# The future development of air transport in the United Kingdom













### **SCRUTINY REPORT**

### AIR TRANSPORT CONSULTATION

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### MEMBERSHIP OF THE AIR TRANSPORT CONSULTATION TASK GROUP



Councillors: Councillor Fred Bacon (chair)

Councillor Derek Munton (vice-chair)

Councillor Phil Filmer Councillor Roy Hunter

Councillor Kenneth Webber (substituted by Councillor John Booth)

Councillor Mrs Diane Chambers (substitute on

10 October 2002 for Councillor Filmer)

Officers: Steve Humphrey, development and environment directorate

Brian McCutcheon, development and environment directorate Rosemarie Gunstone, overview and scrutiny co-ordinator

#### Witnesses invited:

#### **Environment:**

Mick Jenkins - Acoustics Technology Limited, noise consultant

Hardial Sagoo - Acoustics Technology Limited, noise consultant

Barrie Neaves - Environment Agency

Alan Law - English Nature

Steve Gilbert -Royal Society for the Protection of Birds (RSPB)

(The representative from the Office of the Deputy Prime Minister did not attend)

### Transport and Aviation:

Andrew Jones, MVA Consultants (Medway Council's leading consultant specialising in traffic and transport)

Richard Hancocks, MVA Consultants

Charles Miller, Citygate (public affairs consultants, lobbyist for Medway Council)

(The representative from the Department for Transport did not attend)

### Planning and development:

Robin Kingdon, Locate in Kent Tim Forse, SQW, economic development consultants Jenni Southern and Patrick Geary, Medway Youth Parliament

# INTRODUCTION BY THE CHAIR OF THE AIR TRANSPORT CONSULTATION TASK GROUP



I very much welcomed the opportunity of leading this review into such an important proposal which, if it were to take place, would have an impact on the Medway towns such that the character of Medway's community, economy and environment will be changed forever. Although we were reviewing this from Medway Council's perspective it is important to realise that the building of an airport at Cliffe would have far reaching effects across the rest of Kent and parts of Essex.

This review was the largest piece of work so far undertaken by an overview and scrutiny committee at Medway, with the aim of looking at all of the positive and negative aspects of this proposal. By consulting the experts, particularly those with knowledge of the environmental aspects of the proposal, it has been possible for the task group to draw firm conclusions and make recommendations to form part of Medway Council's response to the government.

I would personally like to thank the witnesses for their advice and all the Council's employees for their knowledge and time, particularly Rosemarie Gunstone for her support and help in compiling this report.

Councillor Fred Bacon

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Chair, Air Transport Consultation Task Group

### SCOPE OF THE REVIEW

Set out below are the agreed terms of reference for the review.

To review the consultation document "The future development of air transport in the United Kingdom" published by the Secretary of State for Transport in July 2002 - particularly those elements associated with the option of establishing a new airport at Cliffe in so far as they fall within the Environment Overview and Scrutiny Committee's remit.

To take evidence from relevant individuals, bodies or agencies regarding the consultation document and the Cliffe airport option in particular.

To make recommendations from its deliberations to the Environment Overview and Scrutiny Committee together with proposals for the content of any response from Medway Council to the government.

To issue such a report in time for it to be presented to the Environment Overview and Scrutiny Committee, amended as that committee sees fit and then considered by the council before the close of the consultation.

### HOW THE REVIEW WAS CARRIED OUT

At a meeting of Medway's Environment Overview and Scrutiny Committee on 12 September 2002 a task group was set up to look at the consultation document "The future development of air transport in the United Kingdom".

A list of potential expert witnesses were contacted and invited to come and meet the task group to share their knowledge with the members and answer questions about the proposed new airport at Cliffe. The first group of witnesses was chosen because of their knowledge of environmental aspects of the proposed development. A representative from the Department of Transport, Aviation Policy Division and representative from the Office of the Deputy Prime Minister were invited to attend but did not respond.

Meetings of the task group were arranged for 19 September 2002, 30 September 2002 and 10 October 2002 under the following headings:

Environment 19 September 2002
Transport and aviation 30 September 2002
Planning and development 10 October 2002

The witnesses attended the meetings as a group but were questioned individually about their specific area of knowledge.

The task group then met on 17 October 2002 to discuss their findings and finalise the report to be made to Medway's Environment Overview and Scrutiny Committee on 28 October 2002.

The report will be considered by Medway's Cabinet on 29 October 2002 and inform the council when making its formal response on the proposals for an airport at Cliffe.

