

Environment, Communities and Fire Select Committee**6 December 2018****Gatwick Airport Draft Master Plan 2018****Report by Executive Director Economy, Infrastructure and Environment****Summary**

Gatwick Airport Limited (GAL) are revising their non-statutory Gatwick Airport Master Plan, which sets out their vision about how the airport could develop and grow, balancing economic growth and environmental impact. The draft of the new Master Plan was published for comment on 18 October 2018 for 12 weeks until 10 January 2019.

The new Master Plan, which will replace the current 2012 Master Plan, sets out the plan for the next five years together with three growth scenarios looking 5-15 years ahead to 2032. The scenarios, which could be taken forward separately or in combination, are (a) to increase throughput using the existing main runway; (b) to bring the existing standby runway into routine use for departing flights only alongside the main runway; and (c) to continue to safeguard land for an additional runway to the south (while not actively pursuing one at this stage).

GAL consider that their proposals are in line with the Government's policy support for making best use of existing runways and that they will deliver highly-productive, incremental new capacity with minimal environmental impact, to complement expansion schemes at other airports across the South East (including a third runway at Heathrow).

The Cabinet Member for Highways and Infrastructure will be asked to approve the County Council's response to the consultation in early January 2019.

The focus for scrutiny

It is suggested that Members consider:

- the key matters in the draft Master Plan (Section 2);
- the key issues for the County Council to consider in relation to the draft Master Plan and growth at Gatwick (Section 3); and
- the suggestions in Section 4 about how the County Council should respond to the consultation. In particular, Members should consider the options relating to the Existing Standby Runway and the Safeguarded Additional Runway to the South scenarios.

Proposal

1. Background and Context

- 1.1 In January 2015, after a Notice of Motion debate, the County Council agreed that it is opposed to a new runway to expand Gatwick Airport because *"the environmental damage is without question, whereas the economic benefit is unproven and may well be negative"*. This was in response to the Airports Commission's consultation on the shortlisted options for future airport capacity, which included a second runway at Gatwick and two options for a third runway at Heathrow.
- 1.2 In October 2016, the Government announced that it supported the provision of additional airport capacity in the South East at Heathrow; this was in line with the recommendation made by the Airports Commission. Subsequently, the Airports National Policy Statement (NPS) was approved by Parliament in June 2018, effectively granting outline planning permission for a north-west runway at Heathrow Airport and allowing the planning process to move onto detailed work around scheme design.
- 1.3 In June 2018, alongside the publication of the NPS, the Government published a report on the future of UK aviation, *'Aviation Strategy: making the best use of existing runways'*, which sets out its policy support for airports (beyond Heathrow) *'making best use of their existing runways'*, subject to related economic and environmental considerations being considered.
- 1.4 In the light of revised aviation forecasts, the Government is preparing a National Aviation Strategy (NAS) that will address how to make best use of existing runways in the period to 2030 and, assuming that a third runway at Heathrow is delivered by 2030, it will also set out a long-term vision for the period to 2050. However, the NAS will not address the issue of new runways (as that was addressed by the Airports Commission). Consultation on the NAS is likely to commence through the publication of an Aviation Green Paper before the end of 2018. The NAS will then be finalised in 2019.
- 1.5 Against this background, Gatwick Airport Limited (GAL) consider that Gatwick will need to grow to meet future demand for air travel and to deliver global connections into the early 2030s. Accordingly, GAL are revising their non-statutory Gatwick Airport Master Plan, which sets out their vision about how the airport could develop and grow, balancing economic growth and environmental impact.
- 1.6 The draft of the new Master Plan was published by GAL for comment on 18 October 2018 for 12 weeks until 10 January 2019. The full draft Master Plan is available on GAL's [website](#). The Consultation Document is attached as Appendix A to this report. A number of questions have been posed by GAL as part of the consultation (see page 11 of the Consultation Document).
- 1.7 The new Master Plan, which will replace the current 2012 Master Plan, sets out the plan for the next five years together with three growth scenarios

looking 5-15 years ahead to 2032. The scenarios, which could be taken forward separately or in combination, are:

- to increase throughput using the existing main runway;
- to bring the existing standby runway (also known as the emergency or northern runway) into routine use for departing flights only alongside the main runway; and
- to continue to safeguard land for an additional runway to the south (while not actively pursuing one at this stage).

- 1.8 GAL consider that their proposals are in line with the Government's policy support for making best use of existing runways and that they will deliver highly-productive, incremental new capacity with minimal environmental impact, to complement expansion schemes at other airports across the South East (including a third runway at Heathrow).
- 1.9 The draft Master Plan also contains environmental information as well as information on economic and employment strategies and community engagement strategies.
- 1.10 The Cabinet Member for Highways and Infrastructure will be asked to approve the County Council's response to the consultation in early January 2019.
- 1.11 Following consideration of the consultation responses and the Aviation Green Paper, the new Master Plan will be finalised by GAL in 2019. GAL will also update the Airport Surface Access Strategy alongside the new Master Plan.

2. Draft Master Plan

- 2.1 The following section summarises the key matters within the draft Master Plan.

Gatwick Today

- 2.2 Gatwick is the busiest single-runway airport in the world serving over 200 destinations. It is the second largest airport in the UK by passenger volume and the seventh busiest airport in Europe with the twelfth largest long-haul network. Over 42% of passengers are from the South East with 6.7% from West Sussex.
- 2.3 The airport is accommodating significantly more flights and passengers than was previously thought possible. In the late 1970s, when the North Terminal was being planned, the maximum airport capacity was thought to be 25mppa and since 2000, estimates have suggested 40-45 million passengers to be the maximum potential. However, it is important to note that the throughput of the airport is not limited. In 2013, the Department for Transport (DfT) estimated that Gatwick would accommodate 34m passengers in 2017 and the DfT's 2017 forecast update projects that there will be 45m passengers by 2030.

