



Manston Airport Air Freight Hub

*Reviving strategic transport infrastructure to
maximise Global Britain's trading potential*

**Applicant's Redetermination
Submission as requested by
the Secretary of State**

Project: Manston Airport Development Consent Order
Document Ref: TR020002/RED2/SoSReq
Redetermination Deadline Date: 3 December 2021

MANSTON AIRPORT PROJECT

PINS REFERENCE TR020002

APPLICANT'S SUBMISSION FOR THE REDETERMINATION OF THE APPLICATION

DOCUMENT TR020002/RED2

Introduction

1. This document sets out Applicant's submission for the redetermination of the application for granting development consent for the Manston Airport project. This document is provided in response to the letter from the Department for Transport dated 21 October 2021.
2. The document is structured in line with paragraphs 4 to 8, in particular, of the letter from the Department for Transport dated 21 October 2021.
 - a. Introductory submissions on the case for granting development consent;
 - b. Response to the Independent Assessor's Report;
 - c. General response to First Round of Consultation, focusing on:
 - i. overall view of submissions;
 - ii. re-submission of matters not raised by SoS;
 - iii. update on policy position;
 - iv. update on case for need including the effects of Brexit and/or Covid; and
 - v. impacts on climate change.
 - d. Specific responses to First Round of Consultation submissions:
 - i. Good Law Project;
 - ii. Jennifer Dawes and Ramsgate Town Council;
 - iii. Local authorities;
 - iv. Ramsgate Town Council; and
 - v. Thames Estuary Growth Board.
 - e. Comments on the Transport Decarbonisation Plan and Jet Zero consultation;
 - f. Comments on the position with Network Rail;
 - g. Update on the progress of relocating the High Resolution Direction Finder, in light of representations from the Defence Infrastructure Organisation and NATS Safeguarding Office;
 - h. Update on air quality assessments, in light of Natural England's representation;
 - i. Confirmation as to the status of the Applicant's ecological mitigation;
 - j. Confirmation as to the adequacy of the assessment of the impact on the historic environment;

- k. Updated Book of Reference;
- l. Update in relation to outstanding compulsory acquisition negotiations, with reference to representation from the Met Office and the GLD (under Nathaniel Gifford);

Paragraph 4: response to the Independent Assessor's report

- 3. The Applicant's response to the Independent Aviation Assessor's Draft Report has been submitted separately, document reference **TR020002/RED2/Arup**.

Paragraph 6: comments on responses to the first redetermination consultation

General response to First Round of Consultation

Overall view of submissions

- 4. In total, 424 responses were published. 253 (60%) were in support of the proposals, 161 (38%) were opposed and 10 (2%) were neutral. The Applicant is grateful for the level of engagement that the Scheme has attracted and has reviewed each response. The Applicant thanks its supporters for their dedication and notes that it has considered the submissions of those objecting to the project and has introduced significant concessions to address their concerns.
- 5. The letter from the Department for Transport dated 11 June 2021, the Secretary of State for Transport specified the matters that representations were to be made on. The Applicant notes that numerous responses raised issues outside of the scope of the first round of consultation. The Applicant has focused this submission on addressing responses that are within the remit of the first round of consultation.
- 6. The Applicant notes that the primary concerns amongst the negative responses centred upon the premise that:
 - a. Brexit and/or Covid had reduced the need for the Scheme; and
 - b. the Scheme would undermine the UK's target for net zero.
- 7. The Applicant strongly disagrees with these assertions and has undertaken research which confirms that the need for the Scheme has been strengthened and that Manston does not jeopardise compliance with the sixth carbon budget target. The Applicant's position is detailed in its submission of 9th July 2021 (TR020002-005769, TR020002-005768 and TR020002-0057677). The Applicant also provides an update in this submission on these points and hopes that this provides comfort to objectors and the Secretary of State.

Update on case for need including the effects of Brexit and/or Covid

- 8. The Applicant set out the changes in the case for the need of the Scheme in Annex 3 to its response to the first redetermination consultation (TR020002-005768). Since this submission, the Applicant notes that the case for need has continued to strengthen.

Freight in belly hold remains constrained

- 9. As detailed in the Applicant's previous submission, the capacity for belly hold cargo has reduced. This has continued to be the case as the recovery of passenger flying has been slower

than predicted, and the lag has been especially pronounced in international widebody flights, which have traditionally accounted for close to 50% of belly cargo. According to McKinsey, global cargo capacity will remain maxed out through next year. Meanwhile, demand is expected to remain voracious¹.

10. The latest figures from the Baltic Exchange Air Freight Index (BAI) support this conclusion and show that in July, for average airfreight rates from Hong Kong to Europe, there was a small \$0.24 increase on June to \$4.58 per kg, while compared with a year ago prices are up 44.5%. Expectations are that a return to pre-covid pricing levels is not likely this year as it seems increasingly unlikely that belly capacity will return to previous levels any time soon.²
11. FedEx have also indicated that it is not expecting a full recovery in air cargo capacity until 2024. Trade volumes have surpassed pre-pandemic levels and are on course for the fastest year of growth in over a decade. It said that global air cargo capacity remained down 10% year-on-year in April as a result of lower belly hold capacity.³
12. Cargo airlines, unlike belly hold capacity, are not dependant on passenger movements therefore offer more protection to supply routes, as the COVID pandemic has demonstrated. Manston Airport is located close to the key UK markets and will be equipped to support flexible cargo operations.

