

12 March 2024

Written representation on the application for development consent for the Gatwick Airport Northern Runway Project

Summary

National policy in the Airports National Policy Statement is clear that there is a need for one new runway in the South East of England to maintain the UK's hub status and that this need is most appropriately and effectively met by the Heathrow North West Runway (NWR) scheme. The Government has also expressed policy support for airports other than Heathrow making best use of their existing runways in the shorter term.

To be consistent with the existing policy framework:

- any scheme brought forward under the making best use policy must complement, but not threaten, the future delivery of additional hub capacity at Heathrow through the NWR scheme. Heathrow Airport's critical role as the UK's main international aviation hub must be protected in policy terms;
- Gatwick must therefore demonstrate through its DCO application that:
 - the aviation demand to be served at Gatwick with the Gatwick NRP will be additional to, or different from, the additional hub capacity to be delivered by the Heathrow NWR scheme; and
 - the Gatwick NRP is complementary to, but will not threaten, the achievement of the core policy objective of maintaining the UK's global hub status through the provision of the Heathrow NWR scheme.

Heathrow remains committed to its own long term sustainable growth in line with Government policy.

1. Introduction

1.1.1. This written representation is submitted by LHR Airports Limited and Heathrow Airport Limited in respect of Gatwick Airport Limited's ('GAL's') application to the Secretary of State for Transport ('the SoS') for a development consent order ('DCO') under the Planning Act 2008 ('the PA 2008') to authorise the Gatwick Airport Northern Runway Project ('NRP'). LHR Airports Limited and Heathrow Airport Limited are group companies of Heathrow Airport Holdings Limited. For the purposes of their participation in the examination into the DCO application for the Gatwick NRP, and this representation specifically, both companies are treated as a single interested party and referred to as 'Heathrow'.

- 1.1.2. On 26 October 2023, Heathrow submitted a relevant representation to the Examining Authority ('ExA'). The relevant representation confirmed that LHR Airports Limited has rights over land at a site known as Viking House, part of which is proposed to be subject to permanent acquisition for the Gatwick NRP¹, meaning LHR Airports Limited is an "affected person" for the purposes of the examination. Heathrow Airport Limited, as the operator of Heathrow Airport, has an interest in other aspects of the DCO application that may affect its business and operations, including the application of national policy on airport capacity and aviation related forecasts.
- 1.1.3. Heathrow Airport is one of the world's major hub airports. Hub airports combine direct passengers, transfer passengers and freight so that they can fill aircraft and serve destinations that cannot be served by airports which rely on local demand alone. Transfer passengers at a hub airport allow the UK to enjoy faster, year-round connections to countries to which it could not otherwise sustain a direct flight.
- 1.1.4. In 2023 Heathrow served 79.2 million passengers as numbers returned to near pre-Covid-19 levels (80.9 million passengers in 2019). Heathrow currently serves 239 routes to 89 countries and territories, connecting the UK to the world and the world to the UK. The Airport also handled £198 billion worth of goods in 2023, handling more cargo than all other UK airports combined and serving over 225 destinations in the process. What makes Heathrow unique is the long-haul connectivity it provides, which is facilitated by a combination of direct origin-destination passengers, transfer passengers and cargo.
- 1.1.5. This written representation is intended to assist the ExA and the SoS in their consideration of the proposed Gatwick Airport NRP in respect of matters relating to national policy concerning the need for and provision of additional runway capacity in the South East of England.
- 1.1.6. Heathrow does not object to the principle of growth at Gatwick Airport and recognises the importance of addressing the long-standing significant capacity constraints that affect the UK's aviation sector and negatively impact the UK's direct connectivity and potential for economic growth. Heathrow is however interested to ensure that the consenting and delivery of additional airport capacity is consistent with relevant national policy and that the existing policy framework is properly interpreted.

2. National policy on the provision of additional airport capacity

2.1. Overview of the policy context

- 2.1.1. National policy on the need for and provision of additional airport capacity in the South East of England is principally contained in the "Airports National Policy Statement: New Runway Capacity and Infrastructure at Airports in the South East of England"² ('the ANPS'), which was designated by the SoS on 26 June 2018 under section 5 of the PA 2008, and a complementary

¹ Plots 6/733, 6/734, 6/736, 6/737 and 6/740 as shown on the Land Plans (Application Document Ref: 4.2) and described in the Book of Reference (Application Document Ref: 3.3) submitted with the DCO application.

² Department for Transport (2018) Airports National Policy Statement: New Runway Capacity and Infrastructure at Airports in the South East of England.

policy document entitled “Beyond the Horizon - The Future of UK Aviation: Making Best Use of Existing Runways” (‘MBU’)³ which was also published in June 2018. The ANPS and MBU both derived from the extensive work of the independent Airports Commission (‘AC’) carried out between 2012 to 2015 and subsequent further work undertaken by the Government.