- 2.4 However, the airport handled 45.7m passengers in 2017/18, almost 12m more than in 2012, and GAL consider that the airport has potential to continue growing.
- 2.5 The demand for air traffic has resulted in higher levels of traffic due to: (a) more passengers per flight, increasing from 140 in 2011/12 to 163 in 2017/18; (b) 'peak spreading', that is, making use of spare capacity in the traditionally quieter periods of the year; and (c) growth in peak runway throughput, increasing from 53 movements an hour (in 2012) to 55 an hour today.
- 2.6 There have also been major changes in the industry including the introduction of new generation long-haul aircraft and the introduction of low-cost long-haul services. The growth in long-haul flights, which accounted for 17% of passengers in 2017/18, has been mirrored by an increase in cargo volumes, with Gatwick handling over 100,000 tonnes in 2017/18 (an increase of 24% on the previous year).

Policy and Market Developments in the Aviation Industry

- 2.7 GAL expect the trend towards low-cost airlines to continue, including the recent extension of the low-cost model to long-haul destinations; low-cost airlines account for around 62% of the airport's throughput. They also anticipate the new generation aircraft (currently 3% of the fleet) will become the largest part of the fleet (86%) by 2032. As well as being more fuel efficient, they are also quieter than the previous generation. New routes, particularly to Asia, India and Africa, and increases in long-haul flights are also likely to be accompanied by increases in the volumes of freight handled at the airport.
- 2.8 Demand for air travel is forecast to continue growing. The DfT's most recent forecasts (October 2017) show demand for air travel in the UK rising from 267mppa in 2016 to 355mppa by 2030 and 435m in 2050 with a new runway at Heathrow. However, DfT calculate that the underlying, unconstrained demand is 495mppa by 2050.
- 2.9 Civil Aviation Authority (CAA) are preparing a co-ordinated strategy for the modernisation of UK airspace up to 2040. It is unlikely to be implemented before 2024 but it could help to address noise pollution, for example, by enabling aircraft to climb more steeply and continuously to their cruising altitudes.

Master Plan for the Next Five Years – 2018 to 2022

- 2.10 Gatwick handled over 280,000 air traffic movements (ATM) and 45.7 million passengers in 2017/18 through a combination of greater use of the airport in the off-peak periods, more intensive use of the runway at the peak periods, and a shift to larger aircraft and higher load factors.
- 2.11 GAL consider that the same factors (including increasing from 163 to 176 passengers per ATM between now and 2022) will enable the airport to grow over the next five years to handle 300,000 ATMs and 53mppa by 2022, increases of 20,000 ATMs (7.1%) and 7mppa (15.3%). To support that level

of growth, GAL plan to spend £1.11bn on capital infrastructure projects during that period, including the upgrade to the rail station.

- 2.12 In May 2018, GAL published the new Airport Surface Access Strategy (ASAS), which sets out a vision, targets and actions for sustainable access to and from Gatwick. Key targets include achieving 48% public transport share for airport passengers by 2022, a 40% rail mode share by 2022 (with the aim of 45% by 2030), and a 5% year on year increase in bus use by staff and passengers.

Growth Scenarios – Looking 5 to 15 Years Ahead

- 2.13 Assuming that Gatwick grows over the next five years to handle 300,000 ATMs and 53mppa by 2022, GAL have considered how the airport could meet demand for air travel in the medium and longer term, hence the identification of the three, not mutually exclusive, growth scenarios. GAL state that Gatwick could transition from one to another within the timeframes discussed in the draft Master Plan.
- 2.14 GAL's forecasts for the scenarios assume that the third runway at Heathrow opens in 2030 and that it will have a relatively minor adverse impact on traffic at Gatwick for a few years. They also assume that there are no changes to the levels of flying permitted during the night quota period and that new generation aircraft will replace the majority of the current fleet over the next 15 years.

Existing Main Runway Scenario

- 2.15 If the airport continues with the existing single runway operation, GAL consider that Gatwick could be processing up to 340,000 ATMs and 61mppa by 2032, increases of 40,000 ATMs (13.3%) and 8mppa (15.1%) from 2022. This level of throughput would be possible, in part, if new air traffic management technologies and processes allow some additional peak hour capacity to be released. Growth would also result from further increases in the average size of aircraft (from 176 to 180 passengers per ATM). The total tonnage of freight would increase from 102,000 in 2018 to 220,000 in 2032/33.
- 2.16 GAL suggest that most of the growth would be outside the current peak times and, therefore, that the need for additional infrastructure (beyond that planned to 2022) would be relatively modest. No details are provided about the scope or timing of a number of the indicative future investment projects identified in the draft Master Plan.
- 2.17 With regard to surface access, GAL consider that if sustainable transport mode share targets are achieved, alongside delivery of proposed improvements to the North and South Terminal roundabouts over the next five years and the M23 Smart Motorway improvements, the road network could accommodate growth at Gatwick up to 60mppa without significant deterioration in highway performance. GAL also suggest that the upgraded rail station will be able to accommodate demand, even allowing for an increase in rail share to around 45%.

- 2.18 With the introduction of quieter aircraft, GAL consider that Gatwick's noise footprint would continue to reduce despite an increase in aircraft movements (see also paragraphs 2.35-2.39).
- 2.19 It should be noted that this scenario would not require any approvals or permissions under the planning system.

Existing Standby Runway Scenario

- 2.20 At present, the standby runway is only used when the main runway is temporarily closed for maintenance or in emergencies. GAL consider that a higher level of growth at Gatwick would be possible by bringing the standby runway into regular use (for departing flights only).
- 2.21 A 1979 legal agreement between the County Council and BAA, the owners of Gatwick at that time, precludes the simultaneous use of both runways. Although this agreement expires in August 2019, the routine use of the standby runway is also prevented under a 1979 planning permission. Therefore, if GAL decide to take the Existing Standby Runway scheme forward, it would be a Nationally Significant Infrastructure Project (NSIP) and permission would need to be obtained from the Secretary of State through the Development Consent Order (DCO) process.
- 2.22 The County Council would be a statutory consultee in the DCO process, which would probably start in 2019 with formal consultations by GAL based on "a more complete understanding of the implications than is available at this stage" (paragraph 11). Submission of a formal DCO application would probably follow in 2020 and if consent is subsequently granted, GAL consider that the standby runway could be brought into use alongside the main runway in the mid-2020s.
- 2.23 GAL suggest that bringing the Existing Standby Runway into routine use for departing flights only would add between 10 and 15 additional ATMs in the peak hours, which would result in the airport handling up to 390,000 ATMs and 70 million passengers by 2032. The total tonnage of freight would increase from 102,000 in 2018 to 325,000 in 2032/33. It should be noted that the increase in throughput is relatively modest because the two existing runways are in close proximity and it would be much less than could be achieved by a full additional runway (as was considered by the Airports Commission).
- 2.24 Importantly, it should be noted that the suggested increase of 90,000 ATMs (30.0%) and 17mppa (32.1%) from 2022 to 2032 only relate to the 'Existing Standby Runway' scenario and they do not include the projected increases of 40,000 ATMs and 8mppa under the 'Existing Main Runway' scenario. Therefore, if both scenarios were to come forward, the total throughput of the airport is expected to be 430,000 ATMs and 78mppa, increases of 130,000 ATMs (43.3%) and 25mppa (47.2%) from 2022.
- 2.25 Although they have not completed all the technical studies, GAL expect that the development would stay within the airport's existing footprint and the airport would remain a two-terminal operation. Also, although they consider that the airfield would need some reconfiguration and that some additional