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# Highlights from MEETING OF THE AIR TRANSPORT CONSULTATION TASK GROUP

#### "Environment"

Held on Thursday 19 September 2002 at the Civic Centre, Strood

Present: Councillors Bacon,

Filmer, Hunter and

Munton

Officers: Brian McCutcheon,

transport and

development plans

manager

Rosemarie Gunstone, overview and scrutiny

co-ordinator

Witnesses: Mick Jenkins -

**Acoustics Technology** 

Limited

Hardial Sagoo -

**Acoustics Technology** 

Limited

Barrie Neaves -

**Environment Agency** 

Alan Law - English

Nature

Steve Gilbert - RSPB



# Extracts from questioning of Alan Law - English Nature:

 In response to a question about the effect on the environment of the other proposals:

"Most of the proposals will have an impact on sites of interest but the proposals at Cliffe would have the worst impact, the least significant impact would be at Luton and Heathrow"

- The site at Cliffe is important for water voles which are protected under the Wildlife and Countryside Act, scarce emerald damselflies and the rove beetle called "The Maid of Kent" - there are two specific sites where these are found within the footprint of the airport"
- "In order to overcome the provisions of the Habitats Regulations and the European Birds Directive the government would have to demonstrate that other options have been considered and that there were no other viable alternatives. The government would also need to prove that the development would be in the public interest. If it was able to prove this case the scheme at Cliffe could proceed but the adverse effects of the development would need to be fully compensated for. Should the conditions of the European Directive be breached the government would be subject to infraction proceedings"
- "Creating an equivalent area for wildlife with comparable special scientific interest would be

difficult, if not impossible. For the birds which return to the area only very infrequently there would be difficulties trying to recreate the correct environment"

 In response to a query relating to the alternative suggested site for the wildlife at Reculver:

"We are looking at the package offered and will be submitting our views as part of our formal response, initial indications are that this will not be adequate"

 In response to a question relating to the Shellhaven application which involves Compulsory Purchase Orders being served on areas of wetland at Cliffe and Cooling -

"This is confusing and does not make sense - obviously both schemes cannot go ahead"



Extracts from questioning of Mick Jenkins and Hardial Sagoo -Acoustics Technology Limited:

 In response to a question about whether the measurements of noise are affected by weather/wind direction:

"The measurements estimated in the report would be averaged out - the noise levels in the report will need to be checked"  In response to a question about the pace of technological improvements in aircraft the witnesses referred to international standards (chapters) for limiting noise from civil aircraft:

"Chapter 2 aircraft have been phased out and banned from 1 April 2002 Chapter 3 aircraft are now being used with less noise emissions. Chapter 4 aircraft are currently being developed to be 10 decibels quieter. I am not sure how quickly the aircraft industry can respond to these developments but there will be pressure to develop quieter planes to keep within the noise contours laid down by the various airports"

The consultation paper itself concedes that its noise level assumptions may not be delivered by 2015 unless determined action is taken by both the industry and the government to make it happen.

 In response to a question as to whether there was a difference of 10 decibels (dB) between chapter 2 and 3 aircraft he undertook to look into this and report back\* (see below)

\*The differences between noise emission limits under Chapters 2 and 3 of international standards depend on the weight of the aircraft and the number of engines. For a twin-engined aircraft of 65,000kg (e.g. 737-600) the emission limit is about 4 dB lower on approach and about 7 dB lower on flyover.

- For a four-engined aircraft of 400,000kg (e.g. 747-400) the Chapter 3 emission level is about 3 dB lower on approach and 2 dB lower on flyover.
- In response to a question about the connection of aircraft noise and sleep deprivation, he referred to a World Health Organisation report on community noise (see background documents.)
- Officer comment: "The consultation at present is only on the possibility of four runways at Cliffe rather than five".

## Extracts from questioning of Steve Gilbert, RSPB:



◆ "The nature reserve at Hoo has been managed by RSPB since 1956 and was one of the first national nature reserves created since 1951. It has the largest heronry in Britain with 165 nests last year. The nature reserves have been extended to 250 hectares by the purchase of arable farmland to the north and this supports a large number of waterfowl and wading birds. There are also 45 breeding avocets"

- The option for Cliffe would have a devastating impact on the wildlife at this site as a result of the 'land take' and disturbance over the wider area for the construction and building work and the mitigating action which would need to be taken to avoid bird strike"
- There is an area not presently classified as an SSSI (Site of Special Scientific Interest) which we are in discussion with English Nature about as we now feel this should be classified"
- "RSPB are deeply conscious of the wider environmental implications of an airport at Cliffe and has commissioned a transport consultant to assist with its response to the government beginning with the position of not necessarily accepting the need for unrestrained growth in air transport underlying the proposal, believing that by demand management there could be a reduction in the number of 300m ppa (million passengers per annum) set out in the report. There should be a concerted effort to publicise the links between air travel and climate change"
- "We would like the government to look at pressing for taxing aviation fuels in view of the fact that other means of transport, such as rail have to pay fuel tax and will be looking at the validity of the concept of a hub airport at Cliffe to find out if this is a viable option and whether hub airports are a valid concept indefinitely. Some research has indicated that people prefer to travel from their local airport rather than use a hub airport"

- In terms of biodiversity there would be no direct benefits from an airport at Cliffe. I am not qualified to comment on economic or social benefits although I would say that Thames Gateway policies whilst seeking to regenerate the economy also emphasise the importance of national and historic areas"
- "If the airport at Cliffe went ahead there would be an impact at various levels. It would have a major detrimental effect for example at Northward Hill on the Hoo Peninsular. That area this year supported 45 pairs of breeding avocets, which are listed in the European birds directive, also 34 pairs of lapwings and 46 pairs of redshanks which are wading birds and in the winter shelducks, ducks and geese. This would be a big loss to the area. There would also be a serious problem of bird strike with large flocks of birds and it is mentioned in the Scott Wilson report that this must be addressed. The need to avoid bird strike will have an effect on the inter-tidal areas to make them not suitable for these birds. We will be working with English Nature to assess the numbers of birds concerned."
- There is little doubt that the option for an airport at Cliffe is by far and away the most damaging of the options and, in our view, it would be extremely difficult if not impossible to replace wildlife which would be lost in the event of this development taking place"