- 2.1.2. The existing policy framework set out in the ANPS and MBU has been affirmed more recently in two strategic policy papers published by the Department for Transport, namely “Flightpath to the Future: a strategic framework for the aviation sector” (May 2022)⁴ and “Jet Zero Strategy – Delivering net zero aviation by 2050” (July 2022).
- 2.1.3. The Aviation Policy Framework (‘APF’) (March 2013)⁵ contains other Government policy on wider aviation issues which, as indicated at paragraph 1.38 of the ANPS, continues to apply.
- 2.1.4. In broad terms, the existing policy framework in the ANPS and MBU establish three principal and interrelated strands of national policy in relation to the need for and provision of additional airport capacity in the South East of England:
 - i. there is a pressing national need to increase airport capacity in the South East of England by constructing one new runway, in order to maintain the UK’s hub status;
 - ii. this need should be met by a new Northwest Runway at Heathrow Airport as the scheme preferred by the Government and not by any of the alternatives considered⁶; and
 - iii. the Government is supportive of airports beyond Heathrow making best use of their existing runways and, given the findings of the AC on the need for more intensive use of existing infrastructure, accepts that it may be possible for existing airports to demonstrate sufficient need for their proposals which is additional to (or different from) the need which is to be met by the delivery of a Northwest Runway at Heathrow Airport.
- 2.1.5. These three important strands of national policy are considered in more detail below. It is helpful first to set out how the policy contained in the ANPS and MBU evolved. This written representation then goes on to discuss the ANPS and MBU in more detail and sets out what Heathrow considers to be the proper interpretation of the existing policy framework on the need for and provision of additional airport capacity in the South East of England.

³ HM Government (2018) Beyond the Horizon - The Future of UK Aviation: Making Best Use of Existing Runways (June 2018). Available from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/714069/making-best-use-of-existing-runways.pdf [Accessed February 2024].

⁴ Department for Transport (2022) Flightpath to the Future (May 2022). Available from <https://assets.publishing.service.gov.uk/media/628f7d26e90e07039f799ebc/flightpath-to-the-future.pdf> [Accessed February 2024].

⁵ HM Government (2013) Aviation Policy Framework (March 2013). Available from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/153776/aviation-policy-framework.pdf [Accessed February 2024].

⁶ The alternatives considered included a second runway at Gatwick Airport (as proposed by GAL through the AC process) and an extended northern runway at Heathrow (as proposed by Heathrow Hub Limited through the AC process): see paragraph 1.4 of the ANPS.

2.2. The evolution of the existing policy framework

- 2.2.1. It is important at the outset to recognise that a fundamental and core objective of national aviation policy is to maintain the UK's position as Europe's most important aviation hub.
- 2.2.2. The core policy objective of maintaining the UK's hub status was identified at least as far back as September 2012 when the AC was established, and can be traced through the evolution of the policy framework set out in the ANPS and MBU.
- 2.2.3. On 7 September 2012, the then Secretary of State for Transport (the Rt Hon Patrick McLoughlin MP) announced that he had established a new independent commission, the AC, chaired by Sir Howard Davies. The AC's remit was set out in 'Terms of Reference'⁷ from the Government which, as reflected in paragraph 1.3 of the ANPS, provided that (emphasis added):

"The Airports Commission will examine the scale and timing of any requirement for additional capacity to maintain the UK's position as Europe's most important aviation hub, and it will identify and evaluate how any need for additional capacity should be met in the short, medium and long term."

- 2.2.4. The AC was instructed by the Terms of Reference to produce two reports – an interim report by the end of 2013 and a final report by summer 2015 – as follows:

"The Commission should report no later than the end of 2013 on:

- its assessment of the evidence on the nature, scale and timing of the steps needed to maintain the UK's global hub status; and*
- its recommendation(s) for immediate actions to improve the use of existing runway capacity in the next 5 years – consistent with credible long term options*

...

Its assessments of potential immediate actions should take into account their economic, social and environmental costs and benefits, and their operational deliverability. It should also be informed by an initial high-level assessment of the credible long-term options which merit further detailed development.

The Commission should report no later than summer 2015 on:

- its assessment of the options for meeting the UK's international connectivity needs, including their economic, social and environmental impact;*
- its recommendation(s) for the optimum approach to meeting any needs; and*
- its recommendation(s) for ensuring that the need is met as expeditiously as practicable within the required timescale.*

...

As part of its final report in summer 2015, it should also provide materials, based on this detailed analysis, which will support the government in preparing a National Policy

⁷ See <https://www.gov.uk/government/organisations/airports-commission/about/terms-of-reference> [Accessed February 2024].

Statement to accelerate the resolution of any future planning applications for major airports infrastructure.”

