



Gatwick Airport Northern Runway Project

The Applicant's Response to Actions - ISH 1: The Case for the Proposed Development

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1 Introduction

1.1 Introduction

- 1.1.1 This document provides the Applicant's response to the actions arising from Issue Specific Hearing (ISH) 1: The Case for the Proposed Development [[EV6-007](#)]. The actions relevant to the Applicant are as follows:

Action No.	Action	Deadline
1	Applicant and Joint Local Authorities to provide additional documentation in respect of their position regarding s104 and s105 of the Planning Act 2008 and National Policy Statements.	Deadline 1
2	Action not directed to the Applicant	Deadline 1
3	Applicant to provide details of case law in respect of making best use (MBU) of existing runways in respect of Stansted and Manston airports.	Deadline 1
4	Applicant to provide further information regarding construction works for the repositioning of the existing runway.	Deadline 1
5	Applicant to consider whether engineering cross-sections can be provided within above document.	Deadline 1
6	Applicant to confirm the rates of business travellers in comparison to other airports.	Deadline 1
7	Applicant to provide detailed breakdown of passenger catchment, including north and east London as well as the overlap with catchment of other London airports.	Deadline 1

8	Applicant to respond to comments made by Dr Alex Chapman (on behalf of New Economics Foundation) at ISH1, and also his Relevant Representation.	Deadline 1
9	Applicant to respond to the following question in respect of the Funding Statement: "The funding statement estimates that the NRP will cost around £2.2 billion. If the baseline produces some 67mppa, only 13mppa less than is projected with the project, taking reference from para 4.39 of the ANPS, is the project cost-efficient and sustainable?"	Deadline 1
10	Applicant to submit documents prepared for York Aviation and copies of the responses to the questions raised by York Aviation.	Deadline 1
11	Applicant to provide additional information in relation to a current 'busy day', as requested by Cllr Essex and to compare this current situation firstly in relation to the increase within the future baseline and secondly to that under the project case.	Deadline 1
12	Applicant to provide information/ referred to documentation to support its position in relation to the profitability of slots.	Deadline 1
13	Applicant to provide a response to the following question: "Is there a minimum two runway separation distance that would mean two runways could be used at the same time for arrivals, if so what is it?"	Deadline 1
14	Applicant to provide a summary note of the work undertaken by Lichfields in respect of hotels.	Deadline 1

- 1.1.2 The below sections provide the Applicant's response. For actions which require a more detailed response, a reference to the appropriate document is included.

2 Action Point 1

- 2.1.1 The Examining Authority has asked the Applicant and Joint Local Authorities to provide additional documentation in respect of their position regarding s104 and s105 of the Planning Act 2008 and National Policy Statements. The following response is provided.
- 2.1.2 Section 104 of the Planning Act 2008 (“the 2008 Act”) applies in relation to an application for an order granting development consent if a national policy statement (“NPS”) has effect in relation to development of the description to which the application relates. In deciding the application the Secretary of State must, amongst other requirements, have regard to any NPS that is in effect, along with any other matters which the Secretary of State thinks are important and relevant to the decision; and the application must be decided in accordance with any relevant NPS, except to the extent that one or more identified subsections applies. These include subsection (7), which applies if the Secretary of State is satisfied that the adverse effects of the proposed development would outweigh its benefits.
- 2.1.3 Section 105 of the 2008 Act applies to an application if section 104 does not apply. In deciding the application the Secretary of State must have regard to identified matters including any local impact report as well as any other matters which he thinks are both important and relevant to the decision.
- 2.1.4 Paragraph 1.5.6 of the **Planning Statement** [\[APP-245\]](#) states that section 104 of the Act applies to decisions in cases where a NPS has effect in relation to the development of the description to which the application relates. This is stated to be the case with the highway works element of the Project. As for the airport-related development, which is also an NSIP in its own right, para. 1.41 of the Airports NPS (“ANPS”) makes clear that it does not have effect in relation to an application not relating to Heathrow Airport, so it is stated (paragraph 1.5.11 of the **Planning Statement** [\[APP-245\]](#)) that section 105 applies to this aspect of the Project.
- 2.1.5 This position was informed by the case of *EFW Group Limited v Secretary of State for Business, Energy and Industrial Strategy* [2021] EWHC 2697 (Admin). The application in that case included (i) a capacity increase to an existing energy from waste plant resulting in a capacity above 50MW and (ii) the construction of a new 42MW energy from waste plant. The Examining Authority there applied section 104 to the capacity increase and section 105 to the new plant (as the latter did not pass the capacity threshold in the Act to be nationally significant

infrastructure and was only included in the application due to a section 35 direction from the Secretary of State). In his decision, the Secretary of State adopted the contrary view that sections 104 and 105 are "mutually exclusive" such that "it would not be correct to determine different parts of the Application under different provisions". However, by the time of trial, the Secretary of State had concluded that the ExA's approach was correct – but would have made no difference to the decision.

