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Appeal by BAA Ltd and Stansted Airport Ltd following the refusal by Uttlesford District Council of planning application UTT/0717/06/FUL

Revised Summary Proof of Evidence on behalf of Stop Stansted Expansion

Surface Access Issues with particular reference to roads

Ken McDonald FCA

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www.stopstanstedexpansion.com
info@stopstanstedexpansion.com

PO Box 311
Takeley
Bishop's Stortford
Herts, CM22 6PY

Tel: 01279 870558

1 INTRODUCTION

1.1 Personal details

1.1.1 My name is Ken McDonald. I appear at the Public Inquiry on behalf of Stop Stansted Expansion ('SSE') of which I am a member.

1.2 Qualifications and experience

1.2.1 I am a Fellow of the Institute of Chartered Accountants in England and Wales, a retired financial director. I have lived in Stansted Mountfitchet for 26 years.

2 SCOPE OF EVIDENCE

2.1 History of evidence

2.1.1 SSE's surface access evidence was originally set out in Volume 1 of SSE's response to UDC, July 2006, [CD/201] and also in paras 2.8 and 2.9 of Volume 3 of SSE's response to UDC concerning additional information provided by BAA in September 2006 [CD/203].

2.1.2 That evidence was superseded in April 2007 by proofs SSE/13/a and SSE/14/a, supplemented by SSE/15/a.

2.1.3 In April 2007 BAA published an Addendum to its Transport Assessment [CD/14.1] and in July 2007 an Addendum Update [CD/14.2] and Response to the County Councils' Joint Position Statement [CD/326].

2.1.4 BAA's July documents failed to address issues raised by SSE. We continued to press some of these points and on 14 September 2007 BAA published its 'Response to SSE Questions' and accompanying 'Technical Note'.

2.1.5 SSE has produced Updated Proofs (SSE/13.1, SSE/14.1 and SSE/15.1) which include consideration of BAA's April 2007 and June 2007 documents and initial reaction to BAA's September 2007 documents. This is a summary of SSE/13.1/a.

2.2 Further evidence

2.2.1 We may wish to comment further during the Inquiry after further consideration of BAA's September 2007 documents.

3 PLANNING BASED ON UNRELIABLE FORECASTS

3.1 Unreliability of BAA's forecasts

3.1.1 ES Volume 11 [CD/14] and subsequent Updates and tests fail to adequately test the impacts of the proposal, mainly because they are founded on unreliable

forecasts which significantly understate the potential cumulative impact on surface access, especially along the Stansted to London corridor.

3.1.2 There are several questionable basic assumptions and a number of misleading or incomplete statements, all of which are addressed in detail in SSE/13.1/a.

3.1.3 In particular, the combined effect of limiting impacts to 35mppa and forecasting a dramatic shift in the origins of new passengers leads to understatement of those requiring surface access to London. This is illustrated in Table 1 of my full proof.

3.1.4 BAA's September 2007 test confirmed that if the surprising range of growth rates for different places of origin used in the ES and Addendum were replaced by a consistent rate of growth, forecast annual passenger movements to and from central London would increase by almost a million, even at the 35mppa level.

3.1.5 In forecasting airport-related road traffic, BAA has assumed levels of vehicle occupancy whose basis is, at best, unclear. Our calculation suggests that car and taxi movements have been understated by at least 1 million per annum, possibly substantially more, even at the 35mppa level.

3.1.6 The objective of the tests reported in the Addendum and Addendum Update was to consider the impact of changes to the Draft East of England Plan and to take account of the views of UDC's consultants, SH&E. These two factors appear to have had minimal consequences, yet a number of changes in assumptions and modelling have caused substantial variations in output compared with the original forecasts. The changes are so significant that they cast doubt on the validity of both the original forecast and more recent testing. That a few minor adjustments can have such a major effect when compared with what was previously held out to be a robust forecast reduces still further our overall level of confidence in BAA's forecasts.

3.1.7 BAA has been unable to provide a statement of confidence level for any of the individual forecasting models or for the overall results.

3.1.8 The so-called 'sensitivity tests' go part of the way towards generating realistic baseline forecasts, but do not test the consequences if that new baseline is exceeded.

3.1.9 There is a lack of clear comparison of forecasts with historical data; units of measurement lack consistency; and there is no visible audit trail between them. The 'black box' approach and lack of transparency generally make it extremely difficult to test for reasonableness.

3.1.10 Essex County Council ('ECC') has expressed distrust of BAA's forecasts and concern for the consequences for surface access[1,2] both in relation to BAA's past

[1] Local Transport Plan 2006-2011 [CD/86], para 4.84.