- 2.2.5. Three points are apparent from the Terms of Reference set by the Government for the AC’s work. First, it is clear that the core policy objective of the Government in establishing the AC was to maintain the UK’s position as Europe’s most important aviation hub. Secondly, the Government instructed the AC to consider and report on (a) “credible long term options” for meeting the UK’s international connectivity needs (the full assessment of which was to be included in the final report) and (b) immediate actions, consistent with the credible long term options, to improve the use of existing runway capacity in the next 5 years (recommendations for which were to be included in the interim report). Thirdly, the Government intended to use the AC’s work to inform the preparation of an NPS under the PA 2008 to set the policy framework for future planning applications. The remit and scope of the AC’s work is accurately reflected in the ANPS (see paragraphs 1.3 and 2.19-2.20).
- 2.2.6. In March 2013, before the AC reported, the SoS issued the APF. Paragraphs 1 and 2 of the Executive Summary explains the role of the APF in setting overall policy on aviation and its relationship to the work of the AC which had commenced:
- “1. In July 2012, the Government consulted on its strategy for aviation: the draft Aviation Policy Framework. This proposed a high-level strategy setting out our overall objectives for aviation and the policies we will use to achieve those objectives. This final Aviation Policy Framework will fully replace the 2003 Air Transport White Paper as Government’s policy on aviation, alongside any decisions Government makes following the recommendations of the independent Airports Commission.*
- 2. The Airports Commission was established in September 2012 with the remit of recommending how the UK can maintain its status as a global aviation hub and maintain our excellent international connectivity for generations to come, as well as making best use of our existing capacity in the shorter term. By defining Government’s objectives and policies on the impacts of aviation, the Aviation Policy Framework sets out the parameters within which the Airports Commission will work.” (emphasis added)*
- 2.2.7. Section 1 of the APF is headed ‘Supporting growth and the benefits of aviation’. Paragraphs 1.1 to 1.3 explains the importance of international connectivity to the UK and the role that aviation infrastructure plays in contributing to economic growth through the connectivity it helps deliver. At paragraph 1.38, the APF recognises the important role that hub airports play in providing international connectivity, especially to long-haul destinations including emerging economies. It explains that a key characteristic of hub airports *"is that they are able to serve more destinations and have higher frequencies than other airports. This is because a hub airport supplements local demand with transfer passengers, providing traffic volumes which support higher frequencies of services on more popular routes, and enabling services on more marginal routes that would not otherwise have proved viable with fewer passengers"*. At paragraph 1.43, the APF makes clear that *"Heathrow Airport, as the UK's only international hub airport, has a unique role in supporting the UK's and London's connectivity"*.

2.2.8. At paragraph 1.57 (and paragraph 9 of the Executive Summary), the APF states that one of the “main objectives” of aviation policy:

“... is to ensure that the UK's air links continue to make it one of the best connected countries in the world. This includes increasing our links to emerging markets so that the UK can compete successfully for economic growth opportunities. To achieve this objective, we recognise the importance of both maintaining the UK's aviation hub capability and developing links from airports which provide point-to-point services (i.e. carrying very few or no transfer passengers). This must be done in a way consistent with the high level policies set out in this document.”

2.2.9. The APF goes on to explain at paragraphs 1.58 and 1.59 that it seeks to achieve this objective through a clear strategy for the short term, which includes (amongst other things) making best use of existing capacity, whilst remaining committed to developing a long-term strategy to maintain the UK’s hub status and secure the UK’s competitiveness, informed by the work of the AC (see also paragraphs 9-11 and 21-24 of the APF’s Executive Summary).

2.2.10. On 17 December 2023, the AC published its Interim Report which concluded that there was a need for further airport capacity by 2030, and that such capacity could not be delivered by the existing facilities. It concluded (as recorded in paragraph 2.26 of the ANPS) that there was a “clear case for one net additional runway in London and the South East, to come into operation by 2030” (paragraph 33 of the Executive Summary and Chapter 6, page 172).

2.2.11. The AC Interim Report identified Heathrow and Gatwick as credible locations for an additional runway and indicated that three shortlisted schemes would be taken forward for further consideration, namely the Gatwick Second Runway Scheme⁸, the Heathrow NWR scheme and the Heathrow Extended Northern Runway Scheme (see paragraphs 6.113-6.114). These three shortlisted schemes were subject to further assessment and public consultations.

2.2.12. Having considered responses to the consultations and the further assessment work, the AC published its Final Report⁹ on 1 July 2015. The AC Final Report confirmed the economic importance of the objective of maintaining the UK’s hub status, and the need to increase capacity in order to reverse the decline in the UK’s hub status (see Chapter 3). It confirmed the earlier conclusion in the Interim Report that there was a clear need for one net additional runway in the South East of England (see page 17 and paragraph 3.61). The AC reached the view that “expansion at Heathrow offers a stronger solution to the UK’s aviation capacity and connectivity needs than a second runway at Gatwick” (page 29), and unanimously concluded that the Heathrow NWR scheme, in combination with a significant package of measures to address its environmental and community impacts, presented the strongest case and was the most appropriate way to meet the identified need for one additional runway (pages 9, 30 & 34).

⁸ This was a proposal brought forward by GAL for one new runway to the south of the existing runway. This new runway would be over 3,000m in length and the two runways would be spaced sufficiently apart to permit fully independent operation. Heathrow understand that the Gatwick NRP is a different proposition to the Gatwick Second Runway Scheme considered by the AC.

⁹ Airports Commission (2015) Airports Commission Final Report (July 2015). Available from [Airports Commission: final report - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/444444/Airports-Commission-final-report-2015.pdf) [Accessed February 2024].

2.2.13. At paragraph 16.63, the AC Final Report concluded that the Heathrow NWR scheme:

"... would deliver more substantial economic and strategic benefits than any other shortlisted option, strengthening connectivity for passengers and freight users and boosting the productivity of the UK economy. The package as a whole strikes a fair balance between national, regional and local priorities. And it is the most effective means of achieving the goal set in the Commission's original terms of reference to maintain the UK's position as a global hub for aviation."