support infrastructure would be required, they state that the scale of change would not be as great as that associated with the full additional runway scheme previously submitted to the Airports Commission.

- 2.26 With regard to surface access, although GAL acknowledge that the road network would require some further upgrades, most likely to the roundabouts serving the North and South Terminals, no details are provided. The 'optimum highway solution' would be identified through further modelling and through discussion with Highways England and the Local Highway Authorities, including the County Council.
- 2.27 With regard to rail, GAL state that the capacity of services to and from Gatwick has more than doubled in the last five years, providing adequate capacity to increase rail share. This has been achieved through the infrastructure and service improvements associated with the Thameslink programme and a programme of rolling stock replacement on Thameslink and Gatwick Express. With the delivery of the rail station upgrade, GAL consider that there will be no constraints to growth in rail demand to 2032.
- 2.28 A detailed Transport Assessment, identifying surface access improvements, would support any future DCO application.
- 2.29 GAL's initial work suggests that aircraft noise generated by the scheme would be broadly similar to today's level and that there would be no breach of air quality limits in the local area (see also paragraphs 2.35-2.39).

Safeguarded Additional Runway to the South Scenario

- 2.30 Even with the development of a third runway at Heathrow, GAL consider that it is the national interest that land for an additional runway should continue to be safeguarded to meet longer-term demand growth. This is because they believe that capacity constraints at UK airports will be apparent by 2030 and in subsequent years.
- 2.31 GAL consider that an additional runway could be delivered within approximately ten years of starting the planning process and that it would add 40-50 movements per hour to enable Gatwick to handle up to 98mppa within 20 or 25 years from opening the runway, an increase of 20mppa (25.6%) from 2032. The draft Master Plan does not suggest what this would mean for air traffic movements but it could be an additional 112,000 ATM (based on 180 passengers per ATM).
- 2.32 It should be noted that these figures assume that the 'Existing Main Runway' and the 'Existing Standby Runway' scenarios have already been implemented to deliver additional capacity at the airport. Therefore, if all three scenarios come forward, the total increase would be 45mppa (84.9%) from 2022.
- 2.33 GAL accept that delivery of an additional runway is a much higher capacity scheme, requiring more significant changes to the airport and surrounding roads and with increased environmental impacts. Accordingly, given the Government's support for expansion at Heathrow, in publishing the draft Master Plan, GAL are signalling a change of approach because they are not actively pursuing the scheme at this time.

Environmental Strategies

- 2.34 GAL plan to continue the approaches identified in their Sustainability Strategy to drive efficiency improvements and reduce Gatwick's environmental footprint.
- 2.35 With regard to the key issue of noise, Gatwick's noise footprint reduced sharply from the late 1980s to the early 2000s due to the introduction of significantly quieter aircraft. Since then the overall trend has been for a gradual reduction in the contour area despite an increase in annual aircraft movements. GAL expect the 2022 noise footprint, in terms of population within the contours, to be smaller than in 2017, with the shift to quieter aircraft off-setting the increase in movements.
- 2.36 With regard to the Existing Main Runway scenario from 2022 onwards, GAL expect noise levels to reduce by 2028 with a downward trend generally continuing through to 2032 due to the introduction of quieter 'new generation' aircraft.
- 2.37 With regard to the Existing Standby Runway scenario, GAL have not completed a full assessment of the environmental impacts. However, they expect that the number of people affected by day-time noise in 2028 and 2032 to be broadly comparable to today; this is because the increase in flights would be by quieter aircraft, resulting in little overall change in the number of people living within each noise contour.
- 2.38 GAL consider that there would be a more apparent reduction in night-time noise because they assume that there would be no traffic growth in the night quota period and, therefore, the positive impact of quieter aircraft types would be more pronounced.
- 2.39 If the Existing Standby Runway scheme is taken forward, GAL would prepare a full Environmental Impact Assessment (EIA) to support the DCO application. At this stage, however, GAL have not completed enough work to establish the impacts of the scheme or the appropriate mitigation measures.

Economic and Employment Strategies

- 2.40 GAL calculate that Gatwick contributes £4.1bn to the UK economy, with net economic benefit to the Gatwick Diamond area of £1.44bn in 2017 with a further welfare net benefit, including shorter travel times for workers and residents, of £30m. The airport supports 71,000 jobs in the UK, of which 43,000 are in the Gatwick Diamond area (with 24,000 located at the airport itself).
- 2.41 Under the Existing Main Runway scenario, GAL calculate that the benefit (in Gross Value Added) to the UK economy would be £5.06bn, with net economic benefit to the Gatwick Diamond area of £1.71bn in 2028 and the further welfare net benefit increasing to £44m. Total employment generated by the airport would be 79,000 jobs.

- 2.42 With the implementation of both the Existing Main Runway and Existing Standby Runway scenarios, GAL's preliminary analysis suggests that the total benefit to the UK would be £5.79bn, with net economic benefits to the Gatwick Diamond area increasing to £1.9bn in 2028 and wider welfare benefits increasing to £60m. Total employment generated by the airport would be 91,000 jobs.
- 2.43 If the Existing Standby Runway scheme is taken forward, GAL would prepare a more detailed assessment of economic benefits to support the DCO application.

