

By way of background, I live in the hamlet of Bendish, close to the flight path and some 3 miles from the airport. My comments concern mostly compensation (lack of) and statutory blight and comments regarding the wider economic, social detriments and impact.

In my opinion expansion should not take place without statutory compensation for the 10,000 residents who live under and adjacent to the easterly and westerly flight paths and this cost needs to be factored into the NPV analysis to assess if the development is viable.

Much is made of the socio-economic benefits (more on than later) but there also compensation costs that need to be considered and included in the financial plan.

Under the current application the airport has deemed that virtually no compensation is necessary other than for those who are directly adjacent to the development and compensation will only be payable if Statutory blight is held to exist.

In practice proving blight under the current legal definition is very difficult and may take years and generalised blight gives no right to compensation.

We have also seen that the airport has paid zero compensation for blight from its previous expansions. Proving blight also requires Luton council accepting that statutory blight exists and we all know there is a lack of independence there and so this is not going to happen anytime soon and nor can the council afford it.

In my view if these expansion plans are to be approved the planning inspectorate also has to designate the residential areas that are subject to statutory blight and make it easier for them to achieve compensation – as I believe took place with the Heathrow expansion, otherwise these residents face years of battles to get compensated. In any event can the planning inspectorate explain why there is no consideration of this in the process? It can not be right that there are tight noise controls (quite rightly) on what I can inflict on my neighbour, yet another neighbour can make our lives a misery with pollution and noise without consequence?

Clearly there will be blight and residents and businesses need to be compensated. As this is a direct cost of the development, the cost of compensation must be factored into the development and not ignored in order that the NPV of the project can be more accurately determined. I don't see how it can be done retrospectively especially. I question whether the NPV would be positive if these costs are fully factored in.

In addition to the above I would also like to add more general comments in relation to the planned expansion:

“Expansion supports levelling up agenda”: Not true over 30% of the flights are private jets, most of the other flights are tourism – both result in a net outflow of wealth from the UK. Research from the New Economic Foundation (https://neweconomics.org/uploads/files/NEF_Losing-altitude.pdf) highlights:

New capacity flows to “a small and wealthy subset of the British population while, each year, around half of British residents do not fly at all”; “the welfare benefit must now be offset against welfare losses resulting from greater environmental damage; these are substantial, as NEF has shown in prior work. Growth in air traffic implies a significant transfer of welfare from the majority, who suffer the ill effects of greenhouse gas emissions, noise, and reduced air quality, to a wealthy minority of frequent flyers. Narratives around job creation in air transport often confuse the current footprint of aviation with the relative merits of growth. As a sector, air transport supports a large number of British jobs, but the amount of employment created by growth has been diminishing over time. The sector is, in fact, one of the poorest job creators in the economy per pound of revenue. It has achieved productivity growth through automation and efficiency savings, so much so that the rapid rise in passenger numbers seen between 2015 and 2019 was not sufficient to return direct employment to its pre-financial crisis peak in 2007. Productivity growth in air transport has not translated into increased wages; after considering inflation, wages in air transport were significantly lower in 2022 than they were in 2006. This wage squeeze has been felt exclusively by middle and lower-paid workers, with real wages at the top seeing real-terms growth. Overall, between 2008 and 2022, air transport saw the largest real terms pay decline of any sector in Britain and therefore worsened the country's wider wage stagnation problem. The gains of productivity growth have accrued to higher-paid staff and shareholders.”

In relation to benefits to the UK tourism industry, the report writes: “domestic tourism expenditure had stagnated and instead, flows of cash were headed overseas as household spending patterns shifted towards foreign holidays. The net national effect is a large travel spending deficit which contributes to the UK's overall current account deficit.”

“In terms of regional impact: London and the Southeast see a travel spending surplus thanks to their receipt of the lion's share of foreign tourist spending. The UK's wider (and on average poorer) regions have seen their already significant travel spending deficits grow rapidly. To compound this trend, cash returning to the UK in the form of foreign direct investment also concentrates heavily in London and the Southeast. The current dynamics of British air transport are likely pushing against the government's levelling-up agenda and domestic tourism objectives, yet these dynamics are actively encouraged by government taxation policy, which provides a competitive advantage to overseas holidaying.” This also highlights if there is any argument for expansion it should be in northern parts of the UK and not the south where there are already 3 very large airports.

Continuing with the levelling up agenda and jobs generation – “studies do not identify a causal link running from air capacity growth to economic/jobs growth in the UK. Furthermore, there are several comparable case studies, particularly from Germany, which highlight contexts in which air capacity growth can be detrimental to a region's economic wellbeing, particularly when it comes to smaller regional airports. This is not the first time the conditionality of air transport's economic benefits on business travel and net positive tourism effects (both of which are absent in the UK in 2023) have been flagged. These were shared with the DfT in a report by academics from Leeds University in 2018,² but the ramifications for modern air transport policy and planning appraisal appear not to have filtered through.” Most jobs created at Luton Airport are low paid jobs – cleaning, hospitality, security etc.

“The airport makes significant charitable donations and contributes to significant ESG benefits” – the accounts for LLA show contributions of a mere £7.4m (down 11% on the previous year). Of these only £3.5m were to charities not associated with leisure & culture. This is not a significant sum in the context of the needs they are seeking to address. The pollution, environmental damage and detrimental economic effects (refer to report from the New Economic Foundation) greatly outweigh these contributions. The airport also generates 2.2 million tonnes of CO2 every year.

Luton Council are risking public services by funding commercial development – in its latest accounts, the airport reports that it has drawn £491m from Luton Borough Council – this takes away fun from the citizens of Luton and puts at risk

future services. The Council is significantly exposed to risk should the airport not be able to repay these loans and speculating via commercial investment goes beyond the expertise and core responsibilities of local authority. Luton has always to be too exposed to one large employer and needs to diversify – historically this has been Vauxhall which has been a major employer in previous decades. The airport is not the largest currently employs 800 directly and another c3,000 indirectly (not the 27,000 referred to by Luton Rising). Luton needs more diversification and needs to attract other businesses so it is less exposed to one industry. The business park at Capability is directly under the flight path and employs thousands of employees but if the airport were to expand these jobs are at risk as it likely that working there would become more intolerable and untenable.

Luton Airport cannot be trusted to protect the wider public interest and is not genuinely concerned about the wider ESG factors and is focused solely on increasing profit: we saw recently the fiasco of the large car park fire which caused significant damage as the airport failed to install sprinklers as was recommended – passengers now attending the airport are now dropped off 10 minutes away and have to trudge up hill through a new underpass experience ; the airport has demonstrated impunity when it comes to noise management – noise frequently exceeds the official sound contours (often over 70 dB according to my own readings – in addition flights and many flights do not taxi to end of run way but join at the apron – to save time, the pilot applies maximum thrust and this results in more noise and emissions. The noise abatement schemes are a marketing exercise only and do not work and the amounts are derisory and only offered at discretion of the airport and spend has reduced not increased despite promises made at the last expansion.