Transport Strategy Delivery Team within Planning and Environment in time for the 19 July 2013 submission deadline.

5.4 Cabinet Committee is therefore asked to consider and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of Kent County Council's submission to the Airports Commission. The Airports Commission is specifically requesting proposals for providing additional airport capacity in the longer term. The suggested outline content of Kent County Council's submission is described in paragraph 5.2 above.

5.5 Following completion of the technical submissions to the Airports Commission, a revised and updated 'Bold Steps for Aviation' discussion document will be produced which summarises Kent County Council's position in the aviation debate. This will be brought to Cabinet Committee at a later date.

6. Conclusions

6.1 Cabinet Committee is asked to consider and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term prior to further discussion at Cabinet on 15 July 2013. The content of the proposed submission is in line with Kent County Council's discussion document 'Bold Steps for Aviation' and includes proposals for expansion of some existing airports, better utilisation of regional airports and improved accessibility to airports by rail; as an alternative to a new hub airport in the Thames Estuary, which is strongly opposed. Specific proposals are outlined in paragraph 5.2 above.

7. Recommendation(s)

Recommendation(s):

The Environment, Highways and Waste Cabinet Committee is asked to consider and make recommendations to the Cabinet Member for Transport and Environment on the proposed content of Kent County Council's submission to the Airports Commission on proposals for providing additional airport capacity in the longer term, prior to further discussion at Cabinet on 15 July 2013.

8. Background Documents

Bold Steps for Aviation, Discussion Document, Kent County Council, May 2012 with revisions July 2012

<https://shareweb.kent.gov.uk/Documents/News/Bold%20Steps%20for%20Aviation%20May%202012.pdf>

Guidance Document 01: Submitting evidence and proposals to the Airports Commission, Airports Commission, February 2013

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/70285/submitting-evidence-airports-commission.pdf

Guidance Document 02: Long Term Capacity Options: Sift Criteria, Airports Commission, May 2013

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/193867/sift-criteria.pdf

9. Contact details

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