2.2.14. In relation to the Gatwick Second Runway Scheme, the AC Final Report found that the option would "not provide the same boost to the UK's overall connectivity as adding capacity at Heathrow or be as effective in maintaining the UK's position in the global aviation system in the face of competition from other major airports in Europe and the Middle East" (paragraph 13.21) nor would it deliver the same economic benefits as a third runway at Heathrow.

2.2.15. As indicated above, the AC's remit also required it to consider how to make best use of existing runway capacity in the short term, in a way that is consistent with the credible long term options that it considered for meeting the need to maintain the UK's hub status. It is clear that the intention of this aspect of the AC's work, as instructed by the Government, was to identify how the use of existing runway capacity could be improved before the long term solution for additional capacity (which was ultimately identified as the Heathrow NWR scheme) becomes operational. The AC's conclusions on this issue are set out at paragraphs 16.40 to 16.55 of its Final Report. The AC concluded that it is imperative that the UK continues to grow its domestic and international connectivity in this short term period, which it considered would require the more intensive use of existing airports other than Heathrow and Gatwick (paragraph 16.40 AC Final Report; see also paragraphs 1.6 and 2.28 of the ANPS). The AC highlighted the trend of UK regional airports outside of London increasing long-haul connections and identified possible development strategies for airports in the London system other than Heathrow and Gatwick.

2.2.16. The AC also considered whether a second additional runway (i.e. in addition to a third runway at Heathrow) might be justified. The AC's conclusions on this question are set out in paragraphs 16.56 to 16.61 of its Final Report (see also page 34). The AC concluded that, whilst there would be likely to be sufficient demand to justify a second additional runway by 2050 (or, in some scenarios, earlier), that does not necessarily mean that a second new runway would be justified on economic or environmental grounds. It said that future assessments of the case and options for further runway capacity should be carried out through an independent, integrated and collaborative approach, but no decisions should be taken until the impacts of the new runway at Heathrow and the wider policy and industry context can be evaluated and considered. If new capacity was found to be necessary and feasible, a wide range of options should be considered, which could include airports previously assessed as part of the AC process, for example Stansted and Gatwick and airports outside London and the South East.

2.2.17. On 14 December 2015, the SoS announced that the Government accepted the case for airport expansion; agreed with and would give further consideration to the AC's shortlist of options;

and would use the mechanism of an NPS under the PA 2008 to establish the policy framework within which to consider an application by a developer for development consent.

- 2.2.18. Over the course of the following year, the Department for Transport considered the AC Final Report and carried out further work on certain areas (including air quality, noise, carbon emissions and impacts on local communities, as well as further economic analysis) in order to assess the effectiveness of each of the three shortlisted schemes to meet the need for additional airport capacity in the South East of England and maintain the UK's hub status. This further work is summarised in paragraphs 3.4 to 3.10 of the ANPS.
- 2.2.19. On 25 October 2016, the SoS made an announcement to Parliament that the Government's preferred scheme to meet the identified need was the Heathrow NWR scheme. It was also confirmed that the Heathrow NWR scheme would be taken forward in a draft Airports National Policy Statement which would be prepared in accordance with the requirements of the PA 2008. The draft ANPS was this subject to two rounds of public consultation, Parliamentary scrutiny by the Transport Committee (a select Committee of the House of Commons) and an Appraisal of Sustainability.

2.3. The Airports National Policy Statement

- 2.3.1. On 5 June 2018, in accordance with the requirements of the PA 2008, the SoS laid before Parliament the final proposed ANPS, together with a number of supporting documents.
- 2.3.2. On 25 June 2018, there was a debate on the proposed ANPS in the House of Commons, followed by a vote approving the ANPS by 415 votes to 119, a majority of 296 with support from across the House. The ANPS was designated by the SoS the following day, 26 June 2018.
- 2.3.3. As indicated above, the ANPS accurately records the background to its formulation and preparation, including the work carried out by the AC. Consistent with Terms of Reference, paragraph 1.3 records that the AC was established in 2012 *"to examine the scale and timing of any requirement for additional capacity to maintain the UK's position as Europe's most important aviation hub, and identify and evaluate how any need for additional capacity should be met in the short, medium and long term"*, and paragraph 1.6 explains the AC's remit *"also required it to look at how to make best use of existing airport infrastructure, before new capacity becomes operational"* (see also paragraph 2.28). Paragraph 2.19 sets out the objectives of the AC's work:

"The Airports Commission had two objectives:

- To produce an Interim Report, setting out the nature, scale and timing of steps needed to maintain the UK's global hub status alongside recommendations for making better use of the UK's existing runway capacity over the next five years;*
- and*
- To produce a Final Report, setting out recommendations on how to meet any need for additional airport capacity in the longer term [48]."*

The reference at footnote 48 is to the AC's Terms of Reference discussed above.

