

From: Mike Austerberry, Corporate Director – Growth, Environment and Transport

To: Cabinet Member for Environment and Transportation

Subject: 13/00025 - Facing the Aviation Challenge – Kent County Council's Discussion Document on Aviation

Key decision: Affects more than 2 Electoral Divisions

Classification: Unrestricted

Past Pathway of Paper: Cabinet Member for Environment and Transport

Future Pathway of Paper: Cabinet Member decision to adopt Kent County Council's discussion document on aviation.

Electoral Division: Countywide

**Summary:**

The attached draft discussion document (Appendix B) sets out Kent County Council's (KCC) proposed view on how the UK can meet its aviation needs. It clarifies reasons for opposing a Thames Estuary Airport, which could be shortlisted for appraisal and national consultation in September 2014 by the Airports Commission, as part of the process for recommending to Government on the options for additional airport capacity in the longer term; and presents a realistic and deliverable alternative solution to meeting future aviation growth.

The content of the draft discussion document has taken account of KCC's earlier discussion document 'Bold Steps for Aviation' (May 2012, with revisions in July 2012) and is consistent with KCC's submissions to the Airports Commission between March 2013 and May 2014. This includes proposals for expansion of some existing airports, better utilisation of regional airports, improved accessibility to airports by rail and reform of Air Passenger Duty; as an alternative to a new hub airport in the Thames Estuary, which is strongly opposed. Improvements to the noise environment around airports also forms part of the proposed discussion document.

**Recommendations:**

The Cabinet Member for Environment and Transport is asked to agree the proposed decision to adopt Kent County Council's discussion document on aviation in 'Facing the Aviation Challenge' (July 2014) as attached at Appendix A (proposed decision sheet).

## **1. Introduction**

1.1 This report sets out an overview of the proposed content of Kent County Council's (KCC) discussion document on aviation in 'Facing the Aviation Challenge' (July 2014). It is proposed that this will be adopted as KCC's view on aviation with the proposed Cabinet Member decision, following consideration and endorsement or recommendations from this Cabinet Committee. See Appendix A for the proposed decision sheet. **The full draft discussion document 'Facing the Aviation Challenge' (July 2014) is attached in Appendix B to this report.**

1.2 'Facing the Aviation Challenge' (July 2014) sets out KCC's reasons for opposing a new airport in the Thames Estuary which could be shortlisted for appraisal and national consultation in September 2014 by the Airports Commission, as part of the process for recommending to Government on the options for additional airport capacity in the longer term. 'Facing the Aviation Challenge' (July 2014) will clearly set out KCC's position in the airport capacity debate and can be used in the event that an Estuary Airport is shortlisted by the Airports Commission.

1.3 The content of the proposed new discussion document has taken account of KCC's earlier discussion document 'Bold Steps for Aviation' (May 2012, with revisions in July 2012) and is consistent with KCC's submissions to the Airports Commission between March 2013 and May 2014 (see section 8 'background documents'). This includes proposals for expansion of some existing airports, better utilisation of regional airports, improved accessibility to airports by rail and reform of Air Passenger Duty (APD); as an alternative to a new hub airport in the Thames Estuary, which is strongly opposed. Improvements to the noise environment around airports also forms part of the proposed discussion document.

1.4 Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment and Transport on the proposed decision to adopt Kent County Council's discussion document on aviation in 'Facing the Aviation Challenge' (July 2014).

## **2. Financial Implications**

N/A

## **3. Bold Steps for Kent and Policy Framework**

The proposed discussion document on aviation links with the 'Bold Steps for Kent' theme of helping the Kent economy to grow. 'Bold Steps for Transport' in 'Bold Steps for Kent: progress to date and next steps' (December 2012) states that we will explore options to deliver radical transport solutions for East Kent to support vital regeneration through robustly opposing the proposals for a new hub airport in the Thames Estuary by producing 'Bold Steps for Aviation' (now renamed 'Facing the Aviation Challenge'). This clearly sets out the position that maximising use of existing regional airport capacity along with some airport expansion will cater for the UK's growing demand for aviation.

## **4. Background**

4.1 The Airports Commission, chaired by Sir Howard Davies, released its interim report in December 2013, which identified the need for one net additional runway in the South East by 2030, with likely demand for a second additional runway by 2050. The Commission's interim report shortlisted three feasible options for long term solutions, along with short and medium term measures for how to make the best use of existing airport capacity. The three shortlisted options of a new third runway at Heathrow, an extension of one of Heathrow's two runways (to then effectively operate as two separate runways, i.e. provide three runways in total) and a new second runway at Gatwick, are all being appraised in 2014 and will be subjected to a national public consultation. A final report and recommendation to Government is due by the summer of 2015. It is then anticipated that by 2016, if the Government accepts the Commission's recommendation, it will produce a National Policy Statement (NPS) for airports which will give government policy support for the chosen option.

