

OTHER ISSUES

Broken Promises

310. There has been a long history of broken promises concerning Heathrow's expansion. It is not proposed to repeat them here but they are indicative of the scepticism with which the current proposals are widely viewed. There are no undertakings whatsoever that the length of the proposed runway will not be increased for a second time or that flight numbers will not exceed the 702,000 flights now proposed. Without a limit it is inevitable that financial requirements will dictate that every spare element of capacity is fully utilised. Already Heathrow's runways are close to capacity causing regular congestion and delays. Yet the only response is to seek more capacity rather than providing some spare capacity to build resilience into the system. The likely congestion at Heathrow with 3 runways, as opposed to the current 2, will be significantly greater and lead to greater passenger delay and frustrations. At the 22 January 2008 London Assembly Environment Committee, Stephen Nelson the current Chief Executive of BAA, would not rule out the need for a 4th runway and 7th terminal. Similarly, no means of control is proposed to ensure that the noise and air quality limits can be controlled if exceeded.

311. It is noted that at paragraph 3.25 of the consultation it is claimed that the longer runway would not affect the forecast mix of short-haul and long haul traffic across the airport as a whole (following the increase in the length of the runway by 500m). However, Heathrow is a unique airport and it is considered inconceivable that valuable slots capable of receiving larger aircraft would not be utilised by larger aircraft but instead continue to be used by smaller ones. It is therefore probable that the fleet mix assumptions underlying large elements of the consultation are fundamentally flawed.

Resilience and Hubs

312. Much emphasis is placed on the resilience benefits of additional capacity in times of adverse weather, security or other disruptions (up 15% since 2002) leading to more fuel burn, delay and congestion. However, no mechanism is proposed to prevent either the current airport or an expanded one from becoming full to capacity and beyond. Once expanded, the airport would inevitably be used to its full capacity for commercial reasons. Disruptions from weather, security and other sources will cause exacerbated problems as many more flights with greater passenger capacities will be disrupted. This will lead to worse traffic congestion on surrounding roads and greater numbers of passengers being disrupted. It is Hillingdon's belief that the benefits of spreading capacity (and therefore risk) across all London Airports has been ignored. Airport development should be more evenly spread across the South East region, enabling a flexible London hub system to operate. This would relieve demand on congested surface access routes and promote competition. Dispersion of capacity will spread regeneration benefits, reduce travel requirements and spread demand for ancillary development.

RAF Northolt

313. The consultation confirms that there will be some loss of airspace flexibility at RAF Northolt with either the third runway or mixed mode at Heathrow. It is stated:

“commercial movements at Northolt would reduce available capacity on a third runway, one-for-one. In any trade-off between commercial operations at Northolt and providing additional capacity at Heathrow, the greater economic benefits of the latter would be a material consideration in any Government assessment of their relative merits.” (Paragraph 3.49 of Chapter 3).

314. However, there is no certainty concerning this issue and it is possible that a technical solution may yet overcome this problem. It cannot therefore represent a positive benefit that would improve the currently poor noise environment around RAF Northolt.

Climate Change

315. The climate change impacts associated with the options for expansion are given little regard despite the Government’s recent publication ‘Planning for Climate Change’. A third runway is estimated to produce approximately 3.0million tonnes of carbon a year and although the increase is acknowledged in the consultation report there are no control measures suggested as to how this will be mitigated or addressed. The Government states that it is “committed to ensuring that aviation reflects the full costs of its climate change emissions” however this statement is meaningless given that there are no policies in place to ensure this is the case. The Government refer to the inclusion of aviation in the EU emissions trading scheme (EU ETS) as a means of addressing the climate change impacts but there are no agreements for this in place and negotiations are still underway in Europe, suggesting that implementation is still some way in the future. In addition, the EU ETS only covers carbon dioxide emissions and it is widely accepted that aviation creates other non-CO2 climate change emissions, which contribute to global warming. If aviation is included in the EU ETS in the future, these additional emissions will still not be accounted for and addressed.

316. For the above reasons, Hillingdon believe that the Government have not demonstrated any commitment to addressing the climate change impacts associated with expansion at Heathrow. The only policy the document refers to (EU ETS) is a) not in place, and b) will not address the full range of climate change emissions associated with aviation.

317. Climate change costs from additional traffic generated on the road network have simply been ignored in the Impact Assessment. Therefore the claimed £4.8bn carbon cost estimate for the third runway up to 2080 is misleading and significantly underestimates the climate costs of expansion. (Paragraph 2.24 Impact Assessment).