E-commerce demand continues to surge

13. The rate of growth in the e-commerce sector, which Manston is targeting, has continued to benefit from strong demand. The aviation industry has responded to this surge in demand, as detailed below⁴, and Manston is best placed to ensure that the UK is able to meet this increased demand.
14. *“Lufthansa Cargo wants to offer customers in the e-commerce segment fast intra-European connections,” Lufthansa Cargo CEO Dorothea von Boxberg says. “With the converted A321s, we are meeting our customers’ growing demand for same-day solutions and further strengthening our dense network of global connections as well as our product offering. The selected aircraft type can transport 28 [metric tons] per flight, significantly larger cargo volumes than in the short-haul bellies of passenger aircraft. . . . In addition to forwarders, integrators and postal operators, e-commerce providers will be customers for this offering.”*
15. Dresden, Germany-based Airbus conversion specialist Elbe Flugzeug-werke (EFW), which counts DHL among its customers for the Airbus A330P2F, is experiencing high demand for conversion slots, driven in large part by e-commerce. That demand is outstripping supply capacity.
16. *“Even before COVID, the growth outlook for air cargo was 4-5%, and a big part of that was driven by e-commerce,” says Gilbert Birke, vice president of Airbus freighter conversion sales at EFW. “Due to COVID, this has been strengthened, and even if COVID is over, people will continue to buy online.”*

¹ Appendix 3.1 - Damian Brett (2021), Air Cargo News - Putzger perspective: Freight options, Air Cargo News, 30 July 2021

² Appendix 3.2 - Damian Brett (2021), Air Cargo News Rates stable in July but elevated prices expected into 2022, Air Cargo News, 30 July 2021

³ *ibid*

⁴ Appendix 3.3 - Helen Massy-Beresford (2021), Air Cargo News - E-Commerce Fuels Air Cargo Growth, Aviation Week, 2 August 2021

17. Boeing, for its part, expects a 60% increase in the world freighter fleet over the next 20 years, driven by the rise in e-commerce demand for consumer goods as well as general freight needs. Boeing forecasts 1,500 freighter conversions will be needed over the next 20 years to meet growing demand.

Demand for cargo to move from shipping to air-freight

18. The ongoing issues in ocean shipping with container shortages, port congestion, delays and record prices are pushing demand from shipping to airfreight. According to IATA, the average cost of air cargo in May was six times more expensive than sea freight, compared with 12 times more expensive pre-crisis.
19. Consequently, congestion and capacity shortages in air cargo are expected to continue as the industry deals with the impact of ocean shipping chaos, heightened demand and lost belly capacity, according to Expeditors senior vice president of global air Kelly Blacker⁵.
20. Blacker said that other issues faced by air cargo is airports suffering with congestion as airlines consolidate services at the main hubs, which in turn concentrates cargo volumes at these locations.
21. *“They can’t handle it as well, they don’t have the capacity, warehouse capacity to turn it quickly. Labour is also an issue. Equipment is also an issue in terms of forklifts and things like that to get the cargo mode. Then it compounds into the container freight station operations, same issue, lack of warehouse capacity and labour and just being able to do that throughput.”*
22. Manston Airport, as a freight dedicated airport, would be designed to ensure that the described issues would not pose a threat. Manston Airport will utilise the latest technology available from the onset to ensure that it is more efficient per tonne of cargo carried than other freighters.
23. And demand levels are expected to remain high: *“People are ordering, demand is not going down, inventory to sales ratios are historic lows. [The Purchasing Managers Index] is still very high”.*

Impacts on climate change

24. Interested Parties were invited to submit representations on this statement, a number of parties including Five10Twelve Ltd and Ramsgate Town Council provided comment on Climate Change, summarised as follows:
 - a. Consent would have a material impact on the Government to meet carbon reduction targets, including carbon budgets; and
 - b. Consent would risk incompatibility with the net zero commitments of the 6th Carbon Budget.
25. The Applicant set out the changes in the case for the need of the Scheme in Annex 5 of the submission of 9 July 2021 (TR020002-005769). The Applicant wishes to respond further to

⁵ Appendix 3.4 - Damian Brett (2021), Air Cargo News - Expeditors the latest to outline ongoing air cargo constraints, Air Cargo News, 28 July 2021

these matters, and this should be taken into consideration for the redetermination of the application.

Commitments made by the Airport

26. Emissions from aviation sources were assessed in Chapter 16 of the Environmental Statement (ES) (APP-034). The Applicant has committed to producing a Carbon Minimisation Action Plan (CMAP) for the project itself and ES Chapter 16, Table 16.15 (APP-034) commits to a number of specific measures to reduce CO2 emissions that will be included in that plan. These can also be found within the Register of Environmental Actions and Commitments (REP11-008).
27. It is important to note, that as a new airport, unburdened by old infrastructure and ground support equipment, Manston is uniquely positioned to deliver a net zero carbon operation from the outset. During the examination, the Applicant offered to be a net zero airport within five years of opening and that commitment is reiterated here. The CMAP will define the measures that will ensure the delivery of all commitments relating to carbon and will align with both detailed design and operation of the development, addressing all carbon emissions under the control of the Applicant. A CMAP is considered to be the appropriate mechanism for the Applicant to plan, implement, measure and report on its actions. The Applicant remains confident that the approach adopted in the assessment and management of CO2 emissions from Manston Airport is robust and within the realms of what they can reasonably commit to as an airport operator.
28. The letter from the Department for Transport dated 21 October 2021 requests comments on the Transport Decarbonisation Plan and Jet Zero consultation which relates to the net zero commitments of the 6th Carbon Budget. This is detailed in paragraphs 75 to 88 of this submission.