2.3.4. At paragraph 1.4 the ANPS records the conclusion reached in the by the AC in its Interim Report that *“there was a need for one additional runway to be in operation in the South East of England by 2030”*. Paragraph 1.5 then records that, in its Final Report, the AC *“unanimously concluded that the proposal for a Northwest Runway at Heathrow Airport, combined with a significant package of measures to address its environmental and community impacts, presented the strongest case and offered the greatest strategic and economic benefits.”*

2.3.5. Chapter 2 of the ANPS deals with the need for additional airport capacity. Paragraphs 2.1 to 2.9 explain the importance of aviation to the UK economy, highlighting the essential role that international connectivity plays in allowing access to existing and new markets, facilitating trade in goods and services, enabling the movement of workers and tourists and allowing people to visit family and friends. The importance of air freight to the economy is also highlighted, and it is noted Heathrow Airport is the UK’s biggest port by value. At paragraph 2.9 the ANPS states (emphasis added):

“The importance of aviation to the UK economy, and in particular the UK’s hub status, has only increased following the country’s decision to leave the European Union. As the UK develops its new trading relationships with the rest of the world, it will be essential that increased airport capacity is delivered, in particular to support development of long haul routes to and from the UK, especially to emerging and developing economies.”

2.3.6. The next part of Chapter 2 (paragraphs 2.10 to 2.18) come under the heading ‘The need for new airport capacity’. Paragraph 2.10 outlines the negative impacts on the UK caused by capacity constraints in the aviation sector, including (among others) *“erosion of the UK’s hub status relative to foreign competitors”*. Paragraphs 2.13 and 2.14 further explain the risks of capacity constraints to the UK’s hub status:

“2.13 The UK’s hub status, stemming from the convenience and variety of its direct connections across the world, is already being challenged by restricted connectivity. Hub airports at Paris, Frankfurt and Amsterdam have spare capacity and are able to attract new flights to growth markets in China and South America. These competitors have benefited from the capacity constraints at Heathrow Airport, and have seen faster growth over the past few years. The UK’s airports also face growing competition from hubs in the Middle East like Dubai, Abu Dhabi, Doha and Istanbul. Heathrow Airport was overtaken by Dubai in 2015 as the world’s busiest international passenger airport.

2.14 The consequences of not increasing airport capacity in the South East of England – the ‘do nothing’ or ‘do minimum scenarios’ – are detrimental to the UK economy and the UK’s hub status. International connectivity will be restricted as capacity restrictions mean airlines prioritise their routes, seeking to maximise their profits. Capacity constraints therefore lead to trade-offs in destinations, and while there is scope to respond to changing demand patterns, this necessarily comes at the expense of other connections. Domestic connectivity into the largest London airports will also decline as competition for slots encourages airlines to prioritise more profitable routes.”

2.3.7. Chapter 2 of the ANPS then goes on to explain the work undertaken by the AC, including the objectives of the AC's work (by reference to the Terms of Reference, see above), the alternatives to additional runway capacity that it considered and its shortlisting process. The AC's conclusions are again recorded (paragraphs 2.26 to 2.28) and the further work undertaken by the Government outlined paragraphs 2.29 to 2.31). Paragraph 2.30 makes clear that the Government reviewed the AC's work "*and concluded that its evidence base on the case for expansion and its use of this evidence are both sound*". The Government's conclusion on the question of need is set out at paragraphs 2.32 and 2.33, as follows:

"2.32 Having reviewed the work of the Airports Commission and considered the evidence put forward on the issue of airport capacity, the Government believes that there is clear and strong evidence that there is a need to increase capacity in the South East of England by 2030 by constructing one new runway. The Government also agrees with the Airports Commission that this can be delivered within the UK's obligations under the Climate Change Act 2008. The Government considers that following the country's decision to leave the European Union the country will increasingly look beyond Europe to the rest of the world, and so the importance of maintaining the UK's hub status, and in that context long haul connectivity in particular, has only increased.

2.33 The next chapter of the Airports NPS sets out how the Government has identified the most effective and appropriate way to address the overall need for increased airport capacity, and maintain the UK's hub status, while meeting air quality and carbon obligations and identifies that the Northwest Runway at Heathrow is the Government's preferred scheme."

2.3.8. It is clear, therefore, that the aim of maintaining the UK's hub status remained a core policy objective of the Government in formulating the ANPS and arriving at its conclusion on the need for additional airport capacity. In that context, the Government reached a clear conclusion that there is a need to increase airport capacity in the South East of England by constructing one new runway.

2.3.9. Chapter 3 of the ANPS explains the basis on which the Government selected the Heathrow NWR scheme as its preferred scheme to meet "*the overall need for increased airport capacity, and maintain the UK's hub status*" (see ANPS paragraph 2.33 referred to above). After explaining the Government's work to review the AC's appraisals and carry out further assessments, Chapter 3 is divided into two distinct sections. The first focuses on why the Government prefers the Heathrow NWR scheme to the Gatwick Second Runway Scheme¹⁰, while the second focuses on why the Heathrow NWR scheme is preferred to the Heathrow Extended Northern Runway.

2.3.10. As explained at paragraph 3.16 of the ANPS, a range of factors were taken into account in identifying the preferred scheme to meet the identified need for one new runway to maintain the UK's hub status. The factors included: international connectivity and strategic benefits

¹⁰ See footnote 8.

(including freight); passenger and wider economic benefits; domestic connectivity and regional impacts; surface access links; views of airlines, regional airports and the business community; financeability; deliverability; and local environmental impacts.

