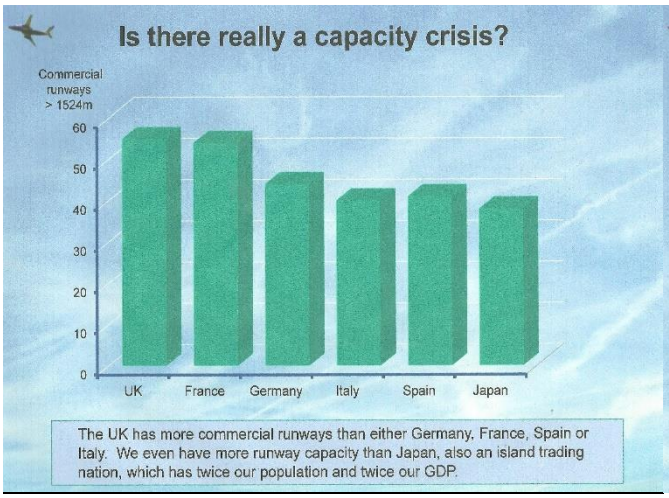

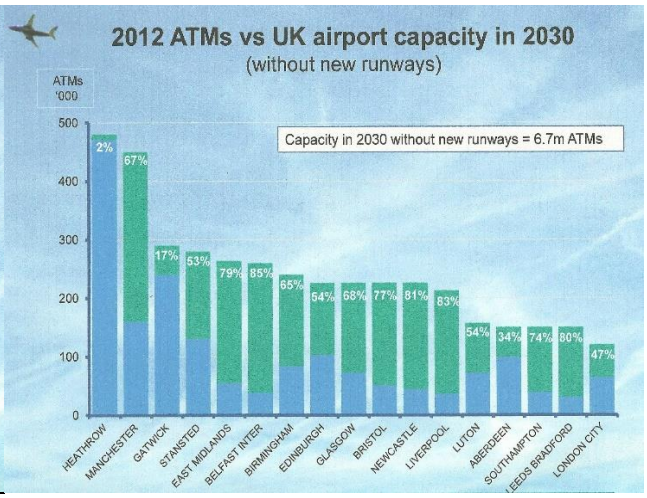

Submission to the Airports Commission

Utilisation of the UK's Existing Airport Capacity

Stop Stansted Expansion ('SSE') was established in 2002 in response to Government proposals for major expansion at Stansted Airport. We have some 7,500 members and registered online supporters including 150 parish and town councils and local residents' groups and national and local environmental organisations. Our objective is to contain the development of Stansted Airport within tight limits that are truly sustainable and, in this way, to protect the quality of life of residents over wide areas of Cambridgeshire, Essex, Hertfordshire and Suffolk, to preserve our heritage and to protect the natural environment.

Stop Stansted Expansion
July 2014
www.stopstanstedexpansion.com

Submission to Airports Commission – Utilisation of the UK's Existing Airport Capacity

1. Introduction

1.1 The charts on the front cover of this submission are taken from a Stop Stansted Expansion ('SSE') presentation to the Airports Commission in July 2013.[1] Their purpose was to show that the UK has more airport capacity than other comparable nations and that – without any new runways – the UK already has enough airport capacity to accommodate almost three times the Department for Transport ('DfT') 2030 traffic forecast and almost twice its 2050 forecast.

1.2 We also pointed out in our evidence to the Commission last year that there were fewer Air Transport Movements ('ATMs') in 2012 – and therefore less pressure on UK runway capacity – than in 2001, despite a 22% growth in passenger numbers over the same period. Bringing this up to date, in 2013 UK airports handled 2.031 million ATMs – virtually the same as the 2001 figure of 2.030 million – despite a 26% growth in passenger numbers over the same period.[2]

1.3 We are disappointed that the Commission does not appear to have appreciated that the 2% average annual growth in passenger numbers, projected by the DfT in its latest forecasts to 2050[3], is virtually the same as the average annual increase in the number of passengers carried per aircraft at UK airports over the past 20 years. We can see no reason why the consistent historic trend towards larger aircraft and higher load factors should not continue; indeed, one would expect it to become even more pronounced at airports where capacity was tight. The effect, of course, is that this caters for the growth in passenger numbers without ATM growth.

1.4 The Commission's *Discussion Paper 06* acknowledges (at para 1.20):

> *'There is nothing intrinsic to domestic services which requires them to use smaller planes – in some countries it is not uncommon to see the use of jumbo jets on domestic routes, such as the Boeing 747-400 on flights between Seoul and the island of Jeju in South Korea, a distance of 283 miles.'*

We are surprised, however, that the Commission does not seem to give any consideration to a similar approach being adopted – or even encouraged – in the UK.