"The situation of mitigating circumstances would only arise if the government has been able to demonstrate that the development is in the public interest. I do not know if Reculver is a viable option but I am sure there would be problems. The RSPB has clearly stated that it does not want an airport at Cliffe as it would be immensely damaging. I think this would be one of the most damaging developments in Northern Europe if it were allowed to go ahead. There is no other single development I can think of which has had this level of impact"

Extracts from questioning of Barrie Neaves, Environment Agency:



"One of the major concerns of the Environment Agency is to consider flood defences and we will shortly be looking at the Thames estuary in terms of protecting London's defences designed in the 1960s which are coming to the end of their design life. The Thames Barrier protects the centre of London and we have just started to plan for that stretch up to the year 2100"

- "I do not think work has been done on the impact of coastal processes or on the waste site at Shakespeare Farm as far as the proposed airport at Cliffe is concerned"
- "English Nature will be taking up the issue of the designation of part of the area for water voles"
- "As far as water resources are concerned if there is a demand for another 200,000 people in the area there is a very real risk that we would not be able to cope with the demand for water supply. We are already struggling to meet the demand across Kent"
- ♦ In response to a question about water pressure and supply he stated that further supply of water would need to be found and the Environment Agency already has concerns about meeting the demand following the regeneration of Thames Gateway. Water may need to be imported from elsewhere and moving water in this way is not a cheap option.
- In response to a question as to whether there was a risk of flooding in London if the airport was built at Cliffe he explained that this was a real possibility as was the risk of flooding in the area of Cliffe/Cooling marshes.
- "Although it was not anticipated that in the short term the Thames Barrier would not be able to cope with the increase in water, in the long term it is possible that a second barrier

- would be required possibly in the Gravesend/Tilbury area"
- ◆ "The type of response we will provide to the government will be much the same as the type of report produced by Halcrow, consultants to the SERAS study, showing high and low adverse impact. Having done an initial screening it would look as though Cliffe had far and away the largest impact and Stansted the least impact environmentally but we will not be making any recommendation to the government as to the option to choose"
- "The other options appear to be flat sites, particularly Stansted, with little ground works. I would question where the materials would come from for Cliffe or where they would go to"
- In response to a question about impact on pollution he stated that as far as air pollution was concerned this was a matter for local authorities rather than the Environment Agency.
- ◆ The question of the effect on the wreck of the SS Richard Montgomery, situated off the coast of Sheerness, being in the line of the flight path was answered by Councillor Filmer who stated that in recent investigations it was found that although there are explosives on the wreck there were no detonators present.



### Preliminary findings:

- The scale of the environmental impact should an airport be built at Cliffe would have far reaching effects beyond those identified on the footprint area shown in the consultation document produced by the government
- The proposed airport at Cliffe, if it were to be built, would have the following potentially damaging effects on the area:
  - (a) Substantially increasing the risk of flooding - affecting the local area and possibly the whole London/Thames Barrier area
  - (b) Bringing about a shortage in water supply to the population which could only be dealt with by expensive transportation of water from other areas
  - (c) Endangering, and in some cases, eliminating protected species of birds, flora and fauna and wildlife
  - (d) Significant increases in noise levels across a wide area
  - (e) Loss of residential properties and agricultural land
  - (f) Indirect adverse environmental impacts through development pressures

- (g) Adverse impacts on traffic and congestion levels
- There are grave concerns that the kind of mitigation required should an airport be built at Cliffe would not be successful. Any attempt to move the birds and wildlife to an alternative area would be unlikely to succeed
- It is clear that the government would, in order to meet the requirements of the Habitat regulations and European Birds Directive, need to look for less damaging alternatives and prove that the scheme is in the public interest
- From the four witnesses interviewed none of them could foresee any environmental benefits from the building of an airport at Cliffe
- It would appear that a number of important factors have been omitted from the SERAS (South East and East of England Regional Air Services Study) report, in particular the status of the landfill site at Shakespeare Farm and problems with water supply in the area

### Background document referred to in the report:

Preliminary Site Search of Options for New Airport Capacity to Serve the South East and East of England, Scott Wilson, June 2001.

"Community Noise" - prepared for the World Health Organisation, editors are Berglund, B. and Lindvall, T., Community Noise, archives of the Center for Sensory Research, 1995, 2 (1), pages 1-195

# Highlights from MEETING OF THE AIR TRANSPORT CONSULTATION TASK GROUP

"Transport and Aviation"

Held on Monday 30 September 2002 at the Civic Centre, Strood

Present: Councillors Bacon,

Booth (substituting for Councillor Kenneth Webber), Filmer, Hunter and Munton

Officers: Steve Humphrey,

assistant director, regeneration and environment

Brian McCutcheon,

transport and development plans

manager

Rosemarie Gunstone, overview and scrutiny

co-ordinator

Witnesses: Andrew Jones, MVA

Consultants

Richard Hancocks, MVA Consultants Charles Miller,

Citygate Consultants (lobbying adviser to

the council)

Extracts from questioning of the above witnesses:



- During the introduction Andrew Jones explained that as the council's traffic and transport consultant heading the study of the proposals for air traffic in the south east it was important for him to take a neutral stance and to be unbiased. He stated that sub-contractors were also employed, under MVA, to deal with specific areas such as the noise aspects. MVA were brought in before the SERAS report was issued and their remit was to examine all assumptions in the headline figures. The report they will eventually produce will state which areas are challengeable.
- Some of the key questions to be answered:

Why Cliffe was chosen as the only greenfield site out of 400?