2.3.11. Paragraphs 3.18 and 3.19 explain why the Heathrow NWR scheme is preferred to the Gatwick Second Runway in terms of boosting international connectivity and achieving the core objective of maintaining the UK's hub status:

“3.18 Heathrow Airport is best placed to address this need by providing the biggest boost to the UK's international connectivity. Heathrow Airport is one of the world's major hub airports, serving around 180 destinations worldwide with at least a weekly service, 22 including a diverse network of onward flights across the UK and Europe. 67 Building on this base, expansion at Heathrow Airport will mean it will continue to attract a growing number of transfer passengers, providing the added demand to make more routes viable. In particular, this is expected to lead to more long haul flights and connections to fast-growing economies, helping to secure the UK's status as a global aviation hub, and enabling it to play a crucial role in the global economy.

3.19 By contrast, expansion at Gatwick Airport would not enhance, and would consequently threaten, the UK's global aviation hub status. Gatwick Airport would largely remain a point to point airport, attracting very few transfer passengers. Heathrow Airport would continue to be constrained, outcompeted by competitor hubs which lure away transfer passengers, further weakening the range and frequency of viable routes. At the UK level, there would be significantly fewer long haul flights in comparison to the preferred scheme, with long haul destinations served less frequently. Expansion at Heathrow Airport is the better option to ensure the number of services on existing routes increases and allows airlines to offer more frequent new routes to vital emerging markets.”

2.3.12. The Government's conclusions on the preferred scheme for meeting the need for additional airport capacity is set out at paragraphs 3.71 to 3.75 of the ANPS. It is made clear that the Government's decision on a preferred scheme balances a range of factors, *“enabling it to determine which scheme, overall, is the most effective and appropriate means of meeting the needs case and maintaining the UK's hub status in particular”* (3.71). Paragraphs 3.73 and 3.74 present a summary of the strategic attributes which the Government *“believes only the Northwest Runway scheme is likely to deliver to meet the overall needs case for increased capacity in the South East of England and to maintain the UK's hub status”* and which were afforded particular weight. In summary, the attributes of the Heathrow NWR scheme were that:

- i. it provides the biggest boost to connectivity, particular in terms of long haul flights;
- ii. it provides benefits to passengers and the wider economy and the greatest boost to local jobs;
- iii. Heathrow Airport is better connected to the rest of the UK by road and rail; and
- iv. it delivers the greatest support for freight.

- 2.3.13. The overall conclusion given at paragraph 3.75 of the ANPS was that, with the application of mitigation measures to reduce impacts on local communities and the environment, *“the Government considers that the Heathrow Northwest Runway scheme delivers the greatest strategic and economic benefits, and is therefore the most effective and appropriate way of meeting the needs case.”*
- 2.3.14. It is worth noting that the relevance of the hub objective was considered by the Divisional Court in *R. (on the application of Spurrier) v Secretary of State for Transport* [2019] EWHC 1070 (Admin), the judicial review proceedings relating to the ANPS. This issue arose in the context of a ground of challenge concerning the Habitats Directive, the particular issue being whether the SoS was entitled in designating the ANPS to conclude (as he did, see ANPS paragraph 1.32) that the Gatwick Second Runway Scheme was not an alternative to the Heathrow NWR scheme because it did not meet the policy objective of maintaining the UK’s hub status. The Divisional Court analysed the background to the ANPS and the various references within it to the hub objective, and at paragraph 354 of the judgement made the following observation:

“As set out in the factual background section of this judgment (paragraphs 42 and following), at least as far back as September 2012 when the AC was established, increasing airport capacity so as to maintain the UK’s position as Europe’s most important aviation hub was identified as a core objective. This involves the provision of capacity for more long-haul flights (paragraphs 1.2 and 1.3 of the ANPS). The AC Final Report confirmed the economic importance of the “hub objective”, and the need to increase capacity in order to reverse the decline in the UK’s hub status. Reference was made to the current inability of London to develop long-haul links to new destinations, including those in emerging markets. Demand for such routes was being met by increased services at hub facilities in Europe and the Middle East. Capacity constraints affect not only passenger services but also the economically important freight sector. These points were included in Chapter 2 of the February 2017 draft ANPS, as well as in the finally designated version. The inclusion of the “hub objective” as properly one of the fundamental aims of the ANPS is simply not open to challenge.”

- 2.3.15. These observations were endorsed by the Court of Appeal in *R. (on the application of Friends of the Earth Limited) v Secretary of State for Transport* [2021] EWCA Civ 13, further reinforcing the interpretation of the ANPS as set out in this representation. The Court of Appeal held:

“The Hillingdon claimants do not, and in our opinion cannot, challenge the Secretary of State’s conclusion that the Gatwick second runway scheme would not fulfil the “hub objective” or his conclusion that such a development “would not enhance (and would consequently threaten) the UK’s aviation hub status.” (para 86)
and