1.5 We submitted evidence to the Commission on this very point in March 2013[4], citing the example of JAL and ANA domestic flights out of Tokyo Haneda Airport, and we pointed out that this was not only a consideration for domestic journeys:

> *'We can think of no obvious commercial reason why a similar approach could not be adopted at Heathrow for busy short haul routes. On a typical day, over 2,000 passengers fly into Heathrow from Dublin, from Frankfurt and from Amsterdam, and by 2030, if the DfT's forecasts are met, these route densities will have increased to about 3,000 passengers a day in each case. On that basis, the use of much larger aircraft on Heathrow's busiest short haul routes appears to be a sensible option …'* [5]

It is almost as if the Commission has tended to disregard evidence which could weaken the case for building additional runway capacity in the South East.

1.6 A similar case in point is the Commission's rejection of differential rates of APD to encourage better utilisation of regional airports. This was despite the fact that there was clear evidence from modelling carried out by the DfT at the request of SSE – which we shared with the Commission[6] – showing that differential rates of APD would help to alleviate pressure on Heathrow and encourage more services from UK regional airports.

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[1] On SSE website at http://stopstanstedexpansion.com/airports_commission.html.
[2] CAA airport statistics.
[3] *'UK Aviation Forecasts'*, DfT, Jan 2013.
[4] SSE Submission to the Airports Commission on *'Aviation Demand Forecasting'*, Mar 2013, para 1.16 – on SSE website at http://stopstanstedexpansion.com/airports_commission.html.
[5] Ibid, para 1.17.
[6] Ref: Airport Commission's Public Evidence Session, 9 July 2013, Transcript, page 31.

1.7 SSE was not alone in calling for APD to be used as a tool to help make better use of the UK's existing airport capacity. Many industry voices advocated broadly the same approach, for example, Manchester Airport Group ('MAG') submitted interesting evidence, based on analysis carried out by Steer Davies Gleave[7], showing the potential benefits that could be realised for a regional airport. This led MAG to make the following plea to the Commission:

> *'We would urge the Commission to recommend reforming APD as a policy lever for making best use of existing capacity.'* [8]

1.8 It is not often that SSE and MAG are in full agreement but on the above point we could not agree more. And, with this in mind, it is worth recapping that in the very first paragraph of its very first publication, the Commission set down its wish *'…to develop the greatest possible degree of consensus around a way forward for the country's airports …'.* The rejection of the idea of reforming APD for use as a policy lever is in our view a missed opportunity in terms of making better utilisation of the UK's existing airport capacity – and building consensus.

1.9 We have consistently argued to the Commission that no new runways are needed and there should instead be better utilisation of UK regional airports. Some 62% of all UK air travel is currently provided by airports in the South East, which accounts for only about a third of the UK's population. Better utilisation of the existing capacity at regional airports, would not only alleviate pressure on Heathrow and other airports in the South East but also deliver important regional economic and employment benefits.

1.10 This argument was rejected by the Commission in its Interim Report in December 2013, the key conclusion of which was that London needed additional runway capacity. We believe that conclusion to be mistaken. If additional airport capacity is provided in the South East, one of the consequences will be to stifle the development of regional airports because the availability of new slots – including peak slots – at Heathrow or Gatwick will inevitably attract airlines which might otherwise have developed direct international services from UK regional airports.

1.11 There is also the issue of the UK's carbon targets. If these are to be met, emissions from aviation will need to be limited and a cap of 37.5 million tonnes has been recommended by the Committee on Climate Change ('CCC').[9] Providing more scope for growth at airports in the South East will leave less scope for growth at regional airports.

1.12 By recommending additional runway capacity in the South East, the Airports Commission has therefore already – de facto – decided against a strategy of making best use of the existing capacity at UK airports, other than as a short-to-medium term measure pending the delivery of extra runway capacity at one of the Commission's short-listed options.

1.13 Stansted Airport sits somewhat anomalously in the midst of this debate. It is neither a regional airport nor can it truly be regarded as a mainstream London airport even though it depends on London for most of its customers. 54% of Stansted's terminating passengers have an origin or destination in Greater London and a further 38% have an origin or destination in the South East and East of England.[10] Thus the vast majority of Stansted's customers also fall within the surface access catchment areas of Heathrow, Gatwick and Luton airports. This may help to explain why, unlike UK regional airports such as Edinburgh, Glasgow, Newcastle, Manchester and Birmingham, Stansted has no direct flights to the Gulf. In fact, at time of writing, Stansted has no scheduled long haul flights at all.

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[7] *'Proposal for making the best use of existing capacity in the short and medium terms: Response from Manchester Airports Group'*, MAG, May 2013, para 4.45 – available on MAG website at http://www.magworld.co.uk/magweb.nsf/AttachmentsByTitle/BestUseDoc/$file/MAG%20Best%20Use%20submission%20-%20final.pdf.

[8] Ibid, para 4.46.

[9] Consistent with the aim of bringing UK aviation's carbon emissions below their 2005 level by 2050 – see, for example, letter of 3 Jul 2013 from the Chairman of the CCC to Sir Howard Davies – available at http://www.theccc.org.uk/publication/letter-to-aviation-commission/.