How will the government attract airlines to Cliffe?

Is the proposal for an airport at Cliffe going to be the catalyst for regeneration of the Medway area?

Why has the cost of the lower Thames crossing not been added into the cost of the airport?

How likely is it that the private funding will be available?

In response to a question about off-site facilities "It has not been made clear whether Grain is in the proposals for additional facilities and although sensitivity tests have been done it is not known whether versions 1, 2 or 3 are to be used. We will also be asking the government how the noise contours are based. The noise assessment seems to be based on the approaches coming from the east and take off towards the west. That will happen most of the time but what happens when it does not? That is one of the questions we will be asking through the council".

- In response to a question about measures consultants could take to counteract the eagerness of Thames Gateway CBI to push for an airport at Cliffe the consultant stated that this had been discussed at a meeting with Kent County Council's consultants. There was doubt about the urbanisation issue. The SERAS view is that there was no need to build more houses in the Kent/Medway area because by bringing forward the 30 year plan (referred to in their report), it would counteract the outcommuting that currently happens by people moving out of the area and changing jobs to Cliffe airport.
- ◆ "One cannot deny that something of this size, if it worked, would bring jobs and prosperity to an area and house prices would go up. This is what has happened in other areas with successful airports but whether this is overkill and you are already well on the way to achieving the regeneration with the likes of Ebbsfleet coming along remains to be seen"
- "Whilst CBI South East will be in favour of the Cliffe proposal,

- CBI London will not for two reasons. One reason is that they will not want to see damage to London city airport and the other reason is that they will be in favour of the Heathrow option"
- A query was raised as to whether the proposals for Cliffe would damage the proposals for regeneration of the Thames Gateway. In response it was stated that it could well have an effect on businesses attracted to the area. For instance financial companies would not be attracted to the area if they were competing against the head office of an airline that may be based there.
- During discussion on the validity of information contained in the consultation document it was mentioned, by one of the task group members, that reference was made in the Putney report "Connecting London's transport systems" published in 1998 to the possibility of an airport at Cliffe. It was therefore surprising that a more in-depth evaluation of, for example, commercial viability, was not included in the consultation.

The consultant went on to explain that the stages in the preparation of the report were very close together, stage 1 being compiled in May 2002, stage 2 and 3 both in July 2002 which did not allow much time to incorporate insights which might have come from analysis of earlier proposals.

 "As a general rule of thumb there are 1000 jobs for every 1

- million passengers but there are variations to this. In terms of transport the report suggests there would be a split with 45% using public transport and 55% cars, this would not take account of staff at the airport"
- "Cross Rail are doing work on the options for the airport and LCR (London and Continental Railways) have said "no" from the start to the proposition of investment to CTRL (Channel Tunnel Rail Link). Eurostar are critical about the loss of pathways, it has been guaranteed eight but is only using three, any reduction in these international pathways will damage their business case. (Eurostar does plan to utilise these eight slots). This would mean that the government would have to step in as guarantor. Unless LCR were compelled to do this it would not happen".



◆ Officer comment "SQW (Medway Council's economic development consultants) and Kent County Council's consultants have been working closely together to look at job forecasting. The government report only refers to direct and indirect jobs but there will also be induced and catalytic

- employment. The induced jobs will be those offsite which are attracted because the airport is there, the catalytic employment could be through the headquarters of an airline deciding to base itself there. That work is ongoing but indications are that there will be a robust case to say that these figures are a serious underestimate"
- The foreign airlines are unlikely to be attracted to an airport at Cliffe because they would be uncertain about operating somewhere like Cliffe with their competitors operating at a more popular airport
- "The government will not use any regulatory tools to enforce Cliffe as an option, traffic distribution rules are not used now. They will rely on airlines having to go there"
- Officer comment "It is difficult to judge the huge demand of rail traffic and Medway and Kent might suffer a worse road and rail service than at present"
- "The report is saying that the expected labour catchment area for the airport currently provides around 100,000 more workers than jobs and if the scale of housing development indicated in regional planning guidance was rolled forward to 2030 an additional 162,000 houses might be provided. Reduction in the current high rates of unemployment and outcommuting from those areas, together with the forecast housing growth, suggests that the employment needs of the