Community Engagement Strategies

- 2.44 GAL plan to continue their current approach to community engagement including, for example in relation to noise, through the consultative committee (GATCOM), the Noise Management Board, the Noise and Track Monitoring Advisory Group (NaTMAG), and meeting and briefing events.

3. Key Issues

- 3.1 The following section summarises the key issues for the County Council to consider in relation to the draft Master Plan and growth at Gatwick.

General

- 3.2 It should be noted that the only fully worked-up element of the draft Master Plan is for the first five years, 2018 to 2022. In effect, it is 'business as usual' based on GAL doing more with the existing main runway and taking forward their current capital investment programme and approaches to sustainability, etc.
- 3.3 With regard to the scenarios for the 5-15 years period (2022-2032), GAL are only setting out ideas or concepts based on initial technical work. It should be noted that, before the publication of the draft Master Plan, there were no formal discussions with the County Council about the scenarios or the work undertaken to date by GAL. The Master Plan is short on detail about how the scenarios might be taken forward, their likely impacts, and about how adverse direct and indirect impacts would be addressed, including through appropriate mitigation measures. Therefore, it is a very different from four years ago when the Airports Commission were considering the merits of GAL's detailed plans for a full second runway to the south.
- 3.4 GAL are clear that further technical work is required, especially if the Existing Standby Runway scheme is taken forward as a NSIP. If a DCO application is made, the County Council will be a statutory consultee in that process and it will need to formally respond at that time and, as required, to appear at an examination to present its case (before the final decision is made by the Secretary of State).
- 3.5 Accordingly, the County Council is not in a position to comment on the merits or demerits of much of what GAL are proposing because their ideas are not fully-formed and no evidence has been provided in support of the draft Master Plan. Furthermore, until GAL undertake and share the necessary

technical work that is required, it is not possible for the County Council to understand the likely impacts of each scenarios and to identify what mitigation may be required, over and above that generally suggested by GAL in the draft document.

- 3.6 Therefore, in the absence of any details in the draft Master Plan about the scenarios, it is suggested that, other than in relation to GAL's plans for the first five years, the County Council only responds to the consultation on those matters in general terms.

Passenger Forecasts

- 3.7 As identified at paragraphs 2.3 and 2.4, passenger demand forecasts have previously underestimated the rates of growth at Gatwick. With the exception of Heathrow, all other major UK airports are growing at a faster rate than Gatwick.
- 3.8 It is unclear whether there is any evidence for the forecast increase in the number of movements of 10-15 per hour in relation to the Existing Standby Runway scenario. This is only an 18-27% increase on the current number of air traffic movements (55 per hour). Therefore, it may prove to be an underestimate and if so, passenger growth could exceed forecasts.
- 3.9 Furthermore, forecasts assume that the number of passengers per ATM reach around 180 in the mid-2020s and remain static thereafter. However, this does not appear to be evidence-based and it is not consistent with recent trends and is also unlikely given the commercial case for increasing load factors.
- 3.10 Accordingly, it is suggested that GAL's forecasts about future throughput under the scenarios, are considered to be one possible future outcome, the accuracy of which depends on the veracity of the various assumptions. Actual throughput may exceed these forecasts and it would be advisable for GAL to consider other possible future forecasts to ensure that all potential outcomes are understood and can be planned for.

Economic Impacts

- 3.11 Growth at Gatwick could result in economic benefits and the creation of jobs in four main ways: directly through jobs at the airport, indirectly through airport-related activity off the airport; induced activity, that is, jobs created by the direct and indirect workforce through the purchase of goods and services in the local economy; and catalytic employment, that is, job creation through companies, due to the presence of Gatwick, choosing to locate or invest within a wide area around the airport and growth through businesses choosing to start, locate or invest within a wide area around the airport due to its presence, including in the visitor economy.
- 3.12 In 2016, GAL established the Gatwick Growth Board (GGB) to provide an independent consideration of the wider economic and social impacts of recent and future growth on the local area, the South East region and on the economy of the UK as a whole. The Board considered the general economic impact of Gatwick Airport (set out earlier in the report), and the more

specific impact on the visitor economy (with an estimated 5.5m of the 45.5m passengers in 2017 being inbound visits to the UK by overseas visitors, with 11.5% staying in the Coast to Capital area) and on trade and investment (with £7.5 billion of international goods passing through Gatwick in 2017 in trade that supported 113,800 UK jobs).

- 3.13 The Gatwick Diamond Initiatives 'Economic Geography of the Gatwick Diamond' report (2017) by Centre for Cities highlighted current economic performance and key considerations around future growth (the Gatwick Diamond includes Crawley Borough, Horsham District and Mid Sussex District in West Sussex, and parts of Surrey). The report highlighted that the economy is generally performing strongly, with Crawley having the most jobs led by large concentrations in the Manor Royal business district and neighbouring Gatwick Airport.
- 3.14 In order to support future growth, including through potential airport growth, the report particularly highlighted: the role of urban and town centres; attracting investment in higher-skilled jobs; ensuring there is high-quality business space to meet business needs; a sufficient supply of new homes to help manage the affordability challenge, while noting the planning constraints; and an adequate supply of workers, including through encouraging a greater proportion of Gatwick Diamond residents to work closer to home.
- 3.15 The current and potential role of Gatwick Airport in supporting the economy of West Sussex has been highlighted in the County Council's Economic Growth Plan (EGP) 2018-2023, adopted in June 2018. The EGP, which is a key plan to achieve the West Sussex Plan's 'prosperous place' outcomes, highlights how the County is not fully capitalising on the airport, its international connectedness, and its role in attracting industries that see it as an advantage.
- 3.16 Key considerations largely reflect those in the Gatwick Diamond Initiative's report, including the need for a clear proposition for businesses to start, locate, invest or grow in the area; for additional business space to meet the needs of higher-value companies that could be attracted to being close to an international airport; for innovation centres and clusters to help stimulate the knowledge economy; for supporting vibrant town centres that are attractive to residents and visitors; and for enabling and supporting a workforce for the future.
- 3.17 One of the five priority themes within the EGP is to maximise opportunities from Gatwick by creating and supporting higher-value employment in a wide zone of opportunity around the airport. The County Council is working with a range of partners to progress this priority, including through town centre and business space initiatives with the district and borough councils through the Growth Deals; plans for the redevelopment of the former Novartis site in Horsham for high-quality business space including an innovation centre, and some new homes; and working collaboratively with Gatwick Airport and partners to drive greater economic value to the local area from international visitors through Experience West Sussex and other destination brands.