2.1.6 Dove J held as follows:

59. Whilst specific circumstances of the kind presented by the application in the present case may not have been directly foreseen by those framing the 2008 Act, it is clear that the overarching approach of the legislation is that decisions should be reached in relation to proposals for development in respect of which an NPS has effect deploying the framework within section 104 of the 2008 Act, whereas proposals for development within the statutory framework's decision-making process for which there is no applicable NPS having effect are to be decided pursuant to the framework provided by section 105 of the 2008 Act. Such an approach clearly reflects the language of section 104(1) which refers to an NPS having effect "in relation to development of the description to which the application relates". It is less consistent with a literal reading of section 105(1), but when that text is placed in the context of the purpose and structure of the legislation as a whole, it is clear that section 105(1) should be interpreted as applying to those discrete elements of an application which comprise proposals for development for which no NPS which has effect. I accept the submission of the defendant that section 105 of the 2008 Act should be interpreted as applying to free-standing parts of an application to the extent that "section 104 does not apply in relation to the application". Such an approach reflects the purpose and intent of the legislation without unduly disturbing the effect of the statutory language.

2.1.7 The Applicant acknowledges that the facts in EFW Group were different to the present case. One component of the development proposed there (the new plant) was only included in the application for development consent by virtue of a direction from the Secretary of State under section 35 of the Act. In particular, the different elements of the application were regarded as distinct (and in fact led to a decision under which consent was refused for the new plant but granted for the capacity increase to the existing plant). In this case the highway and airfield works comprised in the Project are closely interrelated and proposed together. The Project is being proposed as an indivisible scheme.

- 2.1.8 However, the **Planning Statement** [[APP-245](#)] proceeded on the assumption that the conclusion of Dove J, that sections 104 and 105 of the Act should apply to components of a single application depending on whether an NPS was in effect for any component, was capable of a more general application.
- 2.1.9 It also proceeded on the basis that in the circumstances of this case, the main purpose of the Project as a whole is to enable the sustainable expansion of airport operations. The highway improvement works are proposed in order to facilitate the increased passenger throughput and are secondary in this respect.
- 2.1.10 In this context, the **Planning Statement** [[APP-245](#)], recognised that section 105 applied to the airport-related development but in the circumstances of this case took the approach of considering that development as part of the Project as a whole, having regard to the ANPS as the main policy to be considered (para. 1.5.19). This approach was taken because:
- the primary purpose of the Project is to deliver the airport-related development, so it was appropriate to start with the application of section 105 as this was the provision which applied to this aspect of the Project;
 - the ANPS is an important and relevant matter to be considered, even if it does not have effect in this case;
 - the ANPS was drafted with the Heathrow R3 in mind, but allowing for that, it recognises that such airport-related development may come forward with other development including surface access proposals, and its policies should be applied accordingly;
 - the Airports NPS also recognises (at para. 4.4) the need to consider wider benefits and impacts which must anticipate needing to look at the overall effects of a wider scheme;
 - in circumstances where the airport-related development can only come forward as part of a wider scheme, the land use implications of that wider scheme are important and relevant matters in any event;
- 2.1.11 In the circumstances of this case, it would be artificial and unrealistic to try to notionally disaggregate effects of the airport-related development when they could only ever be realised as part of the wider scheme. The effects of the airport-related development are not being ignored, as they fall within any wider assessment of the overall effects of the wider scheme;
- 2.1.12 the National Networks NPS was treated as a further important and relevant matter; however its policy principles are broadly consistent with those set out in

the ANPS . Addressing the policy principles of the ANPS allowed for similar principles in the NNNPS to be identified and considered

- 2.1.13 As for the highways-related development under section 104, the NNNPS is in effect, but again, it was considered appropriate to consider the highways element as part of a wider scheme which is proposed as a whole:
- 2.1.14 in the same way as the ANPS, the NNNPS recognises that the wider impacts and benefits of the scheme should be taken into account (para. 4.3) – which is unsurprising given the potential for highways development to enable wider development. The NNNPS proceeds on the basis that a highways-related development may well have land use effects that should not be considered in isolation;
- 2.1.15 similarly, the NNNPS recognises its relationship with policies for airports, by stating amongst other things that there is a compelling need for development of the national networks for reasons including the need to improve integration with airports (para. 2.8, 2.10 and 2.13);
- 2.1.16 again, impacts from the highways-related development would only ever arise as part of wider land use effects caused by the overall scheme that is enabled by the highways-related development, which have been fully considered. In the circumstances of this case, it would be artificial and unrealistic to try to notionally disaggregate effects of the highways-related development when they could only ever be realised as part of the wider scheme. The effects of the highways-related development are not ignored, as they fall within any wider assessment of the overall effects of the wider scheme;
- 2.1.17 this wider assessment is appropriate because the policy principles under the NNNPS broadly reflect those which are applied under the Airports NPS, meaning that there should be no issue with applying those principles by reference to the Airports NPS (which is an important and relevant matter anyway under section 104);
- 2.1.18 the **Planning Statement** [[APP-245](#)], under each of the policy sections, deals not only with the Airports NPS but also the NNNPS so the principles set out under each have been addressed in any event;
- 2.1.19 under section 104(7), any consideration of the adverse effects and benefits of the proposed development should in the circumstances of this case look to the overall implications of the Project, because these will be enabled by the highway works as part of the application.