- airport could be met with limited additional housing development. This is why it has not added to the report detail of extra demand on road, water supply, schools etc."
- Officer comment "The Thames Gateway proposals for the new development at Chattenden and for 500 dwellings at Hoo would have to be revised if an airport was constructed at Cliffe"
- Officer comment "There would be a blighting of not only the borough of Medway but also the rest of Kent as there are no huge areas for development, so South Essex, North Kent and the Weald would be the focus for development"
- The basic assumptions in the report are that the demand for a point to point service will reverse and go back to hubbing large, fairly well laden aircraft this seems an optimistic view"
- "As far as demand for air travel is concerned this has increased from 22 million in 1970 to 114m in the south east now rising to 300 million in 30 years time. A growth in demand of 6% per annum is not unusual"
- ♦ In response to a question relating to how far demand would have to fall before Cliffe would not be a viable proposition it was said that if the demand was down to 250 million there would be the option of putting another runway at Stansted and Heathrow without needing Cliffe. It would then be necessary to ask

- whether they can operate as airlines want them to.
- "Heathrow does not have the freedom to operate as a true hub like Charles de Gaulle airport in Paris to structure its flights in that way so that you get your inward flights and less than an hour later you have your outgoing flights but it does have a vast number of services which offers a large number of transfer opportunities between flights. 30% of its throughput are transfer customers, a large number are international to international. Gatwick also has quite a hub, about 20% of transferring customers. If Cliffe had the same variety of flights it does not matter who runs it. The advantage of having just one airline group is that one group looks after all the arrangements such as baggage etc"
- "Heathrow will continue to operate at the same level and will not decline as it is too near the centre of population that requires air services west of London and Cliffe would have to duplicate some of that and split `on-surface' access"
- In response to a question about the "predict and provide" approach it was stated that the predictions in the past regarding demand have been surpassed and Heathrow is already constrained. The point was also made that there is plenty of spare capacity at Stansted
- "Heathrow and Gatwick are already in a position where they turn away passengers - they do

not go to Stansted so you will find that there is critical demand that is being lost and that there are people going to a foreign hub"

- "The area which will evidence the fastest growth in demand is the south west quadrant of London. There is then a deterrent to people if they have to make the journey to Stansted instead"
- ◆ "It is stated in the document that the government is not looking for public money to go into this and I do not believe public money would be forthcoming if they were. They would want to get a guaranteed return on any investment and the building could not even commence until approximately 2015. A huge amount of money is involved and the estimates are increasing as to projected costs"
- I think the only thing which the government could really do to coerce airlines to use Cliffe would be to reduce landing fees there and possibly introduce an environmental tax at Heathrow for air quality and noise. Airlines are likely to be prepared to pay over the odds to stay at their preferred site"
- Responding to a question about the effect of leaving Gatwick out of the proposals the consultant said "With the different combinations of options you have basically two or three that, without Gatwick included, would meet the required target for passengers. If you add Gatwick to the

- equation you would have another four options giving six/seven before getting to Cliffe."
- ◆ "In terms of new sites Cliffe has become the preferred site probably because of the identification of potential sites by GIS (Geographical Information System) to find which areas have high unemployment, good accessibility etc and Cliffe is one of the "hotspots" for this reason although, in our opinion, this is rather a simplistic view"
- "Manston was not considered as a serious option for an airport because of its distance from London"
- "Even if the White Paper next year does not mention Cliffe I think the blight on housing there will remain for some time to come"
- Officer comment "At a meeting with British Airports Authority (BAA) today they have stated that while they are being as neutral as possible with their approach their response is likely to point out the improbability of finance being available to fund an airport at Cliffe or for the airlines to be coerced to go there"
- Officer comment "The one option that requires no demand management at all is Cliffe, all the others would require some sort of demand management. There is a growing debate about questioning the government's credentials on sustainability"

 "The Department for Environment, Food and Rural Affairs, along with the environmental agencies and Friends of the Earth want demand management"



### Preliminary findings:

- The omission of Gatwick from the proposals has a large impact on the ranking of Cliffe as a viable site for a potential airport
- The cost of providing an airport at Cliffe would appear to be far and beyond any of the government's expectations and it would seem unlikely that private finance would be forthcoming
- The rail links do not appear to be viable given the business strategies (and commercial imperatives) of LCR (London and Continental Railways) and Eurostar
- The effect of an airport being built at Cliffe would have far reaching consequences across Kent as well as Medway in terms of future planning and demand on the already heavily used road system

- It would appear that the option of Cliffe would not be favourable to the airline operators who are likely to wish to remain at Heathrow and Gatwick
- The apparent adherence to a "predict and provide" approach is inconsistent with sustainable development principles
- The basic assumption that a hub airport is needed is called into question
- There appear to be substantial discrepancies in the report. In particular the employment predictions do not seem consistent with the estimates of need for extra housing. The fact that the area currently provides 100,000 more workers than jobs does not mean those workers (or their successors) will happily abandon current job opportunities to work at or near a Cliffe airport
- If the government chooses Cliffe then costs, funding problems and lack of underpinning commercial viability may still prevent an airport from ever being developed there. National air transport strategy cannot buck a highly commercialised and international market.