- 3.18 Gatwick Airport is central to the recently-published 'Gatwick 360', the Coast to Capital (C2C) Local Economic Partnership's Strategic Economic Plan (SEP) 2018-2030. The vision to 2030 is *"for our towns and cities to be known around the world as fantastic places to live, to grow and to succeed. We will become the most dynamic non-city region in England, centred around a highly successful Gatwick airport"*. The Plan states that a vibrant and successful airport is essential to the area's competitiveness, and to attracting businesses from London and elsewhere. Gatwick is seen as key to attracting investment, driving exports to global markets, and nurturing innovation across economic sectors.
- 3.19 The County Council's EGP and C2C's SEP highlight the potential to secure additional benefits for the local economy from Gatwick Airport in its current state. In particular, Gatwick is not maximising its potential for high-level, added-value jobs, and is potentially underperforming in terms of its benefits to the West Sussex economy. Therefore, growth at Gatwick could realise benefits in support of the County Council's key objectives, including the strategic focus on the knowledge economy, the provision of new high quality business and innovation space, ensuring vibrant town centres, and growth in an all year round visitor economy.
- 3.20 However, it should be noted that only high-level data about the economic benefits of the various scenarios is presented in the draft Master Plan, including assumptions about increases in job numbers. There is no detail about the type of jobs that could be created and no supporting evidence has been provided (although it is noted that if the Existing Standby Runway scheme is taken forward, a more detailed assessment of economic benefits will be undertaken).
- 3.21 Similar to the assumptions about air traffic (including both passengers and freight), the accuracy of GAL's estimates about increases in GVA and jobs depend on the veracity of the various assumptions. Therefore, actual changes could be higher or lower and it would be advisable for GAL to consider other possible future forecasts to ensure that all potential outcomes are understood and can be planned for.
- 3.22 Furthermore, the type of jobs that come forward and the location of them will be market-led and, therefore, there is a question about whether the County Council and other key partners are happy for the market to dictate or whether a more interventionist approach is required, for example, through the allocation of land for particular employment uses.

Environmental Impacts

- 3.23 Impacts on air quality and noise are identified in the draft Master Plan as two of the key environmental issues to be addressed. GAL's assumptions about the potential impacts of their scenarios for the longer-term are not supported by any detailed evidence, either within the draft Master Plan or in separate documentation. GAL acknowledge that they have not completed enough work to establish the impacts of the scheme or the appropriate mitigation measures. It is also noted that if the Existing Standby Runway scheme is taken forward, a full Environmental Impact Assessment (EIA) would be undertaken to support a DCO application.

- 3.24 Reigate and Banstead Borough Council and Crawley Borough Council provide technical expertise on noise and air quality respectively to the local authorities around Gatwick. With regard to air quality, the advice provided is that some of the statements in the draft Master Plan are potentially misleading, for example, because the modelling of emissions can differ from readings on the grounds. In short, it is too early for any conclusions to be drawn in the absence of GAL's evidence to date being made available for scrutiny.
- 3.25 With regard to noise, Government policy is to limit or, where possible, reduce the number of people significantly affected by aircraft noise. The potential impact of the Existing Standby Runway scenario is that the number of people likely to be affected would not change greatly but there would be more concentrated periods of noise with fewer quieter periods. Accordingly, frequency of events is important when assessing the impacts of noise, not just the level of noise generated. Therefore, in addition to mapping noise contours, different measures need to be used that address how people experience noise.
- 3.26 Again, the advice is that some of GAL's statements are potentially misleading and their assumptions may prove to be incorrect, for example, because the introduction of quieter aircraft by the airlines may not happen as quickly as GAL have presumed. Overall, it is also too early for any conclusions to be drawn on this important matter in the absence of any evidence being made available for scrutiny.

Surface Access

- 3.27 The 2018 Airport Surface Access Strategy (ASAS) includes objectives, targets and actions to enable an increase in the sustainable transport mode share for passenger and employees travelling to the airport through to 2022. In general, the 2018 ASAS includes sufficient plans to accommodate Gatwick growth on the Existing Main Runway to 2022 on the proviso that actions and planned improvements, crucially including the Gatwick Railway Station upgrade, are delivered. The Gatwick Railway Station upgrade is expected to be completed in 2022/23 but the scheme is not currently fully-funded.
- 3.28 A programme of transport improvements such as the Thameslink programme and M23 smart motorway scheme are being delivered that will improve connectivity and capacity of strategic rail and road connections to Gatwick. These improvements are sufficient to cater for forecast throughput associated with the Existing Main Runway scenario to 2022. Although further improvements to strategic transport infrastructure, such as the Brighton Main Line upgrades and improvements to the M23/A23 corridor, have the potential to come forward, the Government has not yet committed to these improvements through the relevant investment strategies. A firm commitment and implementation funding should be sought from Government to help deliver these improvements to support Gatwick growth on the Existing Main Runway beyond 2022.
- 3.29 The strategic rail and road corridors that provide access to Gatwick are also heavily used by other users such as commuters who, for example, live in

West Sussex but work in London. Growth in non-airport related traffic is expected to take place on these corridors alongside growth in air passengers, freight, and employees. Therefore, increasing the rate of growth at Gatwick through delivering either the Existing Standby Runway or Full Additional Runway schemes would bring forward the point at which further improvements to strategic rail and road infrastructure are needed in order to address congestion and overcrowding.