- 2.1.20 This approach, which is consistent with the analysis in the **Planning Statement** [[APP-245](#)], also reflects the requirement to carry out EIA of the project as a whole.
- 2.1.21 As stated above, the Applicant acknowledges the factual differences between this case and the *EFW Group* case; and it understands that the Joint Local Authorities are considering the question of whether sections 104 and 105 should as a result be treated as mutually exclusive in this case. There is no suggestion that any alternative approach to sections 104 and 105 would of itself lead to a different outcome, however as stated at ISH1 the parties will consider the respective positions in the light of submissions made at Deadline 1 and seek to reach an agreed position.

3 Action Point 3

- 3.1.1 The Examining Authority has asked the Applicant to provide details of case law in respect of making best use (MBU) of existing runways in respect of Stansted and Manston airports. The following response is provided.

3.2 Making Best Use

- 3.2.1 At ISH1 questions were raised about the extent to which the NRP represents “making best use” or whether the NRP essentially promotes a new runway.
- 3.2.2 This question is addressed in Section 8.2 of the **Planning Statement** [[APP-245](#)] and that text is respectfully commended to the ExA. The following text tries not to replicate that text but to address specific issues raised at the hearing and within the Action Point.
- 3.2.3 The basic premise, however, is that the NRP unanswerably makes best use of an existing runway, which currently lies grossly underused whilst the UK is severely short of airport capacity.
- 3.2.4 This is not a proposal for a new runway; the northern runway is plainly an existing runway.
- 3.2.5 The Northern Runway (Runway 08L/26R) is a CAA certified, Code 4E, visual approach runway. Its actual length is 2561m with the following runway declared distances set out in Table 3.1.

Table 3.1 Northern Runway credentials

Runway	Take-off Run Available (TORA)	Take-Off Distance Available (TODA)	Accelerate Stop Distance Available (ASDA)	Landing Distance Available (LDA)
08L	3159	3311	3233	2765
26R	2515	2657	2515	2146

- 3.2.6 Its certification is based on Regulation (EU) No 2018/1139 as retained (and amended in UK domestic law) under the European Union (Withdrawal) Act 2018 and Regulation No (EU) 139/2014 as retained (and amended in UK domestic law) under the European Union (Withdrawal) Act 2018. Specific rules, applicable to the Northern Runway are set out under EU CS ADR-DSN B015 to B205.
- 3.2.7 Today the Northern Runway is used when the Main Runway is out of service. In that role it is capable of accommodating all codes of aircraft and facilitating approximately two thirds of the peak hour throughput of the main runway.
- 3.2.8 The Northern Runway is serviced by the following published Standard Instrument Departure (SID) and Standard Arrival (STAR) routes (Table 3.2). These routes will not change as a result of the Project.

Table 3.2 Flight paths available to the Northern Runway

SID	STAR
LAM 5W	BARMI 1G
LAM 6V	TEBRA 1G
FRANE 1V	KONAN 2G
FRANE 1W	MID 1X
BOGNA 1V	NEVIL 1G
KENET 3W	KUNAV 1G
NOVMA 1V	OTMET 1G
SAM 3W	VASUX 1G
SFD 5V	AMDUT 1G
SFD 9P	ARNUN 1G
WIZAD 4V	TELTU 1G

MIMFO 1V	DISIT 1G
DVR 2W	KIDLI 1G
TIGER 3V	ABSAV 1G
DAGGA 1V	GWC 1G
	SIRIC 1G

- 3.2.9 The runway operates visual and Required Navigational Performance (RNP) based approach procedures in both runway directions. These will also not change as a result of the Project.
- 3.2.10 In 2019, the NRP was used by 2.8k flights, typically in the night period during planned maintenance of the main runway when flight numbers were low and on a rare occasion when there was a sustained closure of the main runway. However, given its physical characteristics, GAL estimates that the Northern Runway is capable of handling approximately two thirds of the full airport schedule in the event that the main runway was not in use. This latent Northern Runway capacity is not available in the current airfield configuration due to the separation between the two runways being less than the 210m separation requirement, NRP provides the required 210m separation to allow the existing capability to be utilised. It is evident that, in the absence of the NRP, best use is not being made of this capacity.
- 3.2.11 Further details are provided at Section 4 of this note of the nature of the works proposed in the DCO to reposition the northern runway to bring it into operational use and make use of its capacity. Whilst it is not a central question for the purposes of planning policy, it is of interest that the nature of the works proposed would fall within the definition of operational development benefitting from permitted development rights.
- 3.2.12 Under the Town and Country Planning (General Permitted Development) (England) Order 2015, Class F provides that “The carrying out on operational land by a relevant airport operator or its agent of development (including the erection or alteration of an operational building) in connection with the provision of services and facilities at a relevant airport” is permitted development unless it relates to “the construction or extension of a runway”.¹ The widening on one side and the reduction on the other so that the runway is repositioned by 12m does not extend the runway or amount to the construction of a new runway.