# Highlights from MEETING OF THE AIR TRANSPORT CONSULTATION TASK GROUP

"Planning and development"

Held on Thursday 10 October 2002 at the Civic Centre, Strood

Present: Councillors Bacon,

Booth (substituting for Councillor Kenneth Webber), Mrs Diane Chambers (substituting for Councillor Filmer), Hunter and Munton

Officers: Steve Humphrey,

assistant director,
regeneration and
environment
Paul Woodcock,
economic development
and business support

Brian McCutcheon, transport and

development plans

manager

manager

Rosemarie Gunstone

overview and

scrutiny co-ordinator

Witnesses: Dr Tim Forse, SQW

Consultants

Ross Ingham, SQW Consultants Robin Kingdon, Locate in Kent Jenni Southern, Medway Youth Parliament Patrick Geary, Medway Youth

**Parliament** 

Extracts from questioning of Robin Kingdon, Locate in Kent:



- "Locate in Kent is neither qualified nor in a position to comment on any environmental issues I am here to talk about inward investment."
- "From an inward investment perspective for this to go ahead would be absolutely fantastic in Kent or anywhere in the UK. The upskilling of the local population and the number of jobs created would be phenomenal - it is as simple as that"
- In response to a question regarding the impact on unemployment figures should the airport be based at Cliffe, he stated that he was sure that the airport would have an impact on unemployment in terms of reducing it.
- "Generally most people who come in as new investors employ from the employed stock and the gap is filled from below because of the skills issue"
- "I think the companies will bring in opportunities for people to train to upskill"
- Officer comment: "There are around 80,000 jobs in Medway

- at the moment and we have 120,000 workers so there is a deficit of 40,000. The rest of North Kent has probably got similar percentages. You could argue that those people could be employed more locally"
- In response to a concern about the willingness or even ability of people to change from working in London to working at Cliffe he stated that he believed that the large percentage of people who would potentially work at Cliffe would be recruited from the local market. He said that people would rather not commute because quality of life counts for a lot.
- "Airports do bring a lot more ancillary and associated jobs which go far beyond the aviation industry"
- In response to a question relating to the security of any jobs at an airport he stated that one of the main reasons for lost investment into Medway is because of a lack of a hub airport.
- "The UK is well placed to set up these rationalised and consolidated pan-european operations and as such they are well thought out and these are not the "boom and bust" days".
- "Recent history has shown that people, like those from the banking industry, can reskill and change their direction to take advantage of jobs at the airport. A number of banking jobs have been lost over the past years and those people have not increased the numbers on the unemployment register"

- "Every conceivable job you can think of would benefit from the building of an airport"
- "I am not at liberty to disclose whether any company has expressed an interest in locating at or near the potential airport site. It is a very important factor though to have an international hub airport within Medway"
- Officer comment: "I believe that this part of Kent, Essex and the east of London would potentially become the economic "powerhouse" of the UK, if not Europe, should the airport at Cliffe go ahead".



◆ Officer comment in response to a member question relating to planning permission for ancillary development: "The government has the option to proceed by way of a hybrid bill which would effectively grant planning permission. This is what happened with the Channel Tunnel Rail Link. It is important to remember that we are talking about an airport twice the size of Heathrow. A four or five runway airport. It is being promoted as true hub airport. It is recognised that Heathrow does not operate as a true hub airport at the moment. It would only be possible to promote a true hub airport at Cliffe at the expense of declining aircraft activity at Heathrow and potentially its closure"

- In response to a question as to whether the building of an airport at Cliffe would change the economy beyond recognition he said it definitely would but in a positive way.
- "If Cliffe airport does not go ahead then improved access to other international airports will be imperative for businesses locating in Medway"

Extracts from questioning of Dr Tim Forse and Ross Ingham, SQW consultants:



- "Our brief was to produce a sensible series of impacts essentially of the airport proposal at Cliffe, not looking at all the other airports.
- Heathrow and Gatwick have produced helpful comparators of

what happens around airports in terms of sectors of employment. Our job is to take that and to say how would this be transformed if it were to land on the catchment area of the Cliffe site. We have done this in parallel with PACEC (Public and Corporate Economic Consultants) the consultants who have been acting for Kent County Council. We have had a high level of co-operation from them and have now produced our first draft which meshes with their work which is a much wider piece of forecasting. We are looking forward and saving what does this impact look like?"

- "The impact would be substantial. It is not just the fact that it is very large but it would be very sudden. I have used the words "big bang" in the report. If you produce an airport that is going to grow to 110 million passengers per annum on a site such as Cliffe you have to construct a large amount of it at once. On the direct employment side there would be an immediate impact. We also looked at two other key elements, the indirect and attracted elements"
- "If you look at what is around Heathrow - 30 minutes travel away from Heathrow are certain forms of employment, if you look 60 minutes away the nature of employment changes."
- "My colleagues in the transport world inform me that if you are building a platform in this

instance you cannot build half a platform"

- "The direct employment of construction jobs would affect the construction employment base of South East England as it would require so many people to work at once."
- "We have focussed our attention on the next 30 years if an airport was to happen at Cliffe"
- "Given the massive impact of this we feel it requires a second Thames crossing of some kind. On that basis we have accepted that it will be there. There are several district councils in Essex which are within our sphere of influence and we would expect employment and housing there to be deeply affected as well as a lot of Kent"
- "Any development of this kind would be required, within planning and policy guidelines, to be as sustainable as possible. Therefore there would be considerable effort put towards minimising road journeys and maximising rail transport which would lead to a more concentrated form of provision of both housing and employment space."
- ◆ "We have looked at average house prices by district council area and prices are comparatively low in Medway. There must be an upward pressure on house prices. We have been much more concerned with the massive quantitative and qualitative increase in housing which would be required where the number is very substantial indeed"