[2] Essex County Council submission to UDC 04 October 2006 [CD/274], para 3.2.

forecasting record [3] and regarding the forecast of passenger origins and destinations.[4]

3.1.11 Hertfordshire County Council ('HCC') noted[5] that BAA forecasts a 40% increase in passengers, yet road and rail traffic will increase by only 19% – indicating a level of surprise that BAA was claiming such a small increase in surface access demand from such a large increase in passenger throughput.

3.1.12 The many concerns expressed above, especially when taken together with BAA's past record of under-estimation, and the fact that BAA is seeking to minimise the contribution expected from it to fund the road and rail investment required to support its G1 application, reinforces the argument that BAA has understated the surface access implications.

3.2 Need to look beyond 35mppa and 2014

3.2.1 BAA's forecasts generally do not go beyond 2014. Given the usual lengthy timescales for provision of road and rail infrastructure, it is essential to plan further ahead. SSE estimates that if this application were to be approved, surface access infrastructure would be needed to support 45mppa by 2021 and 50mppa by 2030 on a single runway.

3.2.2 Even if a limit of 35mppa were to be set now, we could not take it as final. Inspector Eyre strongly recommended a 25mppa ultimate limit and the Government accepted this , yet here we are again. Given BAA's track record of repeatedly asking for more, we must ensure that potential surface access problems are avoided by forward planning and timely investment.

4 FAILURE TO ADEQUATELY ADDRESS GOVERNMENT POLICY

4.1 Inadequacy of proposals to constrain the need to travel by car

4.1.1 National and regional policies seek a modal shift away from the car and onto public transport, especially rail.

4.1.2 We contend that BAA's failure to take these policies on board was driven by economic considerations. A step change in rail provision would be an expensive option, whilst airport car parking provides STAL with a major element of its income.

4.1.3 BAA has failed to declare any intention of actively pursuing new strategies to reduce passenger and employee reliance on accessing the airport by car.

[3] SH&E: Review of BAA Traffic Forecasts, Feb 2006 [CD/133], para 3.4 'Actual passenger throughput in 2005 was more than double that forecast by BAA in 1993, a difference of 11.4mppa. This does raise some credibility and reliability issues regarding BAA's traffic forecasting.'

[4] SH&E Review of BAA Traffic Forecasts, Feb 2006 [CD/133], para 3.48: 'The BAA forecasts for Stansted indicate changes in the pattern of passengers UK origin and destination that we find surprising.'

[5] Hertfordshire County Council letter to UDC 22 Sep 2006, Cabinet Report 11 Sep 2006 [CD/276], paras 8.1 to 8.3.

4.2 Inadequacy of surface access strategy to address climate change

4.2.1 BAA's proposal would result in substantially increased emissions since there is no significant shift from private car to public transport. This is incompatible with the Government's transport policy and its climate change objectives.

5 POTENTIAL CONSEQUENCES

5.1.1 If the G1 application were to be approved the surface access demand would be similar to that for Heathrow today.[6] Heathrow is served by London Underground, the Heathrow Express and a stopping rail service from central London, whereas Stansted is served only by one rail connection from Liverpool Street – a service shared with local commuters.

5.1.2 Historically, BAA surface access modelling studies have underestimated the impacts, and this has resulted in significant under-investment in infrastructure.

5.1.3 The forecasts underlying BAA's surface access strategy are so fundamentally flawed that its projections of consequences are unreliable and understate the problems that would ensue if this application were approved even at 35mppa, not to mention higher levels of throughput. These are discussed in SSE/13.1/a, SSE/14.1 and SSE/15.1.

6 CONCLUSIONS

6.1.1 Given the limited value of the projections and findings of BAA's Transport Assessment, it is not possible to reach firm or complete conclusions on long term impacts on strategic, regional or local roads, even after such mitigation as is proposed by the highways authorities. It seems likely that the impacts will be worse, possibly far worse, than BAA has projected.

6.1.2 Given the long lead times for implementing road and rail upgrades, the full potential for increases in passenger numbers up to 2030 should be considered. BAA's 'offer' of a 35mppa cap is clearly seen by BAA as only a temporary constraint.

6.1.3 BAA should make positive commitments to achieving a significant modal shift in the balance of surface access, away from private car and towards rail, and should commit to securing that appropriate infrastructure is in place before it is required, not afterwards.

6.1.4 The increase in surface access movements, especially without a fundamental shift in transport mode, is likely to increase carbon emissions, contrary to government climate change policy.

[6] CAA Annual Passenger Survey Report, 2005: Heathrow handled 66.8m passengers of whom 43.7m (65%) originated or terminated at Heathrow; Stansted handled 21.6m passengers of whom 19.2m (88%) originated or terminated at Stansted. Stansted's potential throughput of 50mppa x surface access 88% = 44mppa.