Specific responses to First Round of Consultation submissions

Good Law Project

29. The Good Law Project raise the following points as reasons for refusal (TR020002-005776):
 - a. confirming the DCO would, absent any coherent strategy for reducing emissions, including from aviation in accordance with the binding commitments set out above, be likely to breach the commitments under the Paris Agreement;
 - b. confirming the DCO on the basis of giving weight to the ANPS would be unlawful and absent the ANPS there is no coherent framework for reduction of carbon emissions such that a development likely to engender increases in emissions cannot be seen as consistent with statutory commitments to reduction; and
 - c. the adverse impacts on climate change from allowing the development in the absence of a coherent strategy for meeting the UK's binding commitments, outweigh the benefits.
30. The Applicant has detailed why the ANPS is relevant in Annex 1 and Annex 2 of its previous submission (TR020002-005769). The Applicant acknowledges that the ANPS is not directly applicable as it only has effect in relation to a third runway at Heathrow Airport (see paragraphs

1.40 and 1.41), the decision on the Manston Airport application must be taken under section 105 of the Planning Act 2008. That section obliges local impact reports, prescribed matters (in the decisions regulations) and any other matters the Secretary of State considers important and relevant to be taken into account. Paragraph 1.41 of the ANPS declares it to be important and relevant for applications for airport development other than a third runway at Heathrow. It is therefore not unlawful to give weight to the ANPS.

31. The Applicant has also detailed how the Scheme does not prejudice the UK's compliance with the sixth carbon budget in Annex 5 of the submission of 9 July 2021 (TR020002-005769). The impact that the Scheme has on climate change is also detailed at paragraphs 27 to 44 of this response.
32. The 'UK carbon account' in s.1(1) CCA 2008 is defined in s.27(1) as the "*amount of net UK emissions of targeted greenhouse gases*". The term 'UK emissions' is itself defined in s.29(1)(a) as being the emissions of a greenhouse gas from "*sources in the United Kingdom*". Section 30(1) then makes it clear that emissions of greenhouse gases from international aviation do not count as emissions from sources in the United Kingdom. This approach follows that in art.2 of the Kyoto Protocol to the UN Framework Convention on Climate Change, which states that parties are to pursue the limitation or reduction of the greenhouse gas emissions from international aviation working through the International Civil Aviation Organisation ('ICAO'). The Paris Agreement does not change this approach.
33. The Paris Agreement is an unincorporated international treaty which, in the context of the English dualist legal system, has no direct effect in domestic law. Even if it were a mandatory consideration (which is denied) the Paris Agreement does not require the UK to meet any specific emission reduction level or to take any particular mitigation action. Under the Paris Agreement each Party determines what action it will take and communicates this to the UNFCCC. This is known as the Party's nationally determined contribution (Article 4). The Paris Agreement recognises that the assessment of such contributions will be complex and a matter of high level policy for the national government.
34. The context of aviation emissions must be considered in line with the national policy for controlling emissions i.e. the sixth carbon budget which will place a cap on airport related emissions and how they will be managed at national level through permits (the UK Emissions Trading Scheme (UK ETS) and CORSIA). In this context, all airlines will have permits to use carbon. The number of permits will align with the carbon budget which in turn align with the UK net zero target. Airlines will only be able to emit carbon if they buy permits (directly or from other airlines), innovate or offset carbon emissions through UK ETS/CORSIA.
35. With these mechanisms in place, Manston inherently cannot adversely affect the UK meeting its 2050 net zero as airlines cannot emit carbon without permits and these are set to meet net zero.
36. Carbon emissions will effectively be capped at a national level so individual airports will not be able to exceed targets as emissions are controlled by the national policy mechanisms. Within this legislative framework airlines will have to operate and trade within that cap and relevant permits. The implication of this is that over time the price of carbon will increase and airlines will in turn innovate and use cleaner aircraft.

37. The Applicant has committed to minimise emissions within the Applicant's control and those that the Applicant can influence (scope 1 and 2 emissions). Scope 3 emissions i.e. aviation emissions, will be controlled primarily by national policy. This is explicitly referenced in Making Best Use of policy where it is stated that climate change issues are embedded in, and controlled by, national decision making.
38. The scope of aviation emissions will be controlled through permitting and is a matter for airlines. As an airport, Manston will actively facilitate airlines and the required equipment for lower emission aircraft.

Jennifer Dawes

39. The Applicant notes that a number of responses rely on the findings of the York Aviation report (2021), which was submitted by Jennifer Dawes (TR020002-005743). The Applicant disagrees with the conclusions of this report. The Applicant has set out their position in the submissions of 9 July 2021 (TR020002-005769, TR020002-005768 and TR020002-0057677). The Applicant considers these conclusions to be more accurate and robust.
40. The Applicant notes that there are numerous errors and misinterpretations in the York Aviation report submitted by Jennifer Dawes. The Applicant also notes that Louise Congdon, author of the York Aviation report is not qualified to act as an expert witness in aviation forecasting, as determined in her cross examination during the Stansted Public Inquiry.
41. The Applicant wishes to emphasise inaccuracies in the following points in relation to the York Aviation report.

Heathrow expansion

42. The York Aviation Report, at paragraphs 3.9-3.10, relies on the Heathrow expansion to meet the need for increased freight capacity. As detailed in Annex 3 of the Applicant's previous submission (TR020002-005768), it is no longer certain that the new runway will go ahead at all, and if it does it will not be operational until at least 2030-35, significantly increasing the gap between Manston and the Heathrow Third Runway becoming operational compared with expectations during the examination of the Manston application.
43. Notwithstanding the decades of difficulties and the ongoing situation, even if Heathrow's third runway is eventually constructed, it is unlikely to be able to accommodate the pent-up demand that will have built up by 2030. It is likely the airport will continue to focus on the passenger market and to handle belly hold freight from these flights. With the need to increase passenger numbers post-COVID to help rebuild revenues, increasing slots available to passenger aircraft will, as with Stansted Airport (see below), require a decrease in cargo movements. The problem of suitable slots for freighters is therefore likely to be exacerbated.