“... Given that a central purpose of the ANPS was to promote the United Kingdom’s status as an “aviation hub”, we see no room for a submission that the Secretary of State acted unlawfully in rejecting the Gatwick second runway scheme on the evidence that it could not fulfil that objective. On the contrary, as we have said, since there was a clear and unassailable finding that expansion at Gatwick “would not enhance, and would consequently threaten, the UK’s global aviation hub status” (paragraph 3.19 of the ANPS), a scheme for the development of a second runway at that airport could not realistically qualify as an “alternative solution” under article 6(4). In fact, it would be no solution at all.” (para 93)

2.3.16. The Government's policy on the need for and provision of additional airport capacity in the South East of England is, therefore, unequivocal. There is a pressing national need for one new runway to increase airport capacity to maintain the UK’s hub status, and this need should be met by the Heathrow NWR scheme and not by any of the alternatives considered.¹¹

2.4. Making Best Use of Existing Runways

2.4.1. Making best use of existing runways has been a theme recognised by successive Government aviation policies, linked to wider objectives for increased connectivity and economic growth.

2.4.2. As explained above, when the AC was established in September 2012, its remit included examining how any need for additional capacity should be met in the short, medium and long term, and it was asked to report on *“immediate actions to improve the use of existing runway capacity in the next 5 years – consistent with credible long term options”* (see the Terms of Reference set out above).

2.4.3. In addition, the APF at paragraph 1.24 made clear that the Government *“wants to see the best use of existing airport capacity”* and that it supports *“the growth of airports in Northern Ireland, Scotland, Wales and airports outside the South East of England”*. The APF recognised that to achieve the objective of ensuring that the UK's air links continue to make it one of the best connected countries in the world, maintaining the UK's aviation hub capability and developing links from airports which provide point-to-point services (i.e. carrying very few or no transfer passengers) were both important (see paragraph 1.58).

2.4.4. What is clear from the evolution of the policy framework, however, is that the objective of making best use of existing capacity was not considered in isolation from the core objective of maintaining the UK’s hub capacity. The Government was explicit in setting the terms of reference for the AC that it wanted recommendations for short term measures to improve the use of existing runway capacity but any such measures needed to be consistent with the credible long term options that were to be considered for meeting the core objective of increasing airport capacity to maintain the UK’s hub status. This is also reflected in the APF,

¹¹ See paragraph 110 of the judgment in *R. (on the application of Spurrier) v Secretary of State for Transport* [2019] EWHC 1070 (Admin), where the Divisional Court found that these points had been concluded by the ANPS as a matter of policy.

which refers to the instruction given to the AC to initially report on short term measures to improve the use of runway capacity whilst emphasising the need for a long term approach to secure the UK's competitiveness (see para 1.59), and identifies making best use of existing capacity as part of the short term strategy for the aviation sector (see para 1.60).

- 2.4.5. Consequently, Heathrow considers that the MBU policy was throughout its development regarded by the Government as being complementary to the long term policy objective of maintaining the UK's hub status. MBU is therefore properly to be regarded as complementary to the policy set out in the ANPS. The two policy documents are to be read together. Indeed, they both derived from the AC's work and the APF, were published at the same time and cross refer to one another. It follows that any scheme brought forward in reliance on the MBU policy must complement, but not threaten, the achievement of the core policy objective of maintaining the UK's hub status and the delivery of the preferred scheme identified to meet the need established as a matter of policy in the ANPS.
- 2.4.6. This position is reflected in the provisions of the ANPS that deal with the MBU policy and the approach to be taken by relevant planning authorities when deciding whether to grant planning approval for airport developments other than the Heathrow NWR scheme.
- 2.4.7. Paragraph 1.6 records that:

"The Airports Commission's remit also required it to look at how to make best use of existing airport infrastructure, before new capacity becomes operational. The Commission noted in its final report that a new runway will not open for at least 10 years. It therefore considered it imperative that the UK continues to grow its domestic and international connectivity in this period, which it considered would require the more intensive use of existing airports other than Heathrow and Gatwick."

- 2.4.8. Paragraphs 1.38 and 1.39 deal with the relationship between the ANPS and the APF, confirming that the APF and subsequent policy statements on wider aviation issues will continue to apply and indicating that *"the Government has confirmed that it is supportive of airports beyond Heathrow making best use of their existing runways"*.
- 2.4.9. This last statement is a reference to the MBU policy which was published at around the same time as the ANPS. The MBU policy is encapsulated in paragraph 1.29 of MBU, as follows:

"Therefore the government is supportive of airports beyond Heathrow making best use of their existing runways. However, we recognise that the development of airports can have negative as well as positive local impacts, including on noise levels. We therefore consider that any proposals should be judged by the relevant planning authority, taking careful account of all relevant considerations, particularly economic and environmental impacts and proposed mitigations. This policy statement does not prejudge the decision of those authorities who will be required to give proper consideration to such applications. It instead leaves it up to local, rather than national government, to consider each case on its merits."

2.4.10. Paragraphs 1.41 and 1.42 of the ANPS concern the relevance of the ANPS to airport developments in the South East of England other than Heathrow NWR scheme. They provide (emphasis added):

“ 1.41 The Airports NPS does not have effect in relation to an application for development consent for an airport development not comprised in an application relating to the Heathrow Northwest Runway, and proposals for new terminal capacity located between the Northwest Runway at Heathrow Airport and the existing Northern Runway and reconfiguration of terminal facilities between the two existing runways at Heathrow Airport. Nevertheless, the Secretary of State considers that the contents of the Airports NPS will be both important and relevant considerations in the determination of such an application, particularly where it relates to London or the South East of England. Among the considerations that will be important and relevant are the findings in the Airports NPS as to the need for new airport capacity and that the preferred scheme is the most appropriate means of meeting that need.”