318. Measures to constrain demand for flying rather than relying on a non existent emissions trading scheme are needed. The obvious measures are levying VAT on aviation and duty on aviation fuel. If such measures were coupled with restrictions on short haul flights from Heathrow, that could be made by rail instead, then the third runway would not be needed. Indeed, alternatives to air transport, such as high speed rail, have not been adequately considered. Government has not seriously considered the potential for the development of high speed rail links within the UK, which would reduce the number of domestic and near European flights, freeing up capacity at Heathrow and obviating the need for a third runway.

Consultation Inadequacies

319. There are 14 technical documents accompanying the consultation which concentrate on the noise and air quality tests set out in the Aviation White Paper. There is only one technical document on surface access and none on local impacts. These technical documents have been prepared in private over a considerable period of time principally overseen by the Department of Transport and BAA. Independent access has been denied. The consultation only allows 14 weeks to respond and places local authorities in a disadvantaged position seeking to appoint specialist consultants to analyse complex technical matters. Requests to the Aviation Minister for an extension of time have been made by 2M Group representatives and others but have all been refused. The restricted timescale favours BAA the airport operator which has a vested financial interest in the consultation and has had unrestricted access and influence over the consultation in the lead up to its publication.

320. Borough residents within the existing and proposed 57dBA noise contour were mailed a summary version of the main consultation document (a total of 10,100) residents but those within the 50 to 57dBA contours should also have been consulted as they will be adversely affected by new air noise. The summary version of the consultation is considered very limited and the questionnaire biased. The majority of the information is highly complex and likely to be unintelligible to those without existing knowledge of Heathrow and civil aviation. Equally on those issues of particular local concern such as loss of communities there is minimal information, and what there is, is presented in the Impact Assessment in a way that prevents objective assessment especially of any alternatives.

Restricted Scope of Assessment

321. The Consultation Document and supporting background information 'take for granted' that the decision to provide a third runway at Heathrow has already been taken. It states in the introduction that the consultation document reports on the outcomes of the Project for the Sustainable Development of Heathrow work and invites views on:

- the physical layout proposed and whether the environmental conditions can be met;
- mixed mode operations;
- review of operating procedures including the Cranford Agreement
- night-time rotation and the early morning alternation trial

322. The consultation questions relate to these detailed issues and do not allow comment on whether the third runway should be permitted in principle. The only consultation information relating, in part, to the principle of the development is contained within the Impact Assessment at Annex B of the Consultation Document. However, this document, whilst providing some useful information about costs and benefits, merely assesses each of the 3 options for providing new capacity against a base case. It states:

"This Impact Assessment (IA) assesses whether the Government should support one or more of the possible sequencing options for adding capacity at Heathrow airport against the criteria set out by the Impact Assessment Guidance³⁰. The economic case for Government supporting additional capacity at Heathrow airport was set out in the ATWP and the environmental and

surface access requirements are discussed in the main consultation document. The IA takes both positions as given and seeks to present, as far as possible, a factual assessment of the potential impacts of the possible sequencing options which may be available to the airport operator, subject to the outcome of the current consultation and future planning applications.” (Paragraph 1.1 Impact Assessment).

323. Accordingly, the Impact Assessment has not considered the principle of the third runway. Hillingdon considers that a Strategic Environmental Assessment is a statutory requirement that should have been carried out as an integral part of the consultation. To do so would have required a comparison with alternative options which has not been undertaken. Hillingdon says such an assessment must be carried out.

Bias

324. Hillingdon considers that the Impact Assessment cannot be judged to be independent because it has been prepared by Government which is itself committed to a policy of expanding Heathrow, including provision of a third runway. Although it is possible to attach monetary values to such matters as development costs, climate change and traveller benefits, it is not possible to monetise eg the loss of the community of Sipson.

Noise Value

325. Similarly, the monetised cost of aircraft noise for the third runway ranges from £212m to £328m but only includes noise over 57dBA. (Paragraph 2.26 Impact Assessment). This assessment contradicts the findings of the recent ANASE study into aircraft noise that found adverse impacts on residents at much lower noise levels than 57dBA.

Tourism Expenditure

326. An example of the biased nature of the Impact Assessment is that tourism expenditure is not taken into account. Heathrow expansion would result in British tourists spending much more money abroad than would be spent by foreign tourists visiting Britain. However, because it is claimed that the calculations are preliminary, they have not been included in the monetised assessment. (Paragraph 5.38 Impact Assessment).

Employment

327. 8,000 additional jobs at Heathrow are predicted by 2030 via the addition of the third runway although total numbers will be less than now due to efficiencies. This is expressed as a positive but no assessment is made of the negative impact of the long distances that many workers at Heathrow have to travel daily to get to work. Hillingdon has greater concerns associated with so many local jobs being reliant on a single source of employment which is due to expand substantially with the opening of Terminal 5 in 2008.