MBU policy and Thanet Local Plan

44. The York Aviation Report quotes MBU policy and states at paragraph 3.11 that the re-opening of Manston airport "*should be judged by the relevant planning authority, taking careful account of all relevant considerations, particularly economic and environmental impacts and proposed mitigations.*" The Applicant agrees with this and has clearly set out why these considerations point to the fact that there is an overwhelming case in favour of the grant of development consent.

45. The York Aviation Report is misleading in its interpretation of Thanet District Council policy at paragraph 3.15. It states that the Local Plan is not definitive in its support for the re-opening of the Airport due to the fact the Plan is to be reviewed when the outcome of the DCO is known. This assertion is inflated as this is merely in line with TDC Policy SP03 which states that:
46. *“Within six months of the adoption of the Local Plan, the Council shall undertake and complete a review of the Plan with information published as part of an updated Local Development Scheme setting out a timetable for the completion of the review and any update as may be required”.*
47. Irrespective of the standard protocol to review the Local Plan, the airport is safeguarded for airport related uses and the Applicant owns the airport land.

Unemployment

48. In paragraph 3.19, the York Aviation Report seems to suggest that unemployment levels in Kent are not a concern. The Applicant disagrees with this premise and points out that even those who have objected to the re-opening of Manston Airport have not disputed that unemployment levels in the locality need to be addressed.
49. Unemployment has more than doubled in Kent and Medway between March and September 2020. Many of the business sectors that Kent’s economy relies on have been significantly impacted, including hospitality, construction, and transport. In delivering the development proposals, the scheme will bring benefits to exactly these sectors and will help with economic renewal and resilience planning, support businesses, helping people access work and skills, and attracting investment into the county and build confidence. The proposed development is a genuine opportunity to bring forward investment in new infrastructure to stimulate economic growth in the county and instil confidence in key sectors like construction.
50. A major benefit of re-opening Manston airport is the creation of a large number of high-quality jobs in a deprived part of the country and beyond, by what would become one of the largest employers in the area, and a corresponding commitment to education and training for local people to be able to carry out those jobs.

The Role of Freeports

51. The York Aviation Report states at paragraph 3.24 that the *“Thames Freeport will be of no benefit to Manston Airport or positive influence on its alleged need case as it is not included within the boundary of the Thames Freeport and tariffs would still be applicable to goods using the Airport”.*
52. However, in the same section when explaining Freeports, at paragraph 3.22, it states, *“This allows firms to import goods, use the same goods in manufacturing, and export finished products without facing the standard tariffs or customs checks”.* This process is exactly why the Freeport is a benefit to Manston airport. Goods could be imported via Manston, enter the freeport, use those goods in value-added manufacturing processes, and then the resulting goods could leave the freeport to areas within the Southeast or be flown from Manston to other countries. The Applicant notes that the Thames Freeport has now been designated and has been in force since 19 November 2021.

Impacts of Other Projects

53. The York Aviation Report tries to suggest, at paragraphs 3.26 and 3.27, that other projects such as London Resort (a recently accepted application to the DCO regime and Ebbsfleet Garden City “*would dwarf the potential job generation impact of an air freight hub at Manston Airport and could make local recruitment more difficult*”
54. The Applicant does not consider this to be a robust argument. Irrespective of the success of either of these developments, Thanet has a very high unemployment rate, particularly in the 18-24 age group. The Applicant has committed in the Register of Environmental Actions and Commitments (REP11-008) to implement measures for local training and employment.
55. The York Aviation Report also states, “*The Lower Thames Crossing is a significant development that would ultimately provide Kent with easier access to Southend and Stansted airports*”.
56. The Applicant agrees with this statement but notes that it is equally true that the Lower Thames Crossing will give easier access for freight travelling from Manston to the Thames Freeport, Essex and beyond.
57. In addition, as outlined in detail in Annex 3 of the Applicant’s previous submission (TR020002-005768), Stansted sought permission to reduce the cargo ATM cap from 20,500 to 16,000 and maintain their overall ATM cap at 274,000, thereby increasing allowable passenger ATMs, as such Stansted will not have the Cargo ATMs required to meet the unmet need for cargo.
58. At present, according to the Southend Airport web site FAQs, Southend uses only Boeing 737 – 400F aircraft for its freight operations probably due to its relatively short runway (1,856m). Southend Airport has no cargo handling facilities at present and a campaign by local residents resulted in a reduction in the number of cargo flights handled each night⁶. The Stobart Group, with Stobart Air in recent liquidation and renamed as Esken, recently agreed a £125 million loan from US private equity group Carlyle Global Infrastructure Fund, which can be converted into 29.9% of the entire issued share capital of London Southend Airport Company Ltd, a subsidiary of Esken. It is likely that Southend Airport will want to focus on restoring its lucrative passenger market and, in any event, the runway length, location of the airport in the middle of a residential area, and the lack of land to create a substantial cargo operation rule Southend out as a competitor for Manston Airport in providing relief for the air cargo capacity shortage in London and the South East.
59. The Applicant does not consider that the opening of the Lower Thames Crossing would make any material difference to the decision of whether Manston airport should be re-determined.

E-commerce

60. The Applicant notes that the York Aviation Report does not include the effect the pandemic has had on accelerating the growth e-commerce and consequently the increased need of air cargo and dedicated freighter use. The Applicant considers the conclusion reached to be unreliable, mainly due to this omission, and has highlighted in its previous submission (Annex 3, TR020002-005768) the importance of e-commerce in the case for the need for Manston airport.