¹ GAL recognises that permitted development would nevertheless require planning permission where its use gives rise to likely significant environmental effects.

- 3.2.13 The definition of operational land is provided by section 263(1) of the Town and Country Planning Act 1990 in that it is (a) land which is used for the purposes of carrying on their undertaking; and (b) land in which an interest is held for that purpose. The land in question, relating to the existing northern runway, is part of the area covered by the Civil Aviation Authority licence for Gatwick Airport and within the airport's extent (within the airside area) shown in the **Project Glossary** [APP-004] and therefore used for the purposes of carrying out the airport operator's (GAL) undertaking. It is also part of GAL's ownership, as shown by the submitted **Land Plans** [AS-015]. However, these are not tests of whether or not the NRP benefits from the support in government policy for making best use.
- 3.2.14 It is apparent that the nature of the works in this case are very different from those that would be involved in providing a new runway. **Appendix A** of this document contains an extract of the Gatwick Airport Masterplan 2019 showing the extent of land required to deliver a new runway, being of a completely different character and scale than the land required by the Project.
- 3.2.15 The terms of both policy and precedent make clear that the definition of making best use embraces the nature of the NRP works.

3.3 The Policy Principle

- 3.3.1 Making best use is not a detailed technical term, it is a common sense term intended to make sure that the UK makes the best use of its airport capacity in view of the scale of the need for more airport capacity and the acknowledged difficulty over several decades in consenting any wholly new runway.
- 3.3.2 MBU is not a new concept. Part of the Government's terms of reference in establishing the Airports Commission was for the Commission to report on how to make best use of existing capacity². As the Secretary of State's decision letter at Manston made clear:

"47. The Examining Authority is correct that the principle of airports making the best use of their existing capacity and runways is a common theme running through Government aviation policy from the Airport Policy Framework 2013, the work of the Airports Commission, the ANPS and through to the recent aviation policy consultation documents [ER 5.5.28]. The MBU policy was published by the Department for Transport in June 2018 and

² Aviation Policy Framework paragraph 2.

adopted alongside the ANPS and confirms Government support for airports beyond Heathrow making best use of their existing runways.”

3.3.3 Section 8.2 of the **Planning Statement** [APP-245] sets out that this principle is present in each statement of Government aviation policy since that time. It also shows that each of those policy documents seeks best use of airport “*capacity*”, “*runways*” and “*infrastructure*”, using those terms interchangeably (for example, paragraph 1.42 of the ANPS). Parties to the examination suggested there may be some forensic policy distinction between these terms but no such distinction is made in the policy documents.

3.3.4 Policy and precedent also establish:

- **The principle of MBU applies to all airports, except Heathrow**, for which specific policies are set out in the ANPS³.
- **It is not necessary to show a need for MBU development** given the clarity and consistency of the policy presumption:

“...There is no requirement flowing from national aviation policy for individual planning applications for development at MBU airports, such as Stansted, to demonstrate need for their proposed development or for associated additional flights and passenger movements.”⁴

“...He also agrees that the MBU policy, which is relevant to this Application, does not require making best use developments to demonstrate a need for their proposals to intensify use of an existing runway or for any associated Air Traffic Movements (“ATMs”).”⁵

- **There is nothing in MBU which suggests that making best use proposals cannot involve operational development** of the type proposed in this case.⁶⁷

*“The **MBU policy** does not limit the number of MBU airport developments that might be granted and **does not include a cap on any associated increase***

³ ANPS paragraph 1.39 and Beyond the Horizon at paragraph 1.25

⁴ Stansted decision letter May 2021 paragraph 17

⁵ Manston decision letter August 2022 paragraph 37

⁶ Similarly, the fact that the NRP involves investment in airport facilities beyond the northern runway should be regarded positively. In recent proposals at Bristol, Stansted, Luton and Manston each application involved additional development beyond the increased use of a runway. At Manston the Secretary of State was clear that the Government welcomes significant levels of private investment in airport infrastructure (paragraphs 48 and 64-65).

⁷ Stansted decision letter paragraph 17

in ATMs as a result of intensifying use at MBU developments.” (emphasis added)

(Manston decision letter paragraph 47)

- **MBU developments can be of a scale requiring DCO or TCPA approval** by the relevant authority.