- 3.30 Although the 2018 ASAS does not provide a plan to mitigate the Existing Standby Runway scheme, GAL state that the objectives could be applied to a future ASAS designed to cater for this scheme. However, at the present time, no detailed assessment of the transport impacts of the Existing Standby Runway scenario has been carried out. As no ASAS has been developed, the infrastructure improvements needed to facilitate the associated increase in throughput (of passengers and freight) and employment have not yet been identified. This work would need to take place before a future DCO application.
- 3.31 Therefore, at this stage, it is unclear whether the impacts of the Standby Runway Scheme on the transport network would be acceptable or that an ASAS for this scheme would be deliverable or effective at mitigating the impacts to a satisfactory level. The commitment to take account of the needs of non-airport related traffic in developing the ASAS for this Existing Standby Runway scheme is welcome.
- 3.32 With regard to safeguarding land to the south, such a designation would prevent development, such as a new road, that could compromise delivery of a full additional runway. Therefore, the proposed safeguarding area could potentially affect the deliverability of a Crawley Western Relief Road (CWRR), which would link the A264 and A23. In order to deliver a CWRR and avoid the area of land that is proposed to be safeguarded, it is likely that land would need to be acquired, potentially through a Compulsory Purchase Order.
- 3.33 A CWRR has potential to support future development west of Crawley, although this does not currently feature in either the Horsham District Planning Framework or the Crawley Local Plan. In 2014, the County Council agreed, following a Notice of Motion debate, to work with developers to secure a CWRR. Therefore, although a CWRR is not currently planned, to ensure that it is deliverable in the future, the County Council should seek assurances in the Master Plan that GAL will work with the local authorities to identify a deliverable alignment that does not compromise delivery of a Full Additional Runway and also minimises the need for land to be compulsorily purchased.
- 3.34 The focus for the draft Master Plan is on future growth in passengers that could be accommodated in each of the scenarios. The transport impact of additional freight throughput is currently unknown. Also, very little information is provided about the impacts of additional employees travelling to and from Gatwick. As employee trips typically originate locally and are made twice daily, five days per week, employee trips have a disproportionate effect on the local transport network. Therefore, greater consideration should have been given in the draft Master Plan to the impacts of additional

freight and employee trips and schemes to mitigate the impacts of these trips on the transport network.

Wider Impacts – jobs, homes, and infrastructure

- 3.35 The current influence of the airport on the local economy and its implications for housing are reflected in the overall employment, population and household forecasts for the area. These forecasts inform policy making, especially the preparation of local plans by the district and borough councils. They also inform other policy decisions, for example, with regard to planning for strategic infrastructure and the delivery of services.
- 3.36 The Department for Transport's 'Guidance on the Preparation of Airport Master Plans' (2004) suggests that airports should report the key impacts of major development projects, including their "*local, and in the case of larger airports, regional economic, housing and employment implications*".
- 3.37 Although GAL have suggested the likely levels of employment that would be generated under the scenarios, there is no discussion in the draft Master Plan about where the jobs should be located or about when they might come forward. Also, there is no discussion about how their proposals could impact on employment and commuting patterns.
- 3.38 Furthermore, there is no discussion about the additional demand that would be generated for homes, about where they should be located, or about when they might be needed. Planning for airport-related population increases, in addition to expected and forecast background growth in population, will be very challenging given policy and environmental constraints, such as Green Belt, and current levels of unmet need within the wider area.
- 3.39 Similarly, there is no discussion about the potential need for new or improved physical and social infrastructure off the airport, including County Council services, to support the delivery of new jobs and homes across a wide area. Also, there is no suggestion within the draft Master Plan of any commitment by GAL to look at the wider, indirect impacts of its proposals or to fund or contribute to the provision of such infrastructure.
- 3.40 The 'Gatwick Diamond Post 2030 Infrastructure Study' (January 2016), jointly commissioned by the County Council and Surrey County Council, is a heavily-caveated, high-level, desk-based assessment of the potential infrastructure requirements associated within longer-term growth in that area from 2030 to 2050. It considered a baseline scenario, that is, a continuation of planned growth at that time and two scenarios building on the baseline but with additional housing growth (9,300 and 14,000 extra homes) associated with a second runway at Gatwick. In summary, the Study identified that the cost uplift generated by a second runway could be an additional £344m of supporting infrastructure (a significant amount of which would be within the West Sussex part of the Gatwick Diamond). Most of this cost would be for improvements to road and rail, but there would also be a need for other infrastructure, in particular for education, health and social care, and utilities.
- 3.41 Although the Standby Runway Scheme would not generate the same level of need for additional homes and supporting infrastructure, there would still be

significant demands placed on the wider area resulting from a potential increase in throughput at the airport from c.45mppa today to c.78mppa in the early 2030s. Furthermore, if an additional runway to the south were to come forward, there could be an additional 20mppa, which would result in a total of c.98mppa at the airport in the longer-term (which would be very similar to the throughput of the second runway scheme). Therefore, if all three scenarios were to come forward, the demands for additional homes and infrastructure would be similar to those identified in the Post 2030 Infrastructure Study.

- 3.42 In summary, the draft Master Plan only refers to the direct impacts of GAL's plans and scenarios, and it does not make any reference to potential indirect impacts on the wider area and any commitment by GAL to fully-fund or contribute towards mitigating them. Furthermore, it makes limited reference to how GAL's plans and proposals would work with or complement those of other organisations, agencies or bodies for growth or development within the wider area. More generally, other than referring to environmental and economic impacts, it is silent about the airport's relationship with, and contribution to, 'place'.

4. Consultation Response

- 4.1 Although question 11 provides the opportunity for other comments to be made, GAL's first 10 questions in the Consultation Document potentially limit the scope of responses. Therefore, the following paragraphs suggest how the County Council should respond to the consultation. With regard to the Existing Standby Runway and the Safeguarded Additional Runway to the South scenarios, there are a number of possible ways in which the authority could respond; the options are identified below.

General

- 4.2 The County Council should welcome the opportunity to comment on the draft Master Plan. However, it should be made clear that the County Council is not able to comment on the merits or demerits of much of what GAL are proposing because, other than in relation to plans for the first five years, the ideas in the draft Master Plan are not fully-formed and no evidence has been provided in support of them. Therefore, in the absence of any details in the draft Master Plan about the scenarios, the County Council can only respond to the consultation on those matters in general terms.
- 4.3 Given the acknowledgement by GAL that more works needs to be undertaken before it can put detailed plans in place, in particular to take forward a scheme for the Existing Standby Runway, the County Council (both members and officers) should engage positively and proactively with GAL to help shape its plans for the future. This will help to ensure that the key issues identified in this report are fully addressed, including maximising opportunities for the residents and businesses of the County that could result from growth at Gatwick.
- 4.4 The County Council recognises Gatwick Airport is a significant asset in terms of its contribution to the local economy, including: through job opportunities; direct business with local companies and their supply chains; and by acting

as a catalyst for growth, through businesses choosing to start, locate or invest due to the presence of the airport, and through world class connectivity and access to global markets.