⁶ Appendix 3.5 – Damian Brett – Air Cargo News – UK’s Southend Airport reduces night-time cargo flights – 9 June 2020

As stated at paragraph 16, this need has continued to grow since the Applicant's last submission.

Changes related to the UK's withdrawal from the European Union

61. The York Aviation report concludes that *"Ultimately, there is no compelling evidence to suggest that the UK's withdrawal from the European Union contributes to an alleged need for the development and re-opening of Manston Airport"*.
62. This is a somewhat surprising conclusion because, as the York Aviation Report agrees with the Applicant that the recent trade deals that the UK has entered, since Brexit, will increase the need for air cargo. However, the York Aviation Report seems to suggest that this increased need for capacity will be entirely met by belly hold aircraft.
63. This is, at best, misleading, as all the evidence indicates that belly hold is not the "principle means of carriage". The split is approximately 50/50 and belly hold has limitations and, as detailed at paragraph 12 and Annex 3 of the Applicant's previous submission (TR020002-005768), belly hold cannot be relied upon to meet the need of cargo capacity.

Local authorities

64. The Applicant is pleased to note that no negative responses were made by the relevant local authorities. The Applicant considers that this fact should be given weight in the re-determination of the Scheme.
65. Canterbury City Council (**CCC**) (TR020002-005578) and Dover District Council (**DDC**) (TR020002-005590) submitted their support for the re-opening of Manston airport. CCC acknowledged the positive impact that the proposal would bring to the area:

"CCC continue to recognise that the proposal to re-open the airport would make a positive contribution to the regeneration of the East Kent economy, as well as the UK's aviation economy, anticipating that in Thanet, the airport and surrounding sites will be the main generator of employment."

66. DDC emphasised their support for the proposal and set out the Motion that DDC has previously passed:

"That this Council supports the campaign to retain Manston as an operational airport, recognising the role and place it can have in the UK aviation industry, making better use of regional capacity in accordance with the views of the South East Local Enterprise Partnership, while making a significant contribution as one of the strategic priorities for regeneration of the East Kent Area."

67. Councillor Ash Ashbee, as leader of Thanet District Council, also submitted a response in favour of the re-opening of Manston (TR020002-005449). In agreement with the Applicant's position, she stressed Brexit has increased the need case for the Applicant's proposal.
68. Since the DCO was examined, Kent County Council has produced its Interim Strategic Plan (December 2020). Their priority actions are to address economic challenge include bringing forward infrastructure projects to stimulate economic growth and empowering people with the right skills to compete and succeed. The Applicant's submission of 9th July 2021 (Annex 2) sets

out exactly how the Proposed Development will help Kent County Council to realise the objectives of its Strategic Plan which includes a priority to attract investment into the County and to seize available and beneficial opportunities and putting infrastructure in place to support growth. In delivering the development proposals, the Scheme will bring genuine and much-needed benefits and help with economic renewal and resilience planning, support businesses, helping people access work and skills, and attracting investment into the county and build confidence – especially in light of Covid impacts which have had severe effects on Kent including a doubling of unemployment (in Medway as well as Kent) between March and September 2020.

69. Maximising the benefits of major capital investment projects such as Manston Airport and using this infrastructure project as a catalyst for economic growth represents a direct fit with the strategic objectives of the County Council's Strategic Plan. It also fits extremely well alongside the County Council's Economic Renewal and Resilience Plan – Backing Jobs and Business (August 2020) which seeks to unlock infrastructure, including investing in Kent as a gateway to the UK between Europe and the rest of the world which the County Council recognises is essential to national trade and prosperity – especially in the context of the UK's changing trade relationship with the EU. Table A.1 in Annex 1 of the Plan recognises that there is likely to be a return of demand and activity in the freight sector post-Covid in Kent.
70. The Proposed Development clearly responds perfectly to Kent County Council's strategic plans for economic renewal, resilience and growth and significant weight should be attached to this.

Ramsgate Town Council

71. The Applicant notes Ramsgate Town Council (TR020002-005680) has submitted a report from Alan Stratford and Associates Limited. The Applicant disagrees with the conclusions of this report. The Applicant has set out their position in the submissions of 9 July 2021 (TR020002-005769, TR020002-005768 and TR020002-0057677). The Applicant considers these conclusions to be more accurate and robust.
72. The Applicant has sought to highlight the inaccurate use of Civil Aviation Authority data and its subsequent interpretation. The Applicant has detailed this in Appendix 1 of its response to the Arup report, which has been submitted as a separate submission (TR020002/RED2/Arup/APP1).

Thames Estuary Growth Board

73. The Applicant is particularly pleased that the Thames Estuary Growth Board pressed for a speedy decision to remove existing uncertainty and deliver new investment (TR020002-005761). The investment in the re-development of Manston Airport will be in the region of £500 million and bring a wide range of much-needed jobs in the area. This will, as stated by the Thames Estuary Board, support economic growth, opportunity and levelling-up within the Estuary area.

Paragraph 7: comments on the Transport Decarbonisation Plan and Jet Zero consultation

74. On 14 July 2021 the Department of Transport (DfT) published its Decarbonising Transport: A Better, Greener Britain strategy. The strategy sets out the UK Government's plans to further decarbonise the transport sector, recognising that emissions reductions have been achieved but signalling the start of further work towards the UK Government's vision of transitioning to a

wholly net zero economy. Implicit within such a strategy is the fact that no individual airport can alone deliver decarbonisation of the aviation industry as a whole and many of the measures required will need to be delivered at the governmental and international level.