[10] *'Passenger Survey Report 2012'*, CAA, Oct 2013, Table 5.

2. Current position at Stansted

2.1 Stansted handled 17.8 million passengers last year and has planning consent to handle 35 million passengers per annum ('mppa') so Stansted is currently operating at about half its permitted maximum throughput, and handling about three quarters of the passengers that it handled during its peak years of 2006 and 2007.

2.2 In terms of ATMs, Stansted handled 131,900 last year[11], almost exactly half of its planning consent for 264,000 ATMs. The planning consent differentiates between passenger ATMs (an annual limit of 243,500) and cargo ATMs (an annual limit of 20,500). The breakdown last year was 122,100 PATMs and 9,800 CATMs.[11]

2.3 Stansted's owner, Manchester Airport Group ('MAG'), believes that the airport has the potential to handle even more than 35mppa. Whilst that may be true from a purely technical standpoint we would question: (a) whether this level of demand is likely to materialise in the foreseeable future; and (b) whether, if it were to materialise, Stansted could handle a throughput in excess of 35mppa on a sustainable basis.

3. Market demand for Stansted

3.1 The most recent DfT forecasts (January 2013) project that, for the period to 2040, Heathrow will be the only UK airport which does not already have the capacity to cope with demand. For each of the London airports the projections are as follows:

Table 1: Terminal passenger forecasts, central demand case, unconstrained (mppa)[12]

Airport	**2020**	**2030**	**2040**	**2050**
Heathrow	87	109	135	170
Gatwick	38	40	45	52
Stansted	23	26	32	38
Luton	11	14	17	23
London City	3	4	5	6
Southend	1	2	2	3
Other UK	97	125	154	188
Total UK	**260**	**320**	**390**	**480**
London share of total	*63%*	*61%*	*61%*	*61%*

Source: DfT

3.2 Where Heathrow is unable to cope with its unconstrained demand, one would expect to see some spillover to other airports. Heathrow management argue that the main beneficiaries of any spillover will be other European hubs such as Schiphol, Paris CDG and Frankfurt, and that there will be very little spillover to other UK airports. However, as set out in our submission to the Commission in April 2013 on '*Aviation Connectivity and the Economy',* there is evidence to show a shortage of slots at Heathrow stimulates more international connectivity at regional airports, both directly – i.e. point to point – and indirectly – i.e. with UK regional air passengers 'hubbing' at overseas airports such as Schiphol or Dubai.

[11] CAA airport statistics – http://www.caa.co.uk/default.aspx?catid=80&pagetype=88&pageid=3&sglid=3.
[12] *'UK Air Passenger Forecasts'*, DfT, Jan 2013, Table 4.1 and Annex D.8.

Table 2: Terminal passenger forecasts, central demand case, constrained (mppa)[13]

Airport	2020	2030	2040	2050
Heathrow	76	82	87	93
Gatwick	37	41	43	44
Stansted	25	36	36	35
Luton	12	17	28	38
London City	3	4	5	6
Southend	2	3	2	2
Other UK	100	130	171	229
Total UK	**255**	**313**	**372**	**447**
London share of total	*61%*	*58%*	*54%*	*49%*

Source: DfT

3.3 Comparing the above tables, it can be clearly seen that the UK's regional airports grow more strongly when capacity is constrained at London's airports, particularly Heathrow.

3.4 Looking specifically at Stansted, there is not a great deal of difference between the constrained and unconstrained scenarios, which indicates that Stansted is unlikely to benefit from any spillover of demand at Heathrow or elsewhere. In fact, as can be seen from the above tables, the projected level of demand at Stansted barely rises above the current 35mppa planning cap, even as far out as 2050.

3.5 Therefore, on demand grounds alone there is currently no case for considering whether the 35mppa cap at Stansted could or should be raised. In fact, we believe that, if an additional runway were to be provided elsewhere in the South East by the mid-2020s – as proposed by the Commission, it will be very challenging for Stansted ever to reach a throughput of 35mppa.

3.6 Over the years there have been numerous proposals for major expansion at Stansted as a means of taking the pressure off Heathrow. None of these has succeeded primarily because Heathrow serves a very different market which, whether looked at from the standpoint of airlines or passengers, does not consider Stansted to be a realistic alternative to Heathrow. What other explanation can there be for the fact that airlines are prepared to wait years *and* pay large sums of money for slots at Heathrow, when there is plentiful capacity already available at Stansted at about a third of Heathrow's airport charges?

3.7 It's not simply a question of surface access journey times (although this is an important issue which we deal with below); it's the comparative customer bases of the two airports and the sheer range, frequency and quality of the overall Heathrow offer compared to the Stansted offer.

3.8 Given the position in the market that Stansted currently finds itself in, offering only short haul services and with Ryanair now accounting for 78% of its passengers and easyJet for 14%, it is difficult to see how it could achieve the sort of transformation necessary to attract full service airlines and develop a large sustainable network of long haul destinations and thereby build a higher quality customer base (i.e. with a high proportion of business and other premium fare passengers) like Heathrow.