People Impacts

328. What is very clear from the Impact Assessment is that the environmental impacts of the third runway are excessively high, especially in terms of the loss of the community of Sipson and new noise impacts affecting hundreds of thousands of residents. These issues confirm the original mistake of supporting, for purely commercial reasons, the expansion of Heathrow to provide the equivalent of a new

Gatwick Airport within Greater London. There are far superior locations for such new runway and terminal capacity that will also serve London and the South East as well as providing for hub operations but with comparably negligible noise and community impacts. Hillingdon believes it is imperative that Government reassesses its decision to expand Heathrow and bases its aviation policy on sustainable principles and not commercial expediency.

Economics

329. Hillingdon as part of the 2M group wants Government to order a completely independent study of the economic impact of Heathrow, not one that is part funded by the aviation industry. This would be a study looking at the effects on other sectors of the economy if people, who would otherwise have travelled to or from Heathrow, made their journeys by other routes – for example rail or via other London airports.

330. There has never been a thorough, independent analysis of the costs and benefit, of who wins and who loses. Expanding Heathrow is clearly highly profitable for its Spanish owners especially as they have a monopoly of the capital's 3 main airports – Heathrow, Gatwick and Stansted. However, this business case for expansion has simply not been tested against the equally important long-term needs of London's economy. Indeed a London Chamber of Commerce survey in 2006 found 78% of firms opposed to expansion.

331. The Impact Assessment claims net benefits of £4.4bn to £5.2bn for the third runway but mixed mode operation, with fewer implementation costs, would generate £5.4bn to £6.2bn. Similar claims in the past have been consistently challenged as being calculated differently from Treasury guidance and common sense, such as excluding the loss of expenditure from British tourism abroad while the UK runs a current tourism deficit of £18bn. A recent report from Dutch consultancy CE Delft commissioned by HACAN Clear Skies highlights a number of discrepancies including the low level of taxation of the aviation industry, such as the £9bn exemption from VAT. A copy of the CE Delft report is attached at Appendix 8 and is endorsed.

332. Specifically the report confirms that the original and updated Oxford Economic Forecasting (OEF) reports incorrectly assess the impact on direct, indirect and induced employment and therefore the additional runway's contribution to GDP. If airport capacity were not expanded, people would find jobs elsewhere in the economy, possibly at lower wages, but still giving rise to indirect and induced employment. Therefore the employment figures provided cannot be used to substantiate a claim for expanding runway capacity.

333. The OEF report details how aviation supports other parts of the economy, but it does not account for economic activity which would happen without aviation. In any event, the benefits are poorly expressed compared to levels of trade. Critical to the calculation of economic benefit is the additional business passengers generated by expansion of capacity. OEF assumes high numbers of additional business passengers. For mixed-mode operation, for example, DfT's own estimates are 0.5 million by 2015 whereas OEF assumes six times as many i.e. 3 million. OEF estimate the economic impact to be about £400 per additional business passenger, or £120 over all passengers. This compares to a consumer surplus of about £30 per passenger based on the DfT's own estimates of economic impact. It is implausible that the economic impact is many times greater than the value passengers

themselves derive from flying. Although not always stated explicitly, OEF's estimates of economic impacts are often upper limits, so they indicate the maximum economic impact and not the most likely or plausible outcome.

334. The overriding justification for expanding Heathrow – as opposed to elsewhere – are the claimed economic benefits that would result. Accordingly, it is considered essential that a fully independent study is undertaken, ideally following the same procedure as with the PSDH air quality panels that were demonstrably independent and transparent. The economic study should examine the actual benefit to the economy provided by the 35% of transfer passengers at Heathrow and the perceived benefit of extra employment in an area that is effectively overheating economically and at a time when the majority of new jobs are being filled with migrants to the UK. The subsequent costs of housing and educating new workers, the health service costs of extra workers and their families and of health tourism via Heathrow should be assessed. Hillingdon Council and its Primary Care Trust already face financial costs for dealing with passengers entering the UK via Heathrow. These costs need to be assessed.

335. For LB Hillingdon Council the current unfunded costs of Heathrow are set out below. However, no account whatsoever has been taken of these unfounded costs or the additional costs that would fall on the Council.

- Shortfall on unaccompanied asylum seeking children care leavers grant - £6 million (£3.7 million in 2008/09 budget)
- Non-unaccompanied asylum seeking children looked after children referred from Heathrow - £0.6 million
- Failed habitual residents returning from abroad via Heathrow - £0.25 million
- Environmental Protection Unit - £81k
- Trading Standards work at Heathrow - £10k
- Imported Food / Port Health / Environmental Health - £292k

Total - £7.2 million

Extra unfunded costs of Terminal 5:

- Business rates collection (extra 4 staff) - £120k (funded by extra cost of collection grant from 2009/10 onwards)
- Trading Standards - £36k
- Imported Food / Port Health / Environmental Health - £120k

Total - £0.3 million