75. In this regard, the strategy sets out a number of commitments made by UK Government to decarbonise all forms of transport. In terms of aviation, these commitments are as follows:
- a. To consult on our Jet Zero strategy, which will set out the steps we will take to reach net zero aviation emissions by 2050.
 - b. To consult on a target for UK domestic aviation to reach net zero by 2040.
 - c. To consult on a target for decarbonising emissions from airport operations in England by 2040.
 - d. To further develop the UK Emissions Trading Scheme to help accelerate aviation decarbonisation.
 - e. To aim to agree an ambitious long-term global emissions reduction goal in the International Civil Aviation Organization by 2022.
76. On the same day as the Decarbonising Transport strategy, the DfT also published its Jet Zero Consultation, seeking responses on the UK Government's strategy for net zero aviation. The stated aim of the Jet Zero Consultation is for *"aviation to decarbonise in a way that preserves the benefits of air travel and delivers clean growth of the UK sector by maximising the opportunities that decarbonisation can bring"*. The Jet Zero Consultation document makes clear the UK Government's *"wholehearted support"* for flying, as a *"social and economic good"*.
77. The Jet Zero Consultation reiterates the importance of aviation for the UK economy, identifying that the sector is *"vital for trade and the distribution of goods, creates jobs, connects friends and family, and - crucially for an island nation - links us to the rest of the world."*
78. The UK Government's proposed means of achieving aviation net zero recognises and reflects the economic importance of aviation. The Jet Zero Consultation makes clear that the UK Government's current position is that *"the sector can achieve Jet Zero without the Government needing to intervene directly to limit aviation growth"*. The Government's desire is to *"preserve the ability for people to fly whilst supporting consumers to make sustainable travel choices."*
79. The Independent Aviation Assessor's Draft Report refers to the Transport Decarbonisation Plan and Jet Zero consultation material, concluding that they *"do not appear to have a material effect on the need case for the Proposed Development, however they introduce new goals around the carbon impact of airport operations and domestic aviation emissions which should be considered by the Secretary of State in any future decision"*.
80. Whilst the Applicant has little influence in the direction of travel of emerging guidance and policy, the Applicant is committed to engaging with policy and contributing to the transition towards a net zero economy.

Making Best Use Policy

81. In June 2018 the DfT published *Beyond the horizon - The future of UK aviation: Making best use of existing runways*, which sets out the Government's aviation strategy *'to be supportive of all airports who wish to make best use of their existing runways, including those in the South East, subject to environmental issues being addressed'*. This strategy, often referred to as Making Best Use (MBU), indicates that whereas environmental issues can be addressed through local planning processes, carbon from air traffic is to be considered at the national level.

82. In the recent Appeal Decision for Stansted, the Planning Inspector noted:

"The in-principle support for making best use of existing runways provided by MBU is a recent expression of policy by the Government. It is given in full knowledge of UK commitments to combat climate change, having been published long after the Climate Change Act 2008 (CCA) and after the international Paris Agreement."

83. Moreover, the recent Jet Zero Consultation makes it very clear that MBU remains the most up to date policy on planning for airport development:

'Beyond the horizon - the future of UK aviation: Making best use of existing runways (2018) and Airports National Policy Statement: new runway capacity and infrastructure at airports in the South East of England (2018) are the most up-to-date policy on planning for airport development. They continue to have full effect, for example, as a material consideration in decision-taking on applications for planning permission. The government is clear that expansion of any airport must meet its climate change obligations to be able to proceed.'

Climate and the reinstatement of the ANPS

84. With regard to the reinstatement Airports National Policy Statement (ANPS), at a National level, the ANPS centres on the third runway at Heathrow and does not explicitly provide support for any other airports. Indeed, MBU explicitly states: *'The position is different for Heathrow, where the government's proposed policy on expansion is set out in the proposed ANPS.'*

85. Some interested parties have suggested that the reinstatement of the ANPS means that Heathrow will automatically receive consent and therefore other projects should not be given consent if the Government is to meet its Net Zero commitments. This assumption is wrong at a number of levels; first it cannot be assumed that Heathrow will gain consent, the supreme court judgment was clear that any resurrected proposal for a third runway Heathrow would still need to meet the same tests as any other Nationally Significant Infrastructure Project including demonstrating that the need for the development outweighs the negative environmental effects of the proposals. Second, as noted above and as reiterated by the Secretary of State in the recent Stansted decision, the ANPS exists in parallel with MBU and as discussed throughout the application, the reopening of Manston Airport is entirely consistent with MBU.

Conclusions

86. The Decarbonising Transport strategy makes the UK Government's position clear; the aviation sector will achieve carbon net zero, whilst continuing to accommodate growth. The Jet Zero Consultation is the first step towards a comprehensive strategy to achieve 'jet zero' (i.e. carbon net zero in the aviation sector). The Government's analysis has demonstrated how this might be achieved, whilst recognising that there can be no certainty yet over the particular pathway. It is worth noting:

- a. The Government is committed to achieving jet zero and the carbon budgets along the way.
 - b. The Government's analysis indicates that this can be achieved without limiting airport capacity.
 - c. This can be achieved in circumstances where aviation produces residual emissions, which will be offset by Greenhouse Gas Removal (GGR) technologies.
 - d. The Government will encourage innovation and technology in order to allow "green growth" to be achieved, which in itself represents a significant economic opportunity for the UK. This includes the impact that the UK Emissions Trading Scheme will have for incentivising innovation.
 - e. The CMAP for Manston Airport will meet and, in terms of timing, exceed the expectations of Government as set out in Decarbonising Transport.
 - f. MBU remains up to date, current Government policy to be given full weight in decision making.
87. With all of this in mind the granting of development consent for Manston Airport would not prejudice the Government's obligation to achieve Net Zero carbon emissions by 2050.