(ANPS paragraph 1.42 and Beyond the Horizon paragraph 1.27)

- 3.3.5 Neither is the policy support for making best use time-limited. It is expressed unconditionally in all up-to-date aviation policy documents.
- 3.3.6 Paragraph 1.6 of the ANPS does identify an “*imperative*” need to grow domestic and international connectivity in the period before the provision of a third runway at Heathrow but the policy expression of MBU in the APF, the ANPS, in Beyond the Horizon and in Flightpath to the Future is not curtailed if a new runway is constructed at Heathrow.
- 3.3.7 The ANPS explains at paragraph 3.74 that “*The needs case has shown the importance of developing more capacity more quickly*” but the ANPS assumes that the new runway at Heathrow will be provided by 2030 (ANPS paragraphs 1.21 and 2.32). The fact that a new runway at Heathrow has been significantly delayed and still has no clear timetable places even more weight on the need to make best use.
- 3.3.8 In any event, the Government has confirmed that its forecasts for airport capacity growth are consistent with its MBU policy and that these **include the full capacity of the NRP** application.
- 3.3.9 This reflects the reality acknowledged by the Airports Commission that there may be a significant delay before a third runway is provided at Heathrow. It also reflects the simple principles of sustainability – compared with the disruption of additional new green field runways, making better use of infrastructure within an airfield is inherently preferable.
- 3.4 Compatibility with forecasts**
- 3.4.1 For the purposes of carbon modelling, the Government has considered what airport capacity might come forward consistent with its policies for making best use. This is explained in Jet Zero Strategy at paragraph 3.57, as follows:

*“Our approach to sustainable growth is supported by our analysis (set out in the supporting analytical document) which shows that we can achieve Jet Zero without the Government needing to intervene directly to limit aviation growth. The analysis uses updated airport capacity assumptions **consistent with the latest known expansion plans at airports in the UK**. The analysis indicates that it is possible for the potential carbon emissions resulting from these expansion schemes to be accommodated within the planned trajectory for achieving net zero emissions by 2050, and consequently that our planning policy frameworks remain compatible with the UK’s climate change obligations.” (emphasis added)*

The supporting document referred to is the Jet Zero Modelling Framework which explains:

*“In June 2018, the government set out its policy support for airports to make best use of their existing runways in *Beyond the Horizon: The future of UK aviation: making best use of existing runways (“MBU”) and a new runway at Heathrow Airport in the Airports National Policy Statement: new runway capacity and infrastructure at airports in the South East of England (ANPS)*, subject to related economic and environmental considerations. In common with the Jet Zero Consultation **the capacity assumptions in our modelling reflect and are aligned with these policies.**” (emphasis added)*

3.4.2 Annex D to the Modelling Framework (page 50) shows that the modelling includes an assumption of 386,000 ATMs for Gatwick.

3.4.3 The Applicants do not claim that this is project specific policy support for NRP. However, the principle of policy support for proposals such as the NRP which make best use of existing airport runways / infrastructure / capacity is established and it is helpful that the Government considers that this includes the NRP.

3.5 Operational development

3.5.1 Each MBU application so far considered by Inspectors or by the Secretary of State has involved physical development to enable better use of existing infrastructure.

3.5.2 At Stansted the decision letter of 26 May 2021 describes the proposed development as:

*“The development proposed is airfield works comprising **two new taxiway links to the existing runway (a Rapid Access Taxiway and a Rapid Exit Taxiway)**, **six additional remote aircraft stands (adjacent Yankee taxiway); and three additional aircraft stands (extension of the Echo***

Apron) to enable combined airfield operations of 274,000 aircraft movements (of which not more than 16,000 movements would be Cargo Air Transport Movements) and a throughput of 43 million terminal passengers, in a 12-month calendar period.” (emphasis added)

3.5.3 At Bristol, the decision letter of 2 February 2022 describes the proposed development as follows:

*“The development proposed is an outline planning application (with reserved matters details for some elements included and some elements reserved for subsequent approval) for the development of Bristol Airport to enable a throughput of 12 million terminal passengers in any 12 month calendar period, comprising: **2no. extensions to the terminal building and canopies over the forecourt of the main terminal building; erection of new east walkway and pier with vertical circulation cores and pre-board zones; 5m high acoustic timber fence; construction of a new service yard directly north of the western walkway; erection of a multi-storey car park north west of the terminal building with five levels providing approximately 2,150 spaces; enhancement to the internal road system including gyratory road with internal surface car parking and layout changes; enhancements to airside infrastructure including construction of new eastern taxiway link and taxiway widening (and fillets) to the southern edge of Taxiway GOLF; the year-round use of the existing Silver Zone car park extension (Phase 1) with associated permanent (fixed) lighting and CCTV; extension to the Silver Zone car park to provide approximately 2,700 spaces (Phase 2); the provision of on-site renewable energy generation; improvements to the A38; operating within a rolling annualised cap of 4,000 night flights between the hours of 23:30 and 06:00 with no seasonal restrictions; revision to the operation of Stands 38 and 39; and landscaping and associated works.”** (emphasis added)*

3.5.4 At Luton, in the decision letter dated 13 October 2023 (the proposals for an additional 1 million ppa), the proposed development was described as follows:

*“..planning application for the variation of five conditions (8, 10, 22, 24 and 28) attached to previous planning permission, Ref 15/00950/VARCON, dated 13 October 2017. The planning application is dated 8 January 2021, reference 21/00031/VARCON, and seeks **the dualling of Airport Way/ Airport Approach Road and associated junction improvements, extensions and alterations to the terminal buildings, erection of new***

departures/arrivals pier and walkway, erection of a pedestrian link building from the shortstay car park to the terminal, extensions and alterations to the mid-term and long-term car parks, construction of a new parallel taxiway, extensions to the existing taxiway parallel to the runway, extensions to existing aircraft parking aprons, improvements to ancillary infrastructure including access and drainage, and demolition of existing structures and enabling works; and outline planning application for the construction of a multi-storey car park and pedestrian link building (all matters reserved), 12/01400/FUL – variation of condition 11(i) – noise violation limits.” (emphasis added)

- 3.5.5 The recent DCO proposals at Luton, known as Luton Rising, which have not yet been determined are described in the Planning Statement for that proposal as follows:

“The main elements of the Proposed Development comprise the following: Extension and remodelling of the existing passenger terminal (Terminal 1) to increase its capacity; new passenger terminal building and boarding piers (Terminal 2); earthworks to create an extension to the current airfield platform; the vast majority of material for these earthworks would be generated on site; airside facilities including new taxiways and aprons, together with relocated engine run-up bay and fire training facility; landside facilities, including buildings which support the operational, energy and servicing needs of the airport; enhancement of the existing surface access network, including a new dual carriageway road accessed via a new junction on the existing New Airport Way (A1081) to the new passenger terminal along with the provision of forecourt and car parking facilities; extension of the Luton Direct Air to Rail Transit (Luton DART) with a station serving the new passenger terminal; landscape and ecological improvements, including the replacement of existing open space; and further infrastructure enhancements and initiatives to support the target of achieving zero emission ground operations by 20403, with interventions to support carbon neutrality being delivered sooner including facilities for greater public transport usage, improved thermal efficiency, electric vehicle charging, on-site energy generation and storage, new aircraft fuel pipeline connection and storage facilities and sustainable surface and foul water management installations.”

- 3.5.6 At Manston, the Secretary of State’s decision letter gives a summarised description of the proposed development, as follows:

“The Order, as applied for, seeks permission for both the use of the existing runway and other airport infrastructure and the introduction of new facilities comprising:

- *the upgrade of runway 10/283 and re-alignment of the parallel taxiway;*
- *stands for multiple air freight aircrafts;*
- *installation of new high mast lighting for aprons and stands;*
- *construction of cargo facilities;*
- *construction of a new air traffic control tower;*
- *construction of a new airport fuel farm;*
- *construction of a new airport rescue and firefighting service station;*
- *development of the Northern Grass Area for airport-related businesses;*
- *highway improvement works;*
- *extension of passenger service facilities including an apron extension to accommodate an additional aircraft stand and increasing the current terminal size;*
- *an aircraft maintenance, repair and overhaul facility and end-of-life recycling facilities;*
- *a flight training school;*
- *a fixed base operation for executive travel; and*
- *business facilities for aviation-related organisations [ER 1.1.3].”*
(emphasis added).

3.5.7 The Applicant has reviewed the Manston application to understand more clearly what was meant by “*upgrade of the runway*” at Manston. The Planning Statement in that case explains that the works entail:

- *Re-alignment of a new taxiway - a total of 19 Code E stands would be created to service the air freight operations, accompanied new taxiways to service the stands and connect them to the runway. The total area for the new taxiway and aircraft stands is anticipated to be approximately 574,500m², to be constructed from either asphalt or concrete.*
- *Replacement of former approach lights (located within the site boundary) to meet CAT II/III operations;*

- Replacement of existing ground lighting located within the runway and taxiways surface;
- upgrade of runways 10 & 28 to allow CAT II/III operations."

3.5.8 There were questions about the structural integrity of the runway, which was closed and not in use (hence the addition of lighting and navigation aids and a new control tower). The Planning Statement explained that upgrade of the runway in this context meant: "***It is likely that rehabilitation would be required to improve the load bearing capacity for future aircraft operations and in order to ensure compliance for CAT II/III operations. This is likely to require a minimum 150mm overlay of bituminous materials across the runway.***"

3.5.9 It is apparent in each case that:

- each proposal required and involved a significant scale of operational development in order to make better use of airport infrastructure and enable increased aviation activity; and
- each proposals claimed and (apart from Luton Rising, which has not yet been determined) received from the decision maker the benefit of support from the Government's MBU policy.

4 Action Points 4 and 5

4.1.1 The Examining Authority have asked the Applicant to provide further information regarding construction works for the repositioning of the existing runway and to consider whether engineering cross-sections can be provided within above document. The following response is provided.

4.1.2 The works required to reposition the existing northern runway are secured under Work No. 1 of the **Draft DCO** [\[AS-127\]](#) and are described in paragraphs 5.2.18 to 5.2.24 of **ES Chapter 5: Project Description** [\[AS-133\]](#).

4.1.3 The works required to deliver the repositioned northern runway entail the following key construction elements:

- removal of a 12m strip of hardstanding, on the southern side of the existing northern runway (part runway, part shoulder), and returned to grass;
- reconstruction of the existing northern shoulder to bring this to runway standard;
- construction of a new 12m strip of hardstanding (part runway, part shoulder), to the northern side of the existing northern runway;

- Replacement of drainage and re-installation of Airfield Ground Lighting; and
- resurfacing of the repositioned northern runway involving the removal of circa 100mm of asphalt and new asphalt to be layered to be profiled for correct drainage.