1.42 As indicated in paragraph 1.39 above, airports wishing to make more intensive use of existing runways will still need to submit an application for planning permission or development consent to the relevant authority, which should be judged on the application’s individual merits. However, in light of the findings of the Airports Commission on the need for more intensive use of existing infrastructure as described at paragraph 1.6 above, the Government accepts that it may well be possible for existing airports to demonstrate sufficient need for their proposals, additional to (or different from) the need which is met by the provision of a Northwest Runway at Heathrow. As indicated in paragraph 1.39 above, the Government’s policy on this issue will continue to be considered in the context of developing a new Aviation Strategy.”

2.4.11. Heathrow considers the last sentence of paragraph 1.41 to be particularly important in relation to the DCO application for the Gatwick NRP. In examining and determining GAL’s DCO application, the findings in the ANPS as to the need for new airport capacity and that the Heathrow NWR scheme is the most appropriate means of meeting that need will be important and relevant considerations. The effect of the policy set out in these passages is that GAL will need to demonstrate:

- I. that there is a need for the Gatwick NRP that is additional to, or different from, the need for one new runway in the South East of England which policy in the ANPS has confirmed should be met by the Heathrow NWR scheme in order to maintain the UK’s hub status; and
- II. that the Gatwick NRP is complementary to, but will not threaten, the achievement of the core policy objective of maintaining the UK’s global hub status through the provision of the Heathrow NWR scheme.

3. Gatwick's case and forecasts

- 3.1.1. Heathrow notes that the demand forecasts included in the DCO application (see the Planning Statement (APP-245), Needs Case (APP-251) and Forecast Data Book (APP-075)) assume very strong long-haul growth of +145% by 2047, which to put into context is nearly double the overall airport growth rate. To be consistent with the existing policy framework in the ANPS and MBU, GAL will need to demonstrate that this very strong long-haul growth arises from point-to-point demand that is additional to, or different from, the additional hub demand to be served by Heathrow NWR scheme.
- 3.1.2. In this regard, Heathrow notes the comments made in the DCO application regarding the delay to the delivery of the Heathrow NWR scheme that there is uncertainty as to whether the scheme will come forward. For example, paragraph 5.2.7 of the Needs Case (APP-251) states that *“the Heathrow Runway 3 project is not currently being publicly progressed and there is significant uncertainty surrounding when, or indeed if, a third runway will now be developed at Heathrow”*. For the avoidance of doubt, Heathrow remains committed to long-term sustainable expansion. Work on the third runway was paused only as a result of the global Covid-19 pandemic. Heathrow Airport intends to grow sustainably as the demand for aviation recovers, and expansion continues to form part of its strategy.
- 3.1.3. Heathrow also notes that GAL's core forecasts for the Gatwick NRP project do not include any additional capacity that would be provided by a third runway at Heathrow Airport. GAL relies on the recent Manston DCO decision in support of its view that in assessing and determining the Gatwick NRP DCO application it is not appropriate to assume that a third runway at Heathrow will be delivered. We question whether this is an appropriate approach to adopt in the light of the existing policy framework as outlined above, particularly the core policy objective of maintaining hub capacity. In Heathrow's view, the approach taken in the Manston DCO decision (which we understand remains subject to legal challenge) is distinguishable from the Gatwick NRP. The Manston decision concerned a proposal to develop and re-open Manston as a predominantly freight focused airport that would only handle a very limited number of passengers. It was unnecessary, therefore, for the SoS when deciding the Manston DCO to consider whether the proposed re-opening of Manston would risk undermining the future delivery of hub capacity to maintain the UK's global hub status. This is fundamentally different to the Gatwick NRP which seeks to enable a significant increase in passenger numbers and air traffic movements. For the reasons set out above, the policy framework requires those issues to be considered carefully in deciding the Gatwick DCO application.

4. Conclusion

- 4.1.1. National policy in the ANPS is clear that there is a need for one new runway in the South East of England to maintain the UK's hub status, and that this need is most appropriately and effectively

met by the Heathrow NWR scheme. The Government has also expressed policy support for airports other than Heathrow making best use of their existing runways in the shorter term.

4.1.2. To be consistent with the existing policy framework:

- I. any scheme brought forward under the MBU policy must complement, but not threaten, the future delivery of additional hub capacity at Heathrow through the NWR scheme. Heathrow Airport's critical role as the UK's main international aviation hub must be protected in policy terms;
- II. GAL must therefore demonstrate that:
 - the aviation demand to be served at Gatwick with the Gatwick NRP will be additional to, or different from, the additional hub capacity to be delivered by the Heathrow NWR scheme; and
 - the Gatwick NRP is complementary to, but will not threaten, the achievement of the core policy objective of maintaining the UK's global hub status through the provision of the Heathrow NWR scheme.

4.1.3. Heathrow remains committed to its own long term sustainable growth in line with Government policy.