- In response to a question about house prices it was stated that if you have a constraint and there is a major demand then the house prices would go up quickly.
- "One of the planning reasons given in regional planning guidance of the shift of development to the east, of which this is part, is the overheating of the Thames corridor. This results in an increase in prices, shortage of key skills in key sectors which we know grow around airports, software, consultancy and so on. That has led to a firmly held policy which is likely to continue. That could have a deep impact on the future of Heathrow"
- "One of the key questions is if British Airways change their policy and shift away from Heathrow then that would radically affect Heathrow and its operation"
- ◆ Officer comment: "We have asked the Airports Policy Division of the Department for Transport to say to us what precisely are the costs of all the infrastructure and whether they are included in the £13.6bn which we are pretty sure they are not"

- ◆ In response to a question relating to the need for affordable housing in Medway it was stated that is a valid concern. The effect of an airport of this size would be so massive on the housing stock of Medway. There would need to be more than a 50% increase of housing in Medway. The development is likely to have to expand to Essex and other parts of Kent"
- ◆ "The key impact of airport influence is that it would transform the sectors of employment in Medway and Kent. If you look at the balance between quarrying, mining and manufacturing which are high in Medway and Kent, the impact of a major hub airport would alter the balance beyond recognition"
- "The proposed jobs are enduring jobs of tomorrow, looking to 2030 there are a wide variety of skills required. There are two or three sectors within that range which come through all airport related employment"
- "From our analysis of Stansted and Heathrow we looked at broad sectors such as retail, manufacturing etc. and analysed that. Then we looked at business activities to see how the location of a major airport would affect business activities. Proximity to a major airport tends to increase certain business activities. Some of these are based around software, consultancy and the "knowledge economy". This is difficult to separate out in Stansted's case because of the siting of such firms as Microsoft in Cambridge which has affected the number of software related jobs

- around Stansted but from comparative analysis of Gatwick and Heathrow "knowledge economy" jobs are drawn to hub airports. This is an important advantage as it is a transforming thing which will influence wealth creation"
- "I do not think there will necessarily be a depression of service sector provision if there is an airport at Cliffe. It actually has potential capacity for sustaining and bolstering the service sector interdependencies because things shift as far as technology and productivity is concerned"
- ◆ "The improvement of infrastructure on the assumption of a Cliffe airport would also produce a rapid rail link. We talk about sustainability and PPG3 (planning policy guidance note 3) in relation to housing and how to improve how infrastructure works but would say that this needs to be part of the basic cost which is imperative to make Cliffe work"
- There are some assumptions we have had to make. One is that airports are very different and in the last thirty years a high proportion of high value freight has been transported in the bottom of passenger carrying jumbo jets.

Therefore the data shows that transport and distribution and freight related activity is one of the airport related segments wherever there is an airport. Because you have very good representation of transport and distribution and freight related

activity in Kent and Medway already there is a much greater match. You would think that where there is a greater capacity for freight that that would show through in the employment data but it does not that much".

- "I cannot think of any comparable development anywhere else, there is no example in the United Kingdom but the shift of Kai Tak airport in Hong Kong has some similarities"
- Officer comment: "Some of the figures that come out of the work the consultants have done we will try to translate physically to give the council some indication of what it means in physical terms"
- Officer comment: "Although the consultation document assumes Heathrow continuing at its existing rate of demand it is the view of the aviation industry that this is unlikely to happen"
- The government believes in absolute growth and although there is some recession currently, the long term trend has undoubtedly been that there are forecasts of an absolute long term growth of a massive kind in air travel"
- "My concern is about the viability of smaller airports. There is a national concern about the distribution of where the growth would be"
- Officer comment: "The view of British Airways is that an incremental strategy would be better rather than building a large hub airport"

- The view of the government is that if there is not the provision made here for the increase in air travel then there will be a diversion to Europe particularly Charles de Gaulle in France and Frankfurt in Germany"
- In response to a question regarding the possibility of a hub airport being built in Beauvais, France it was stated that this has not been part of the remit of the consultant and they could not comment on this.

Extracts from questioning of Patrick Geary and Jenni Southern, Medway Youth Parliament:

- ◆ "At a conference of the Medway Youth Parliament last Friday when the general theme was "regeneration for the next generation" there was an open debate about the proposed airport at Cliffe. At the end of the debate there was a vote which concluded with 28 votes to 10 against an airport at Cliffe"
- "The young people recognised that there would be enormous economic benefits but concluded that the environmental impact would be too great"
- "Those people who live near to the proposed airport are obviously militantly against it but many see the opportunities for jobs in the area"
- "We cannot defend the proposals environmentally but have to think of the high rates of youth unemployment. The jobs are just not there at the moment and most young people are

moving from Medway because of the lack of prospects. The airport could be a driving force to keep people here"