- 4.1.4 Once complete, the repositioned northern runway would be 45m wide (excluding the shoulders, being 60m wide including the shoulders) and 2.6km in length, being the same dimensions as the existing northern runway but repositioned 12m northwards. The extent of the repositioned northern runway and 12m strip of hardstanding to be removed is shown on **Figure 5.2.1a** of the **ES Project Description Figures** [[AS-136](#)].
- 4.1.5 The need to reposition the existing northern runway 12m to the north is to ensure a separation distance of 210m between the two runways to meet the European Aviation Safety Agency standards for closely spaced parallel runways and thereby to make better use of the runway.
- 4.1.6 Further detail on the construction works associated to the northern runway is then provided in **Section 8.2** of the **ES Appendix 5.3.1: Buildability Report (Part A)** [[APP-079](#)]. A summary of Section 8.2 is provided below in the context of the ExA's request.
- 4.1.7 To remove the 12m strip of hardstanding on the southern side of the existing northern runway, the construction works would entail:
- Saw cut and remove the southern side of the runway, involving the breakout, removal and reprocessing for reuse of the excavated material within the site compounds. .
 - Placement and compaction of engineered fill in the excavated area.
 - Installation of delethalisation⁸ strip.
 - Placement of topsoil over the remaining excavated area.
 - Grading and landscaping of the southern section to provide a grassed area.
- 4.1.8 To bring the existing northern shoulder to runway standards, the construction works would entail:
- Saw cut and remove the existing shoulder, involving the breakout, removal and reprocessing for reuse of the excavated material within the site compounds. Excavation to formation layer, circa 1.5m deep.

⁸ Delethalisation is the below-ground ramping to the buried vertical face of construction designed to reduce the risk of damage to aircraft running on cleared and graded areas of strip.

- Laying up and installation of granular base materials, made up of Type 1 granular subbase, dry lean concrete and asphalt courses, and associated drainage works.

4.1.9 To construct the new 12m strip of hardstanding, the construction works would entail:

- Diversion and relocation of existing buried utilities such as power supplies, airfield ground lighting, communication systems, drainage and other buried assets.
- Clear and soft strip of the area to be excavated.
- Excavation to formation layer, circa 1.5m deep for the runway element and circa 0.75m deep for the shoulder element.
- Laying up and installation of granular base materials, made up of Type 1 granular subbase, dry lean concrete and asphalt courses and associated drainage.

4.1.10 To resurface the repositioned northern runway, the construction works would entail:

- Resurfacing of the runway involving: the removal of the top layer of asphalt approximately 100mm in depth (dependent on a conditions survey); and laying a new asphalt layer of approximately 150mm to 250mm (exact depth dependent on design and survey), following a rolling/compaction and cooling process between asphalt layers.
- Relocation and re-installation of ground lighting system to correspond to the repositioned runway's centre line.
- Installation of signage and line markings crossing to the new runway's position.

4.1.11 Indicative cross-sections of the northern runway, existing and proposed, is contained in **Appendix B** to this note.

4.1.12 With regards to resurfacing works specifically, this is a routine operation that is carried out by the airport as part of its airfield maintenance requirements. In general, asphalt runways with a high volume of traffic require resurfacing every 10-12 years due to the repeated vertical and horizontal loading from aircraft and environment effects. Gatwick Airport's main runway was most recently resurfaced in 2022, a process which was controlled by a section 61 agreement established between GAL and Crawley Borough Council under the Control of Pollution Act 1974. The resurfacing of the repositioned northern runway will

benefit from the lessons learnt from the 2022 resurfacing of the main runway where GAL ensured the works carried out were targeted to the required areas, reducing the overall placement of asphalt.