[13] Ibid, DfT, Jan 2013, Table 5.3 and Annex E.2.

4. Surface access - Rail

4.1 The Commission's *Discussion Paper 06* argues that Stansted's distance from central London is a constraint on growth. We agree. Stansted is further away from central London than Heathrow, Gatwick and Luton and this geographical disadvantage is compounded by generally poor road and rail links to the airport, which result in journey times that are both lengthy and unpredictable.

4.2 The following table, taken directly from MAG's submission to the Commission in May 2013[14], highlight's Stansted's comparative disadvantage with regard to rail journey times:

Table 3: Rail journey times to London's four major airports

Airport journey	Fastest journey time
London Paddington to Heathrow Airport	15 minutes to T1, T3 & T4 19 minutes to T5
London St Pancras to Luton Airport Parkway	21 minutes
London Victoria to Gatwick Airport	30 minutes
London Liverpool Street to Stansted Airport	47 minutes

Source: MAG

[The above table should perhaps have also included Birmingham Airport and pointed out that its rail journey time to London Euston will be halved to 38 minutes when HS2 opens in 2026.[15]]

4.3 In addition to the Heathrow Express, Heathrow is also served by London Underground (with a major upgrade to the Piccadilly Line currently underway) and will be directly served by Crossrail from 2018. In addition, the *Western Rail Access* is currently under development by Network Rail and is scheduled for completion in 2021.

4.4 As well as the Gatwick Express, there is a direct 35-40 minute train service between Gatwick and London Bridge (the UK's fourth busiest rail station). Gatwick journey times to London Bridge will be further reduced with the completion of Network Rail's £6.5 billion Thameslink project in 2018.[16] This project includes new rolling stock and the rebuilding of London Bridge station. Services to Luton Airport will also benefit from the Thameslink project. Farringdon will become a new rail hub connecting Thameslink and Crossrail and linking directly to Luton as well as Gatwick and Heathrow (and St Pancras International).

4.5 Stansted is, of course, further out from London than Heathrow, Gatwick or Luton and so it should not be surprising that rail journey times are longer. However, it is not only the rail journey time that is a problem but also the reliability of Stansted Express ('STEX') services. As MAG stated in its submission to the Airports Commission in May 2013:

> *'We believe there is scope to reduce the current journey time to London of between 47 - 59 minutes to 30 minutes and also to improve reliability. This in particular is a significant concern for business passengers with around one in six trains delayed by at least 10 minutes. Recent research conducted by York Aviation on behalf of Stansted found that reducing the journey time to 30 minutes could lead to at least an extra 1.4 million passengers using Stansted every year.'* [17]

[14] *'Proposal for making the best use of existing capacity in the short and medium terms: Response from Manchester Airports Group',* MAG, May 2013, Table 1.5.
[15] '*High Speed Rail, Investing in Britain's Future'*, DfT, Jan 2013, p31.
[16] http://thameslinkprogramme.co.uk/about.
[17] *'Proposal for making the best use of existing capacity in the short and medium terms: Response from Manchester Airports Group'*, MAG, May 2013, para 3.13.

4.6 The 19 level crossings[18] between Stansted Airport and Liverpool Street are a significant constraint on line speeds and it should be noted that, although the West Anglia Main Line ('WAML') was recently re-signalled, the signal spacings and line speeds were unaltered. There are significant speed restrictions on the line, such that the maximum permissible average speed on the 36.8 mile route from the airport to Liverpool Street is just 71mph.[19] The *actua*l average speed currently achieved on STEX services – end to end – is about 47mph.[20]

4.7 In the absence of major new tunnelling works between Liverpool Street and Tottenham Hale, there is virtually no scope to improve on the 11 minute journey time for that 6 mile section, which (if a total 30 minute journey time is to be achieved) leaves 19 minutes for the remaining 30.8 mile journey to Stansted Airport, an average speed of 97mph. Even with extensive multi-tracking to allow the passing of slower trains and even with no intermediate stops, we submit that this is simply not attainable other than at a wholly disproportionate cost to the taxpayer.

4.8 Even if a 30 minute journey time could be achieved, an extra 1.4mppa is a small number in the scheme of things, bearing in mind that rail usage at Stansted has fallen from 5.5 million passengers in 2007/08 to 3.7 million in 2012/13.[21] This is despite brand new rolling stock being provided for all STEX services in 2011. Over the same five year period, rail usage at Gatwick has increased by 20% – from to 12.8 million in 2007/08 to 15.4 million in 2012/13.