- 4.5 Therefore, the County Council should, in principle, welcome sustainable growth at the airport where it would be consistent with the West Sussex Plan, the authority's Economic Growth Plan, and the C2C Strategic Economic Plan - Gatwick 360°. In particular, it should welcome plans that would see Gatwick maximising its potential in contributing to the County Council's key economic objectives, including: the strategic focus on the knowledge economy and high-level, added-value jobs; the provision of new high quality business and innovation space; and growth in an all-year round visitor economy.
- 4.6 However, it should be made clear that this general support for growth at the airport should not be interpreted as support regardless of the impacts on the local and wider area.

Passenger Forecasts

- 4.7 The County Council should express concern that GAL's assumptions about forecast growth in passenger numbers may be underestimates that result in unplanned for direct and indirect adverse impacts. Therefore, the County Council should suggest that GAL consider a range of forecasts for passenger numbers (high/medium/low) to ensure that all potential outcomes are understood and can be planned for.

Economic Impacts

- 4.8 The accuracy of GAL's estimates about increases in GVA and jobs resulting from the scenarios depend on the veracity of the various assumptions. Therefore, actual changes could be higher or lower and the County Council should suggest that GAL consider a range of forecasts of economic impacts (high/medium/low) to ensure that all potential outcomes are understood and can be planned for.
- 4.9 The County Council considers that the Master Plan should address the type of jobs that would be created (directly, indirectly, through induced activity, or through catalytic employment), where they should be located, and when they might come forward. Also, it should address how GAL's proposals could impact on employment, commuting patterns, and the movement of freight.
- 4.10 Similarly, the County Council considers that it should address the additional demand that would be generated for homes and commercial development, where they should be located, and when they might be needed.
- 4.11 Therefore, it is suggested that the County Council should seek a much stronger commitment from GAL to (a) identifying the direct and indirect economic impacts of their plans and scenarios and (b) to avoiding, reducing, mitigating, or compensating for any adverse impacts.

Environmental Impacts

- 4.12 The draft Master Plan makes reference to continuing the existing approach to sustainability, including addressing the key issues of surface access, noise and air quality, which should be welcomed.
- 4.13 However, it is suggested that the County Council should express its concern that no evidence has been provided to support GAL's assumptions about the impact of the scenarios on the key issues of air quality and noise.
- 4.14 Therefore, it is suggested that the County Council should seek a much stronger commitment from GAL to (a) identifying the direct and indirect environmental impacts of their plans and scenarios and (b) to avoiding, reducing, mitigating, or compensating for any adverse impacts.

4.15 ***Surface Access***

- 4.16 The draft document makes reference to continuing the approach in the current ASAS to 2022, which should be welcomed. The County Council should highlight the importance of the Gatwick Railway Station Upgrade to achieving the targets set out in the current ASAS. The County Council should also welcome GAL's intention to prepare a new ASAS, possibly with the same objectives, in support of their plans for the longer-term. The specific commitment by GAL to take account of the needs of non-airport related traffic when it develops the ASAS should also be welcomed.
- 4.17 Growth beyond 2022 is dependent on the delivery of strategic transport infrastructure, such as the Brighton Main Line upgrades and improvements to the M23/A23 corridor beyond those that are already committed. Therefore, the County Council should seek assurance from GAL that it will work with this authority and other key partners to obtain a firm commitment and implementation funding from Government to help deliver such enabling schemes.
- 4.18 The County Council should express concern that greater consideration has not been given in the draft Master Plan to the impacts of additional freight and employee trips and to the identification of schemes to mitigate the impacts of these trips on the transport network.

Supporting Infrastructure

- 4.19 The draft document makes reference to the current capital investment programme and suggests that additional investment is likely to be required, which should be welcomed.
- 4.20 However, the County Council should express concern that there is no discussion in the draft Master Plan about the potential need for new or improved physical and social infrastructure off the airport, including County Council services, to support the delivery of new jobs and homes across a wide area.
- 4.21 It is suggested that the County Council should seek a much stronger commitment from GAL to (a) identifying the infrastructure within the wider area that is required to directly and indirectly support the delivery of their plans and scenarios and (b) to funding the delivery of such infrastructure,

either in full or in part (depending upon the extent to which the need can be attributed to growth at Gatwick).

'Place'

- 4.22 The County Council should express its concern that the draft Master Plan is narrow in focus because it does not make any reference to potential indirect impacts on the local and wider area, for example, through the creation of new jobs, the resulting need for new homes (over and above background growth), commercial development, and the need for supporting infrastructure.
- 4.23 The County Council should seek a commitment from GAL (a) that it will work with this authority and other organisations to understand Gatwick's current and future relationship with, and contribution to, 'place' and (b) that it will take a holistic approach, including taking account of the plans and proposals of others, that addresses the direct and indirect implications of the Master Plan for 'place'.

Growth Plans and Scenarios

- 4.24 In addition to the comments made above, in particular, those about GAL identifying and addressing the direct and indirect economic, social and environmental impacts of their plans and scenarios on the local and wider area (including the need for supporting infrastructure), the following paragraphs suggest how the County Council could respond with specific regard to the plan for the next five years and the three growth scenarios.

Master Plan for the Next Five Years – 2018 to 2022

- 4.25 It is suggested that the County Council supports GAL's plans for the next five years, provided that the necessary supporting infrastructure is put in place. This includes delivery of the actions and planned improvements identified in the current ASAS, in particular, the Gatwick Railway Station upgrade (which is not currently fully-funded).

Existing Main Runway Scenario

- 4.26 Making best use of the main runway is consistent with national policy. Therefore, it is suggested that the County Council supports, in principle, the Existing Main Runway Scenario, subject to:
- (a) GAL identifying the infrastructure that is required to directly and indirectly support its delivery; and
 - (b) GAL funding the delivery of such infrastructure, either in full or in part.