4.2 Proposals for a new hub airport in or around the Thames Estuary were not shortlisted in the Airports Commission's interim report. However, the Commission is conducting further feasibility work for an airport on the Isle of Grain and will make a decision as to whether to add this option to the shortlist by September 2014. If shortlisted, the Isle of Grain airport proposal will then be appraised and consulted on in a similar way to the Heathrow and Gatwick options, before the Commission publishes its final report and recommendation to Government in summer 2015.

4.3 Prior to the possibility of a new airport on the Isle of Grain being added to the Airports Commission's shortlist in September 2014, and subsequent national public consultation (anticipated in early 2015); KCC has the opportunity to reaffirm its support for expansion of existing airports and opposition to a new airport in the Thames Estuary through a new discussion document on aviation entitled 'Facing the Aviation Challenge' (July 2014).

4.4 KCC has fully engaged with the Airports Commission through every stage of its process by responding to each consultation (see section 8 'Background Documents' for a list of all KCC responses). KCC submitted proposals on measures to make the best use of existing capacity in the short and medium term, and a proposal for providing additional airport capacity in the longer term, in response to the Commission's call for evidence. These submissions were discussed at Cabinet Committee on 19 June 2013, prior to a Cabinet Member decision that was noted at Cabinet on 15 July 2013.

4.5 Submissions to the Airports Commission were aligned with KCC's earlier discussion document 'Bold Steps for Aviation' (May 2012, with revisions July 2012) which was discussed at Cabinet Committee on 04 July 2012. This set out the need for growth in aviation, a means of achieving that growth through better utilisation of regional airports and expansion of some major airports, combined with improved surface access by rail; alongside the arguments against a new hub airport in the Thames Estuary.

4.6 Retention of this original 'Bold Steps for Aviation' discussion document as KCC's view on aviation is not considered appropriate as it is out of date given the

remit of the Airports Commission which was set up in December 2012, after this original discussion document was published. Importantly, the views of Members, the public and expert analysis has shaped Kent County Council's view on aviation since the publication of 'Bold Steps for Aviation', which has informed this new discussion document. A significant part of this updated view on aviation is the importance of reducing aircraft noise impacts for the county's residents affected by over-flight.

4.7 A revised 'Bold Steps for Aviation', now entitled 'Facing the Aviation Challenge' (July 2014), in the form of a discussion document setting out KCC's view on aviation, following work submitted to the Airports Commission, is now brought to Cabinet Committee to consider and endorse or make recommendations to the Cabinet Member for Environment and Transport on the proposed decision to adopt Kent County Council's updated discussion document on aviation.

## **5. Summary of the proposed 'Facing the Aviation Challenge' (July 2014) – KCC Discussion Document on Aviation**

5.1 **The full draft document 'Facing the Aviation Challenge' (July 2014) is attached in Appendix B to this report.** In 'Facing the Aviation Challenge' (July 2014), KCC sets out its support for growth in aviation in order to improve the UK's connectivity and competitiveness, thus supporting economic growth and job creation. KCC advocates that the best solution to the UK's aviation hub needs is to utilise, improve and expand existing airports, together with improved surface access by rail.

5.2 'Facing the Aviation Challenge', describes KCC's position on how the UK can meet the need for growth in aviation through expansion of existing airports - Heathrow or Gatwick (as shortlisted by the Airports Commission in its interim report in December 2013) and better utilisation of regional airports including London Ashford Airport (Lydd) and London Southend Airport, combined with improved surface access by rail. This is a far more affordable and deliverable solution than building a new hub airport in the Thames Estuary; and 'Facing the Aviation Challenge' sets out the reasons for KCC's robust opposition to the proposals for an airport on the Isle of Grain, which the Airports Commission is investigating further in 2014.

5.3 'Facing the Aviation Challenge' describes how KCC is of the belief that there is no sound evidence for a new hub airport in the Thames Estuary. There are many economic, social and environmental reasons against such a development; one of which would be the forced closure of Heathrow and the devastating impact this would have on the west of London economy. This would be harmful to the UK's global connectivity and be to the detriment of the national economy. KCC is therefore robustly opposed to a new airport in the Thames Estuary.

5.4 Expanding existing airports will allow the UK to compete with other European hub airports, although the UK's current competitive disadvantage with high rates of Air Passenger Duty (APD) also needs to be addressed.

5.5 'Facing the Aviation Challenge' acknowledges that the benefits of aviation growth need to be balanced against the adverse impacts, such as noise. Therefore measures need to be put in place to minimise noise impacts and protect people living near airports.