4.9 Just 21.6% of passengers now use the train to travel to Stansted Airport compared to 28.8% ten years ago whilst, over the same period, Gatwick Airport has increased its rail mode share from 24.5% to 37.3%[22]. Rail is the least environmentally damaging surface transport choice for airport passengers and the least intrusive for local communities. It is therefore a matter of concern that the decline in Stansted's rail mode share appears to be quickening; it has declined from 24.3% to 21.6% in the last year alone. Just 11% of the seating capacity on STEX services is currently taken up by airport passengers.[23]

4.10 We fully understand why Stansted Airport Ltd ('STAL') has launched a 'Stansted in 30' campaign and we have some sympathy with its objectives, provided train services for local rail users are not downgraded for the purpose of reducing journey times for airport passengers.

4.11 As stated above, we believe that to achieve anything close to a 30 minute journey time between Stansted and central London would require a disproportionate contribution from the taxpayer. There is no easy short term fix, or even a medium term fix. The type of improvements needed would – we estimate – take 10-15 years to deliver and cost several billion pounds:

(i) SERAS work carried out on behalf of the DfT leading up to '*The Future of Air Transport'* White Paper, 2003, concluded:

> *'To cater for increased demand with the addition of one new runway (as is the case for the full use of the existing runway), a second rail tunnel between the airport and the West Anglia route would be needed. Further works on the line to London would be required including additional tracks. Works to provide additional capacity on the line to Cambridge and on to the East and West Midlands would be required to accommodate any increase in services necessary to support the airport and to allow more frequent airport expresses to overtake stopping trains.'* [24]

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[18] Evidence submitted to the House of Commons Transport Select Committee in May 2013 by Gatwick Airport Ltd – http://www.publications.parliament.uk/pa/cm201314/cmselect/cmtran/78/78we13.htm.
[19] Network Rail technical documentation – http://www.networkrail.co.uk/browse%20documents/sectional%20appendix/anglia%20sectional%20appendix.pdf – Tables EA1010, EA1160, EA1161 and EA1220.
[20] Arithmetic: 36.8 miles in 47 minutes = an average of 47mph.
[21] Office of Rail Regulation ('ORR') station usage data for 2007/08 to 2012/13 – http://orr.gov.uk/statistics/published-stats/station-usage-estimates
[22] 2004 rail mode share data is from CAA Passenger Survey Report (Table 9) and 2014 data is from the latest Gatwick and Stansted management reports to their respective airport consultative committees.
[23] SSE analysis based on ORR station usage data, number of STEX services and train seating capacity.
[24] *'The Future Development of Air Transport in the UK: South East'*, DfT, Feb 2003, para 9.13.

SERAS estimated costs of between £625m and £1250m for multi-tracking at pinch points to South Tottenham on the WAML and £91 million for a second airport rail tunnel.[25] [26] These estimates were at year 2000 prices and so would need to be substantially uplifted to reflect today's prices.

(ii) In 2007, Network Rail published a Route Utilisation Strategy ('RUS') for the WAML which contemplated four-tracking the section of route between Coppermill Junction (just south of Tottenham Hale) and Broxbourne Junction. This RUS was superseded by one covering the whole of the South East, published in 2011[27], and this also included a number of options for improvements to the WAML. The RUS, which has a planning horizon to 2031, assumed that, given the fall in demand at Stansted Airport and the cancellation of plans for a second runway, the main driver of demand growth would be commuting to/from London. The RUS is based on the assumption that for longer distance journeys – including Stansted Airport to London – demand can be satisfied to 2031 by progressively extending trains to 12 coaches.

(iii) The RUS is emphatic that no additional services can be run from Tottenham Hale via Hackney Downs to Liverpool Street because of capacity constraints on that part of the route, even following completion of Crossrail. Two extra services per hour could be added if Hertford services were diverted via Seven Sisters, but it is acknowledged that this would leave the inner Lea Valley stations even more poorly served than they are at present. So whilst the RUS does consider some extra tracking options on the main line, any additional services would have to be routed to and terminate at Stratford rather than Liverpool Street.

(iv) Network Rail did not bid for any funding for capacity improvements in its latest control period (2014-19) and the RUS does not take account of the recently announced transfer of responsibility for Enfield, Cheshunt and Chingford services to Transport for London due to take place later this year. This may well complicate the delivery of improvements to the rail service to/from Stansted Airport if the London Mayor has competing priorities. Network Rail is once again going through the process of considering options for the WAML with a view to identifying funding requirements for Control Period 6, which runs from 2019 to 2024.

(v) STEX services to Tottenham Hale and Liverpool Street are an integral part of the rail service for the towns of Bishop's Stortford and Harlow. They also provide a service for Stansted Mountfitchet and Sawbridgeworth commuters to/from London in the peaks. It would be wholly unacceptable to remove or reduce these local/ commuter stops and there is considerable local concern that this could be proposed as the only way of reducing train journey times to the airport in the short-to-medium term. Between them, Bishop's Stortford and Harlow stations already generate more rail passengers than Stansted Airport and both have rapidly growing populations, as also have Stansted Mountfitchet and Sawbridgeworth.