Existing Standby Runway Scenario

- 4.27 GAL are likely to take forward a scheme to bring the standby runway into routine use, which will require the County Council to formally respond to a DCO application and, as required, to appear at an examination to present its case. Therefore, comments should be made on a 'without prejudice' basis.

- 4.28 Although making best use of the standby runway would be consistent with national aviation policy, there is a lack of detail in the draft Master Plan about the Existing Standby Runway scenario, its impacts and appropriate mitigation measures. However, it is acknowledged that GAL will undertake detailed economic, environmental and transport assessments in support of any future DCO application, which should be welcomed. Therefore, it is suggested that the County Council should offer to support the preparation of such assessments and seek assurances from GAL that it will involve this and other authorities at an early stage in their development.
- 4.29 In general, it is suggested that there are three options available to the County Council with regard to commenting on the Existing Standby Runway scenario:
- A. object, in principle, because:
 - (i) the economic benefits of growth under this scenario are currently unproven;
 - (ii) the level of additional throughput generated, over and above that under the Existing Main Runway Scenario, would be likely to result in adverse social and environmental impacts that could not be avoided, reduced, mitigated, or compensated for to an acceptable level; and
 - (iii) there would be adverse impacts on the wider area due to the need for additional homes, commercial development, and supporting infrastructure.
 - B. support, in principle, subject to:
 - (i) any adverse impacts identified through the economic, transport, environmental and any other necessary assessments being avoided, reduced, mitigated, or compensated for to an acceptable level; and
 - (ii) GAL identifying and funding (in full or in part) the infrastructure that is directly and indirectly required to support the delivery of a detailed scheme.
 - C. neither support nor object but maintain a neutral position at this stage pending the completion of the detailed economic, transport, environmental and any other necessary assessments.

Safeguarded Additional Runway to the South Scenario

- 4.30 Although GAL are only seeking to safeguard land for a new runway, they suggest that, subject to Government approval at some point in the future, additional throughput of 20mppa could be accommodated (over and above that delivered under the other scenarios). Therefore, given the possible need for the County Council to formally respond in the future to a proposal for an additional runway to the south, comments should be made on a 'without prejudice' basis.
- 4.31 An additional runway would not be consistent with current national aviation policy and there is a lack of detail in the draft Master Plan about its impacts and appropriate mitigation measures. However, it is noted that the issue of

safeguarding is likely to be addressed by the Aviation Green Paper (see paragraph 1.4).

4.32 In general, it is suggested that there are two options available to the County Council with regard to commenting on the Safeguarded Additional Runway scenario:

- A. object, in principle, because:
 - (i) it would be consistent with the County Council's formal position from 2015 that it is opposed to a new runway because "*the environmental damage is without question, whereas the economic benefit is unproven and may well be negative*"; and
 - (ii) removal of safeguarding would free up land for a CWRR and employment and other uses, including to meet needs generated under the Existing Main Runway Scenario and, possibly, the Existing Standby Runway Scenario.
- B. accept that there may be a national need for an additional runway in the future and support, in principle, the continued safeguarding of land to the south of the airport. However, it should be made clear that this does **not** mean that the County Council:
 - (i) accepts that there is a need for an additional runway at Gatwick at this time;
 - (ii) supports, in principle, the future delivery of an additional runway regardless of the impacts on the local and wider area; and
 - (iii) agrees that the area identified in the draft Master Plan is necessarily the right area to be safeguarded (because more work needs to be undertaken on this matter, including with Crawley Borough Council).

4.33 Regardless of which response option is selected, it is suggested that the County Council should seek to enter into a new legal agreement with GAL (along the same lines as the current 1979 agreement) that prevents the construction of an additional operational runway to the south of the current airport. As a minimum, such an agreement should cover the period of the Master Plan, that is 15 years, but a longer timeframe may be appropriate; the National Aviation Strategy may provide some direction on this matter if, as expected, it addresses the issue of safeguarding.

4.34 The County Council should seek assurances in the Master Plan that GAL will work with the local authorities to identify a deliverable alignment for a CWRR that (a) does not compromise delivery of an Additional Runway at some point in the future and (b) minimises the need for land to be compulsorily purchased to deliver the new road.

5. Resources

5.1 There are no resource implications in responding to the consultation.

Factors taken into account

6. Issues for consideration by the Select Committee

- 6.1 It is suggested that Members focus their attention on the key issues identified in Section 3 and the suggestions in Section 4 about how the County Council should respond to the consultation. In particular, it is suggested that Members consider the options about how the authority could respond to the Existing Standby Runway and the Safeguarded Additional Runway to the South scenarios.

7. Consultation

- 7.1 Internal discussions about the key matters and issues have taken place with officers and members.
- 7.2 External discussions have taken place with other local authorities through the Gatwick Officers' Group (GOG). This includes matters relating to noise and air quality, where technical advice to GOG is provided by Crawley Borough Council and Reigate and Banstead Borough Council respectively.

8. Risk Management Implications

- 8.1 Given that GAL are likely to take forward the scheme to bring the standby runway into routine use, formal approval will be required through the DCO process. The County Council will be a statutory consultee in that process and it will need to formally respond to the DCO application and, as required, to appear at an examination to present its case (before the final decision is made by the Secretary of State). Accordingly, there is a risk at this stage of the County Council pre-determining its position on any future DCO application (and on any other matters where a formal response from the County Council is required in the future). Therefore, it is suggested that the County Council only responds on this matter in general, without prejudice, terms.
- 8.2 Although GAL are only seeking to safeguard land for a new runway to the south, they suggest that, subject to Government approval at some point in the future, additional throughput of 20mppa could be accommodated. Given the potential need for the County Council to formally respond to any future proposal for an additional runway, it is suggested that the County Council only responds on this matter in general, without prejudice, terms.

9. Other Options Considered

- 9.1 The only other option is to not respond to the consultation on the draft Master Plan. However, given the issues addressed in the draft document and the importance of Gatwick to the County and the wider area, it is considered appropriate that the County Council should make a formal response.

10. Equality Duty

- 10.1 Not applicable.

11. Social Value

- 11.1 Not applicable.

12. Crime and Disorder Implications

12.1 Not applicable.

12. Human Rights Implications

13.1 Not applicable.

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Appendices

[Appendix A: Gatwick Airport Master Plan 2018 Consultation Document](#)

Background Papers

None.