Paragraph 8, bullet 1: comments on the Applicants position with Network Rail

88. The only statutory undertaker to maintain a significant objection is Network Rail (TR020002-005597). It objects to the Applicant acquiring the pipeline where it passes underneath a railway. The pipeline is existing infrastructure, the ownership of which is unclear. The Applicant is prepared to take on maintenance responsibilities for it, where currently there are none with legal responsibility. It is not proposing to carry out any works to the pipeline, and therefore does not consider that its acquisition of the pipeline could threaten the railway. It therefore maintains its proposal to acquire the pipeline.
89. The Applicant does not consider that it is proportionate or necessary for the draft DCO to include Network Rail's standard protective provisions. The standard protective provisions are unduly onerous and unnecessary given the remoteness of the Proposed Development from Network Rail's infrastructure. The interface of the Proposed Development and Network Rail's assets is minimal.
90. In particular, the Applicant considers that the following provisions of Network Rail's standard protective provisions and framework agreement are unreasonable:-
- a. A requirement to obtain Network Rail's prior approval for the carrying out of works within 15 metres of the railway (none of the works to be authorised by the draft DCO being situated in the vicinity of Network Rail's infrastructure).
 - b. Ongoing obligations on the Applicant to pay for any additions to railway infrastructure which may be necessary as a result of the Proposed Development (this being unnecessary as the Proposed Development would not result in any such additions becoming necessary).

- c. Payment of Network Rail's costs in upgrading Cliffs End Level Crossing, Minster and Ramsgate stations as a result of the Proposed Development (this again being unnecessary as the Proposed Development would not result in any such upgrades becoming necessary).
- d. An unlimited indemnity in respect of any costs incurred by Network Rail relating to the Proposed Development.

91. In order to reach agreement with Network Rail, the Applicant is willing to discuss the terms of a side agreement pursuant to which the application of Network Rail's standard protective provisions is to be modified. The Applicant does not consider the Scheme impinges on the continued safe, efficient and economic operation of the railway.

Paragraph 8, bullet 2: progress of relocating the High Resolution Direction Finder

92. The Applicant has been actively seeking a satisfactory solution to the HRDF issue with the Ministry of Defence (MOD) since January 2017. This reflects the Applicant's appreciation and recognition that this is a critical piece of technical equipment for the MOD.

93. The Applicant is disappointed that, some now 4 and a half years later and despite engaging Aquila (the MOD's Engineering Authority for this capability) to conduct a feasibility study which identified several potential solutions, this issue has yet to be fully resolved.

94. This latest DIO response clearly demonstrates the inconsistencies in the MOD's position as represented by DIO. Nonetheless, like Aquila (the MODs Engineering Authority for the HRDF), we remain confident that a technical solution that will satisfy the MOD requirement is feasible and can therefore be represented as a planning condition. Taking each of the points in turn:

- a. We completely accept the JSP 604 safeguarding criteria for the current location and the current technical solution; this is why, on the instructions of another department of the MOD (the Project MARSHALL Delivery Team) Aquila were commissioned to examine alternative locations and more modern technical solutions.

- b. DIO state that:

'As yet insufficient evidence (in the form of a proposed location, installation type, and technical specification) has been provided to demonstrate that the existing technical asset can be replaced.'

Aquila, as the MODs Engineering Authority for HRDF, has the exclusive responsibility and capability to propose a new 'location, installation type and technical specification'. The Aquila Feasibility Study, which identified a number of feasible locations and installation types, was the first step in this process. However, the content and validity of this report, and the very status of Aquila to make such proposals, has been called into question by DIO. Until this issue is resolved, there is no practical benefit in progressing further with Aquila.

- c. We do not accept that any conditional approval would be 'contrary to the provisions of paragraph 95 of the National Planning Policy Framework (February 2019)'; as a responsible airport operator, we would not accept any impact on safety, and neither would the MOD. Indeed, the preferred site identified by Aquila gave safe and superior coverage to the current location.

- d. With regard to the DIO statement that:

'The report concludes that the preferred site for the replacement HRDF would be on the proposed Air Traffic Control tower. This solution is not feasible as the erection of the new ATC tower would itself infringe the designated technical safeguarding area that ensures the function and capability of the existing HRDF system. Two other sites are also suggested, though it is not clear at this time whether the installation of an HRDF system at either of these sites would be feasible. No additional information or subsequent phases of this report have been submitted to ExA or provided to MOD and as such there is no evidence on which to vary our position or advice.'

In their Feasibility report, Aquila identified several feasible sites for a future HRDF. Aquila considered the new ATC Tower as technically feasible; other sites were also considered feasible. One of the reasons for this inconsistency in the MODs position is that DIO are continuing to apply the safeguarding criteria as laid down in JSP 604. However, the technical solution proposed by Aquila is more modern and would not be subject to the JSP604 safeguarding criteria.

- e. With regard to the statement that:

'MOD would like to emphasise that unless sufficient evidence can be provided to demonstrate an appropriately sited HRDF system can be provided, that such a system can be delivered in a manner that would allow appropriate testing prior to acceptance, and that the siting and installation of the new system would offer no detriment to the function of the existing asset, it would not be possible for MOD to provide support for the discharge of the requested requirements.'

As reflected in the Aquila Feasibility report, we remain completely confident that, once DIO accept Aquila's status as the MOD Engineering Authority for the HRDF and the Project MARSHALL Delivery Team's status as having technical responsibility for the HRDF capability, a solution can be identified to the full satisfaction of the MOD. We are therefore content for this statement to be reflected as a planning condition.