5. Surface access - Roads

5.1 In considering the difficulties with rail services to Stansted (above) the one aspect of this which is currently not a problem is capacity. As pointed out above, only 11% of the seating capacity on STEX services is currently taken up by airport passengers. By contrast, the capacity of the road network which serves Stansted Airport is already inadequate and major improvements will be needed in order to support the airport's projected growth to 35mppa over the next 25+ years.[28]

[25] *'SERAS Stage Two: Appraisal Findings Report'*, DTLR, April 2002, Table 9.2.
[26] In line with established Government policy, the airport operator would be expected to fund the second rail tunnel and to contribute to the costs of other rail improvements to the extent that these were for the benefit of airport-related traffic.
[27] *'London and South East Route Utilisation Strategy'*, Network Rail, Jul 2011.
[28] DfT unconstrained demand forecast, Jan 2013 – see Table 1 above.

5.2 Over 78% of Stansted's non transferring passengers access the airport by road compared to 71% a decade ago. The percentage of road users amongst Stansted's passengers continues to increase, directly contrary to STAL's claim in its G1 planning application seeking approval for expansion to 35mppa that the percentage of road users would decline to 70%.

5.3 STAL also claimed, in its G1 planning application that the number of transfer passengers at Stansted (i.e. passengers having no impact on surface access demand) would progressively increase – from a baseline of 10% in 2006 to 17% by 2014. The latest CAA survey data shows that just 4% of Stansted's passengers were transfer passengers (2012 data).[29]

5.4 The significance of the points made in the two foregoing paragraphs is that the impact of Stansted expansion on the roads serving the airport will be considerably greater than projected by STAL when approval was given to allow the airport to expand to 35mppa. Combining the two factors above, the overall effect is that, compared to STAL's claim that the proportion of passengers travelling to the airport by road would fall from 64% to 58%, the reality is that the percentage of Stansted's passengers travelling to the airport by road has risen to 75%.[30]

5.5 Digressing briefly from surface access, it should be noted that the above examples of over-optimistic projections were not limited to STAL's surface access projections in its G1 planning application, nor limited to just the G1 application. There has been a consistent tendency by Stansted Airport to overstate the benefits of its development proposals and to present its proposals as inflicting very little harm. Thus, if we had to single out one lesson learned from the history of the development of Stansted Airport it would be that there is a pressing need to introduce independent assessment into the planning process.

5.6 Compared to the Stansted figure of 4% transfer passengers, the Heathrow figure is 37%, and compared to the 78% of Stansted's non transferring passengers who reach the airport by road, at Heathrow this figure is 72%. The combined effect is that just 45%[31] of Heathrow's passengers have any impact upon the road network. Put another way, Stansted handling 35mppa would have the equivalent road traffic impact of Heathrow handling 58.3mppa.[32]

5.7 Another major change that has taken place since STAL obtained planning consent for 35mppa in 2008 is in relation to local housing development. Following the publication of the Government's National Planning Policy Framework in March 2011 and related guidance from the Department for Communities and Local Government, Uttlesford District Council ('UDC'), which is home to Stansted, has had to provide for a substantial increase in the rate of local house-building. From a 2011 baseline of 31,300 dwellings[33], an additional 10,500 dwellings are to be provided by 2031[34], increasing the population of the district by about a third.

5.8 A similar scale of new development is planned for adjacent East Herts District and indeed across almost the entire local area. The local road network, much of which is already at or near capacity will need major investment to cater not only for the potential expansion of Stansted to 35mppa but also for local population growth and other related development.

5.9. With regard to the strategic road network that serves Stansted Airport, the most pressing inadequacies are the M11 from J6 to J9 (especially J8 which serves the airport), the A120 from the A10 to the M11 and from Braintree to the A12. Major improvements will also be required to the local roads network within Essex and Herts County Council areas of responsibility.

5.10 Many of the road improvement schemes which are now seen to be necessary to support Stansted's expansion to 35mppa could have been foreseen when the application was being considered, if STAL had provided more reliable information at that time. It would not therefore be unreasonable for Herts and Essex CCs to seek a STAL contribution for these schemes.

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[29] *'Passenger Survey Report 2012'*, CAA, Oct 2013, Table 1 and Table 3.3.
[30] Arithmetic: Baseline: 71% of 90% = 64%; Projection: 70% of 83% = 58%; Actual: 78% of 96% = 75%.
[31] Arithmetic: 72% of 63% = 45%; Source data from CAA 2012 Passenger Survey Report and *'Heathrow Sustainable Transport Plan, 2014-2019'*, Heathrow Airport Ltd, Mar 2014.
[32] Arithmetic: Stansted: 75% of 35.0m = 26.2m; Heathrow: 45% of 58.3m = 26.2m.
[33] Census data.
[34] Pre-submission Local Plan, UDC, April 2014 - http://www.uttlesford.gov.uk/developinguttlesford.