- "Something needs to be done as far as regeneration is concerned and if there is no airport what will there be for us? No-one has come forward and convinced us that there is any drive for regeneration in Medway"
- In response to a question about why young people in Medway want to move away it was stated that the media paint a picture of other places being more attractive and having more to offer. Problems such as poor bus services in Medway increase the negative view of the area.
- "The Thames Gateway Partnership seemed to have some ideas for regeneration which seemed preferable to an airport"
- "Without the airport there would not be the funding for the rapid transit system in Medway and

without that system Medway will become gridlocked in a few years time"

### Preliminary findings:

- The task group agreed that every time they met with experts and heard evidence about the proposed airport at Cliffe the enormity of the impact became greater
- There could be no denying the fact that an airport at Cliffe would present a huge opportunity for regeneration in the area
- The task group noted that the witnesses listened to on this occasion were the only ones who had expressed any support for an airport at Cliffe in each of the sessions
- The case may be economically overwhelming for an airport except when compared to the environmental impact. At what price would economic regeneration be achieved?
- The full effect of the airport would be dramatic and traumatic, a very large, very sudden event which would make a huge difference not only to Medway but also the rest of Kent and Essex
- It was not very clear exactly what impact employment an airport at Cliffe would really have on local people. Neither was it clear whether large businesses would be attracted to the area because of an airport. The task group was not convinced that people would be

- detracted from commuting to London if an airport was built at Cliffe
- It was accepted that if an airport were to be built, the house prices in the area would increase which, although this would benefit present residents, would make things particularly difficult for first time buyers in the area
- In order to accommodate the vast number of extra houses to be built, most corners of Medway would need to be built on
- The building of an airport at Cliffe would lead to urbanisation from here to Dartford. Such a proposal could not be contained - Medway would not be the same
- A large reliance was put on the existence of the Channel Tunnel Rail Link.

# RECOMMENDATIONS OF THE REVIEW

The task group RECOMMENDS that the following findings be incorporated into the council's response to the government on the consultation document on the future development of air transport in the United Kingdom:

- (a) If an airport were to be based at Cliffe the wide-spread and devastating environmental damage that would be inflicted upon Medway and its surrounding areas would far outweigh any regeneration and economic benefits. The effect of siting an airport at Cliffe would have a dramatic and traumatic impact on everyone living in the area, permanently changing the whole of Medway and large sections of the rest of Kent and Essex:
- (b) The projected figures for growth in demand for air travel are extremely high and no information appears to be available on how these figures have been calculated particularly in the light of recent events affecting the aviation industry. The whole case for Cliffe is based on the premise that massive growth in air travel needs to be provided for, which is uncertain;
- (c) Having heard the
  environmental evidence the
  task group felt that the future
  approach to air travel should
  be more closely linked to
  sustainability policies and that
  providing for unconstrained

- growth should be replaced by a policy of demand management;
- (d) The potential costs involved in siting an airport at Cliffe are significantly greater than the government's expectations and there is no evidence that public money would be forthcoming. This opinion was supported by indications of the probable response of the British Airports Authority (BAA);
- (e) There is a question mark surrounding the willingness of airline operators to relocate to a brand new airport away from their existing operating areas;
- (f) The task group questions the assumption that an international hub airport twice the size of Heathrow is required in the south east of England;
- (g) The commercial viability of an airport at Cliffe is extremely doubtful given these high costs, the absence of commitment to public funding, and the absence of regulatory tools to coerce airlines into using Cliffe;
- (h) Demand for water supply in Medway is already a cause for concern for the Environment Agency and the siting of an airport at Cliffe would mean that water would have to be brought into Medway from other areas at considerable expense;

- (i) Bearing in mind the presence of the largest heronry in Britain this would present safety implications for aircraft and passengers and because of the other large birds a wider area of habitat would need to be controlled leading to a further significant loss of wildlife and habitat;
- (j) The risk of flooding, also accepted by the Environment Agency as an issue, would affect not only Medway but potentially London, by putting additional pressure on the Thames barrier and requiring the installation of a second barrier;
- (k) The consultation document is flawed in its assumptions relating to the need for extra housing and the predictions for employment. Evidence from Medway Council's consultants points to the need for an increase of over 50% of housing stock in Medway if the proposal for an airport at Cliffe were to go ahead;
- (I) An airport at Cliffe would endanger and possibly eliminate protected species of birds, flora, fauna and other associated wildlife. Measures to move them elsewhere are unlikely to prove successful;
- (m) The noise impact from 24 hour night flying over Medway, South Essex and the wider Kent area would adversely affect the quality of life of residents:

- (n) Under the terms of the Habitats Regulations and European Birds Directive, the government will not be able to demonstrate that there are no other alternative sites or that the development is in the public interest. Similarly the proposal for Cliffe would not respect the international treaty signed by the British government;
- (o) A fair assessment of the merits of an airport at Cliffe cannot be made without also considering the expansion of Gatwick as an alternative option, something which the consultation process has omitted;
- (p) The existing rail and road infrastructure are completely inadequate to address transport needs if the Cliffe option is chosen. The real cost of improving transport links has not been assessed by the government and there is an over-reliance on improvements that the Channel Tunnel Rail Link would bring;
- (q) Evidence has been received that house prices are likely to rise if an airport were to be built at Cliffe. Whilst benefiting existing homeowners, this would have a detrimental effect for first time buyers who are finding it increasingly difficult to get on to the property ladder.