5.6 Therefore, in 'Facing the Aviation Challenge', KCC recommends to Government:

- The need for correction of the UK's competitive disadvantage in terms of APD.
- The creation of a National Policy Statement (NPS) for airports that supports the growth of existing airports with one net additional runway added in the South East by 2030.
- The NPS should not however, support the development of new airports.
- The NPS should support a phased approach to adding runway capacity to keep pace with demand, therefore allowing existing airports to add additional runway capacity when the need arises, most likely a second net additional runway in the South East by 2050.
- The need for better utilisation of regional airports, especially in the short and medium terms, as this will provide much needed capacity across the South East and bring significant economic benefits to regional economies.
- Investment is needed to improve surface access to airports; especially rail access and the development of an integrated air-rail transport system that will be beneficial to London and the South East's connectivity to global markets.
- An independent noise authority should be set up (as recommended by the Airports Commission) and measures taken to properly measure, minimise and mitigate the noise impacts of existing airport operations and airport expansion.
- Proposals for a new hub airport must not be progressed any further. Action is needed now and this can only be achieved by building on the UK's existing airport infrastructure.
- In the interests of the national economy, action on these issues is needed now.

## **6. Conclusions**

Given that the Airports Commission is currently considering whether an Estuary Airport option should be shortlisted as a possible means of addressing future UK aviation demand, now is an opportune time for KCC to review and clearly set out its view on aviation. Cabinet Committee is asked to consider and endorse or make recommendations to the Cabinet Member for Environment and Transport on the proposed decision to adopt Kent County Council's discussion document on aviation – 'Facing the Aviation Challenge' (July 2014) as summarised in Section 5 of this report and attached at Appendix B. The proposed decision sheet is attached at Appendix A.

## **7. Recommendations**

The Cabinet Member for Environment and Transport is asked to agree the proposed decision to adopt Kent County Council's discussion document on aviation in 'Facing the Aviation Challenge' (July 2014) as attached at Appendix A (proposed decision sheet).

## 8. Background Documents

Bold Steps for Aviation, Discussion Document, Kent County Council, May 2012 with revisions July 2012

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Bold%20Steps%20for%20Aviation%20May%202012%20revised%20July%202012.pdf>

Airports Commission, Proposals for making the best use of existing airport capacity in the short and medium term, Response by Kent County Council, 23 May 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20County%20Council%20-%20submission%20on%20making%20the%20best%20use%20of%20existing%20airport%20capacity%20in%20the%20short%20to%20medium%20term.pdf>

Airports Commission, Proposal for providing additional airport capacity in the longer term, Response by Kent County Council endorsed by Medway Council, 19 July 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20County%20Council%20-%20proposal%20for%20additional%20airport%20capacity%20in%20the%20longer%20term.pdf>

Kent County Council's response to long term option proposals submitted to the Airports Commission, 27 September 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Comments%20on%20long%20term%20proposals%20submitted%20to%20the%20Airports%20Commission.pdf>

Airports Commission, Discussion Paper 01: Aviation Demand Forecasting, Response from Kent County Council and Medway Council, 18 March 2013

<http://www.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20and%20Medway%20Councils%20Aviation%20Demand%20Forecasting.pdf>

Airports Commission, Discussion Paper 02: Aviation Connectivity and the Economy, Response from Kent County Council, 19 April 2013

<http://www.kent.gov.uk/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20Country%20Council%20Connectivity%20and%20Economy.pdf>

Airports Commission, Discussion Paper 03: Aviation and Climate Change, Response from Kent County Council, 17 May 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20County%20Council%20Aviation%20and%20Climate%20Change.pdf>

Airports Commission, Discussion Paper 04: Airport Operational Models, Response from Kent County Council, 11 July 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20County%20Council%20Airport%20Operati on%20Models.pdf>

Airports Commission, Discussion Paper 05: Aviation Noise, Response from Kent County Council, 6 September 2013

<https://shareweb.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20County%20Council%20Aviation%20Noise.pdf>

Airports Commission, Sifting Criteria to identify long term options for additional airport capacity, Kent County Council and Medway Council's suggested criteria

<http://www.kent.gov.uk/Documents/council-and-democracy/policies-procedures-and-plans/plans/Aviation%20strategy/Kent%20and%20Medway%20Councils%20Criteria%20for%20long%20term%20options.pdf>

Airports Commission – Call for Evidence: Inner Thames Estuary Feasibility Studies – Socio-economic impacts (Study 3), Response from Kent County Council and Medway Council, 23 May 2014

Airports Commission – Call for Evidence: Inner Thames Estuary Feasibility Studies – Surface Access Impacts (Study 4), Response from Kent County Council and Medway Council, 23 May 2014

## **9. Contact details**

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