6 Stansted's rural location

6.1 The status of Stansted as an *'Airport in the Countryside'* has its origins in the controversy surrounding the decision by the Government in 1985 to support the development of the airport to a capacity of 15mppa[35]. The whole issue had been so contentious – in Parliament as well as in the local community – that the Government felt a need to ameliorate its decision by providing reassurance that Stansted would be developed in a way which was as sympathetic as possible towards the local environment.

6.2 The proposal to develop Stansted to a capacity of 15mppa had been considered in great detail by Inspector Graham Eyre QC who chaired *'The Airport Inquiries'* taking evidence in public from 1981-83 and publishing his report in 1984. Eyre was emphatic that permission for Stansted to expand to 15mppa should only be granted if the Government gave an unequivocal declaration of intent not to go beyond 25mppa. In the absence of such an undertaking Eyre made clear that he would recommend that the application be refused:

> *'I take so strong a view on this aspect that if I believed, as so many do, that a grant of planning permission for an expansion at Stansted to a capacity of 15mppa would inexorably lead to unlimited and unidentifiable airport development in the future of an unknown capacity, I would, without hesitation, unequivocally recommend the rejection of BAA's current application in relation to the main site. ...'* [36]

6.3 We believe that Eyre was correct in his assessment that the sustainable development limit for Stansted is a maximum throughput of about 25mppa, which is why SSE, along with the local planning authority (UDC) and others, opposed STAL's 'G1' planning application in April 2006 to increase the capacity of Stansted from 25mppa to 35mppa. STAL described this application as 'making best use of the existing runway' and, following a public inquiry, the application was eventually approved, in October 2008.

6.4 We still remain doubtful that 35mppa can be achieved at Stansted on a sustainable basis. That would be almost 50% more than the throughput reached at Stansted's peak in 2007 and almost double its current throughput. Thus, Stansted has never actually handled the 25mppa which Eyre viewed as the maximum achievable in terms of environmental acceptability.

6.5 The above considerations are not simply matters of historic interest. The '*Airport in the Countryside*' principle continues to be a material planning consideration in relation to any future development at Stansted and is, for example, referred to in the latest version of UDC's Local Plan as follows:

> *'13.4 The Plan identifies a Countryside Protection Zone around Stansted Airport. Stansted Airport, as London's third airport, puts significant pressure for development on the surrounding countryside.* ***The aim of this policy approach is to maintain Stansted as an "airport in the countryside"****.'* [37] [Our emphasis]

6.6 In addition to the Countryside Protection Zone around the airport, there are Sites of Special Scientific Interest ('SSSIs') at each end of the runway – Hatfield Forest to the south and Eastend Wood to the north east. Hatfield Forest has the distinction of being Britain's best surviving example of a medieval royal hunting forest. The other airport boundaries are next to either open farmland or woodland, with scattered villages and hamlets in close proximity.

6.7 Uttlesford has over 3,800 listed buildings[38] – more than any other Local Planning Authority in the East of England. Much of the adjacent East Herts District has a similar rural character and it also has a substantial number of listed buildings, some 3,100.

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[35] With a review at 8mppa and on the understanding that a second phase of development to 15mppa would require Parliamentary approval. Subsequent expansion up to 25mppa was not ruled out.
[36] The Airport Inquiries 1981-83: Report of Inspector Graham Eyre QC, Chapter 23, 12.13.
[37] Pre-submission Local Plan, UDC, April 2014 - http://www.uttlesford.gov.uk/developinguttlesford.
[38] National Heritage List for England - http://list.english-heritage.org.uk/advancedsearch.aspx.

6.8 Stansted's rural setting makes it particularly challenging to expand the airport in a manner that is environmentally acceptable and consistent with the principle of sustainable development which underpins all planning policy and decisions. In this context the National Planning Policy Framework defines 'sustainable' as *'ensuring that better lives for ourselves don't mean worse lives for future generations'* and it defines 'development', quite simply, as *'growth'.*[39]

6.9 It is of course understood that a doubling of the current throughput of Stansted to 35mppa could be achieved within the existing airport boundary and so would not encroach further upon the local landscape or result in any further loss of the natural and/or historic built environment. Nevertheless, more development within the airport site and more intensive use of the airport would have significant adverse impacts upon the local environment and local communities.

6.10 A doubling of the number of flights would, quite obviously, damage the quality of life of many local communities and of those living under flight paths up to 20 miles away from the airport. Equally, a doubling of the volume of airport-related road traffic in this largely rural area would add to road congestion and traffic pollution, thereby imposing costs upon local residents and businesses alike, and again reducing the quality of life for local residents.

6.11 It is beyond the scope of this submission to cover the full range of implications for the expansion of Stansted to its current planning limits of 35mppa and 264,000 ATMs or, for that matter, to anything beyond the current limits. As we have said above, we are doubtful that a throughput of 35mppa and 264,000 ATMs can be achieved at Stansted on a sustainable basis. That level of throughput was however duly approved in 2008, after lengthy consideration and a public inquiry. Therefore, despite our misgivings, we must respect that planning decision. We would however expect there to be at least a comparable level of scrutiny, and an opportunity for independent assessment of the impacts, for any proposal to expand Stansted beyond 35mppa.