- f. The Applicant remains of the opinion that DIO's position has changed little since the beginning of the COVID pandemic.

95. Indeed, the series of comments throughout the MOD's submission regarding the Non-disclosure Agreement and the contract between the Applicant and Aquila, the contract amendment process and the contract price, none of which have any relevance to the identification of a potential solution to the HRDF issue, gives continued cause for concern about some MOD parties' willingness and appetite to reach a proactive, mutually acceptable solution.

96. With regard to the NATS response:

- a. The NATS response, which directly relates to the civil capability supported by the HRDF, is both pertinent and welcome.
- b. We continue to support the Statement of Common Ground (SoCG).
- c. Once again, we commit to satisfying a planning condition regarding the continued delivery of this capability to the satisfaction of NATS.

97. The Applicant continues to feel that there is sufficient evidence within the Aquila Technical Report, to be confident that a technical solution is within reach, and with suitable planning conditions which the Applicant would fully accept, the airport redevelopment project can move forward and a technical and operational solution can be found. The Applicant will continue to actively engage with the MOD to reach a suitable arrangement for the relocation of HRDF.

Paragraph 8, bullet 3: update on air quality assessments

98. Natural England recommended that the Applicant updated the air quality assessment to refer to the most up to date background deposition and concentration datasets publicly available. The Applicant has submitted a technical note as Appendix 2 (**TR020002/RED2/APP2**) which details the effects on air quality impacts of updated Air Pollution Information Service data.

Paragraph 8, bullet 4: confirmation as to the status of the Applicant's ecological mitigation

99. The Applicant confirms that there will be no mitigation required above the level stated in the Environmental Statement. The references to mitigation in Annex 5, Appendix B, of the Applicant's July submission refer to mitigation measures that are already included within the draft DCO provisions rather than additional mitigation measures.

Paragraph 8, bullet 5: adequacy of the assessment of the impact on the historic environment

100. In summary, the evidence base for the historic environment assessment of the Proposed Development remains current. The archaeological investigations noted by Kent County Council, while of interest, do not provide any specific evidence for what archaeological remains are present within the Manston site. These more recent works do not affect ES conclusion that highly significant archaeological remains may be present within the site. This is acknowledged in the KCC response; *"However, this is not considered to have a particular bearing on the consideration of the site as it is already known that the potential is high."* The Applicant has submitted a technical note as Appendix 3 (**TR020002/RED2/APP3**) which details the consideration that has been given to reach the conclusion that the assessment of the impact on the historic environment remains adequate.

Paragraph 8, bullet 6: updated Book of Reference

101. The Applicant has carried out a HM Land Registry refresh and written to those who have been identified as having a new interest in land. The Applicant has submitted separately an Updated Book of Reference (**TR020002/RED2/SoSReq/BoR**) and a tracked change version (**TR020002/RED2/SoSReq/BoR(T)**) which illustrates that plots 019c and 050b should no longer be treated as Crown land. This submission is accompanied by a document scheduling the changes that have been made with reference **TR020002/RED2/SoSReq/BoRSoC**.

Paragraph 9: update on outstanding compulsory acquisition negotiations

Met Office

102. The Applicant and the Met Office have agreed the renewal lease and engrossments have been prepared and circulated for execution. Completion of this is anticipated before 8 December (TR020002-005683).

GLD (under Nathaniel Gifford)

103. The Applicant is pleased to see confirmation from Nathaniel Gifford, on behalf of the GLD, that plots 019c and 050b should no longer be treated as Crown land (TR020002-005496).

Conclusion

104. In summary, the case for the project has only become more compelling since both 9 July 2019 and the recent deadline on 11 June 2021. With every passing day further evidence is published which further strengthens the Applicant's position. The need for the project has grown in line with the case for resilient air cargo capacity in the UK that is independent of passenger flights, whilst the prospects of this demand being met at other airports has reduced. Carbon targets are more likely to be met by new state-of-the-art facilities around an existing runway than by forcing existing operational airports to replace their infrastructure.
105. The Applicant wishes to emphasise that the Secretary of State should examine need in its entirety when redetermining this application. Need does not, however, equate to demand. There is an indisputable need for employment in the local area. Opportunities for employment should be wholeheartedly encouraged as the UK seeks to mitigate harm in the aftermath of the end to the furlough scheme. The re-opening of Manston Airport would bring thousands of high quality construction jobs as well as numerous permanent jobs after reopening. The support for this project, including within the local community, can be seen in the majority of responses to the first round of consultation.
106. The Applicant reiterates that in re-opening Manston airport, there will be no reliance on any public funding. Instead, the project will constitute considerable private, inward investment in UK infrastructure, consistent with the vision of an independent Global Britain. The entire risk relating to the success of the project is borne by the Applicant and its investors alone. The Applicant remains justifiably confident that the project will succeed, with investors remaining convinced despite the uncertainty caused by the redetermination of development consent. The amount of time and money that has been invested in the project now stands at over £40m and stands testament to the confidence of the Applicant in the viability and deliverability of the project.
107. In the current economic uncertainty, the government is in greater need than ever of inward investment into the UK. Airports in the UK were privatised in 1986 in order to ensure greater efficiency, reduce the use of and reliance on public funds, provide greater competition and correspondingly lower costs, and to incentivise investment and innovation in the industry. The re-opening of Manston as a specialised cargo hub by a private Applicant embodies the aims of privatisation and would provide much-needed inward investment to the UK's economy.
108. In redetermining the project the Secretary of State can be confident that there is an overwhelming case, stronger than that which existed when he first reviewed the application, in favour of the grant of development consent.