7. Concluding points

7.1 The DfT considers the maximum capacity of Stansted to be 35mppa and that was STAL's position also until the change of its ownership last year. STAL's G1 planning application was described as 'Making best use of the existing runway' [40] and, in that planning application, the terms 'best use' and 'maximum use' were used interchangeably. The 2003 Air Transport White Paper also used the terms 'best use' and 'maximum use' to convey the same meaning.[41]

7.2 We would submit however that 'best use' is not the same as 'maximum use'. Planning decisions should be about striking the right balance and not simply about sweating the assets regardless of the consequences for the local communities and the environment. The right balance needs to be struck in a number of other ways also.

7.3 For example, it is not best use of Stansted Airport for it to be so dominated by one airline, Ryanair, which accounts for 78% of its passengers. A further 14% of Stansted's passengers are carried by easyJet. This results in reduced passenger choice and it puts at risk employment and economic sustainability. UDC has a longstanding policy to develop a broadly based local economy which is not over-dependent on a single industry or company. Self-evidently, airlines have highly mobile assets and Ryanair has shown in the past that it is prepared to be footloose if it cannot secure the commercial terms that it wants.

7.4 The dominance of 'No Frills' carriers ('NFCs') at Stansted has given rise to a situation where the UK's fourth largest airport only serves short-haul destinations, predominantly catering for leisure travellers. This is not 'best use' of Stansted's available capacity. It would be more sustainable for the airport to provide a greater choice of airlines and destinations.

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[39] *'National Planning Policy Framework'*, DCLG, March 2012, Ministerial Foreword.
[40] http://archive.today/SYq6A.
[41] *'The Future of Air Transport'* White Paper, DfT, Dec 2003. As well as 'best use' and 'maximum use', it also used the term 'full use' – all used interchangeably and conveying the same meaning.

7.5 MAG says that it fully shares that objective but its track record since acquiring STAL in February 2013 suggests otherwise. Deals have been struck with easyJet to more than double its business at Stansted by 2018 (to 6mppa) and with Ryanair to expand by 40% at Stansted by 2018 (to 18mppa) and add a further 3mppa by 2023 (to 21mppa).[42] These NFCs will therefore continue to dominate Stansted for the foreseeable future, making it far more difficult for other airlines, including long haul carriers, to obtain the slots they would need to establish profitable – i.e. sustainable – routes at Stansted.

7.6 One might also question whether it is making best use of Stansted for it to be the UK's second biggest airport for dedicated cargo aircraft.[43] Stansted handles more CATMs than all other airports in the South East put together. This is, of course, largely because of Government intervention under the *London Traffic Distribution Rules 1991* ('the TDRs')[44] whereby CATMs were in effect evicted from Heathrow and Gatwick to increase their capacity to handle PATMs.

7.7 The TDRs apply to only Heathrow, Gatwick and Stansted, and the 1991 restrictions on CATMs – and also on business and general aviation flights – were applied only to Heathrow and Gatwick airports, and not to Stansted, because at that time there were no runway capacity problems at Stansted, even at peak periods. The Commission predicts that there will be runway capacity problems at Stansted by around 2041.[45] We would therefore expect the Commission to look closely at the option of bringing Stansted into line with Heathrow and Gatwick in relation to the application of the TDRs, as a means of raising its capacity to handle PATMs.

7.8 Given the Commission's predictions – as well as the DfT's predictions – of a future runway capacity shortage in the South East, we find it almost bizarre that Manston, one of the most potentially suitable airports in the South East for use as a cargo hub has recently been allowed to close with no questions asked or concerns raised by the Commission or the Government.

7.9 In contrast to this laissez-faire approach in relation to Manston, the Scottish and Welsh Governments did not hesitate to intervene to prevent the closure of Prestwick and Cardiff airports, respectively. In both cases the justification given for intervention was to safeguard a strategically important asset for their economies. It is not clear why the same justification would not apply to an airport located in the South East, the only region of the UK where the Commission believes that additional runway capacity is needed.

7.10 To conclude, we have set out in this submission a brief description of some of the many challenges which Stansted faces with regard to the utilisation of its existing capacity – principally the lack of market demand, its poor road and rail connections and the particular environmental constraints arising from its rural – '*Airport in the Countryside'* – setting. We nevertheless believe that there is scope to make better use of the existing capacity at Stansted and we have set down a number of proposals in this regard. We hope the Commission finds this helpful.

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[42] MAG announcements of 13 Jun 2013 and 16 Sep 2013 at http://www.stanstedairport.com/about-us/media-centre/press-releases.
[43] Only East Midlands Airport handles more CATMs. Source: CAA Airport Statistics, Table 6.
[44] http://www.acl-uk.org/UserFiles/File/TDR1991.pdf.
[45] Interim Report, Dec 2014, Figure 2.