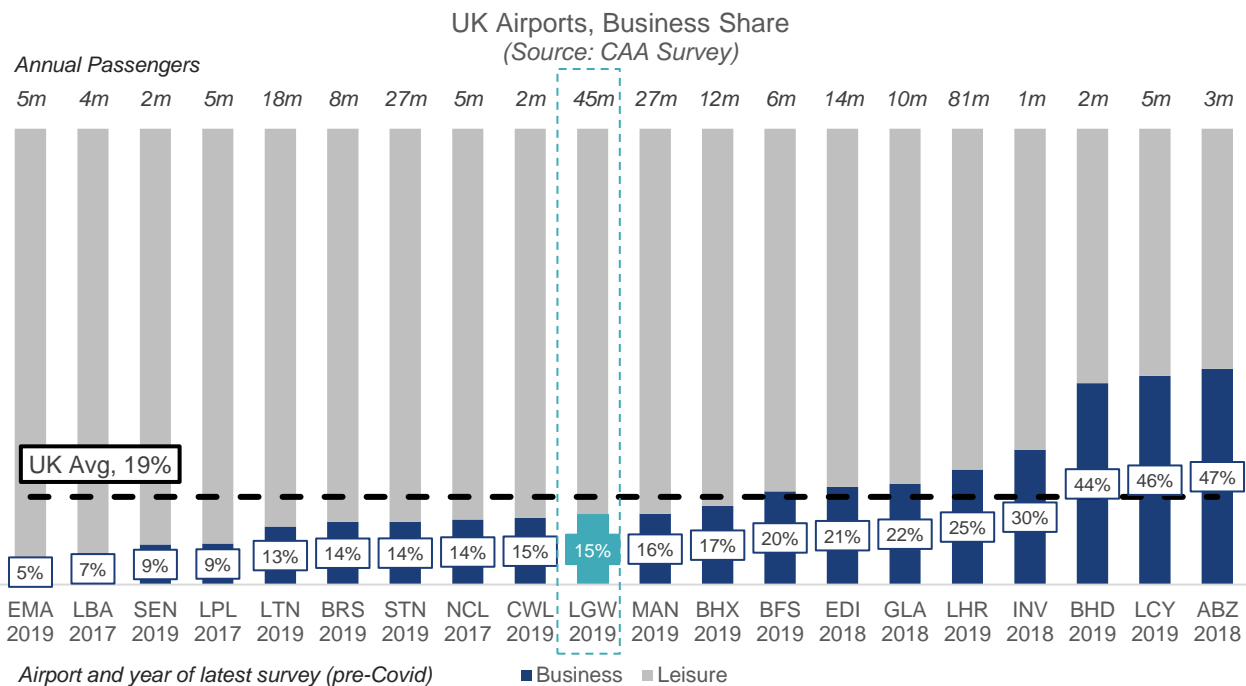
4.1.13 **ES Appendix 5.3.1: ES Appendix 5.3.1: Buildability Report (Part A)** [[APP-079](#)] contains further information on the typical construction equipment expected to be used in the construction of the northern runway works (paragraph 8.2.8), the typical times of the construction works (paragraph 8.2.3 and 8.2.6) and the associated contractor compounds to be used (paragraph 8.2.9).

5 Action Point 6

5.1.1 The Examining Authority have asked the Applicant to confirm the rates of business travellers in comparison to other airports. The following response is provided.

5.1.2 The following chart provides a comparison of Gatwick’s share of passengers travelling for business purposes as categorised by the CAA Survey. A selection of years was used to provide a wide cross section of UK airports drawing on the most recent available year of data pre-Covid.

5.1.3 In 2019 business passengers accounted for 15% of total Gatwick passengers, which can be compared to the UK average of 19%.



Source: CAA Survey various years

EMA (East Midlands,) LBA (Leeds Bradford), SEN (Southend), LPL (Liverpool), LTN (Luton), BRS (Bristol), STN (Stansted), NCL (Newcastle), CWL (Cardiff), LGW (Gatwick), MAN (Manchester), BHX (Birmingham), BFS (Belfast Int'l), EDI (Edinburgh), GLA (Glasgow), LHR (Heathrow), INV (Inverness), BHD (Belfast City), LCY (London City), ABZ (Aberdeen). Note airport totals may be slightly different to those reported elsewhere.

6 Action Point 7

- 6.1.1 The Examining Authority has asked the Applicant to provide detailed breakdown of passenger catchment, including north and east London as well as the overlap with catchment of other London airports. The following response is provided.
- 6.1.2 The following tables are taken from Table 24 and Table 25 of the **Needs Case Technical Appendix** (Doc Ref. 10.6) highlighting Gatwick's catchment breakdown. A detailed breakdown of Gatwick's catchment breakdown is provided in the first table, with a catchment summary comparing regions and airports provided after this.
- 6.1.3 Breakdown of Gatwick's Catchment is shown in Table 6.1

Table 6.1 Breakdown of Gatwick’s Passengers by Catchment (% of total local passengers, exc. Transfers)

Region	Catchment	% of LGW passengers
Southeast England	West Sussex	7%
Southeast England	East Sussex	7%
Southeast England	Kent	7%
Southeast England	Surrey	7%
Southeast England	Hampshire	6%
Southeast England	Other	6%
London	Bromley/Croydon/Sutton/Merton	6%
London	Westminster	6%
London	Lambeth/Wandsworth	5%
London	Greenwich/Lewisham/Southwark/Bexley	5%
London	Camden/Islington	4%
London	Other	16%
East of England	Essex	3%
East of England	Hertfordshire	1%
East of England	Other	3%
Southwest England	All	5%
Other	All	7%

6.1.4 Comparison of Airport Catchments (% refers to share of each airport’s passengers) is shown in Table 6.2

Table 6.2 Airport Catchment Comparison, summary (% of total local passengers)

	LGW	LHR	STN	LTN
Greater London	42%	55%	50%	40%
East of England	7%	7%	32%	33%
South East England	39%	22%	8%	15%
South West England	5%	7%	2%	2%
Other	6%	9%	8%	11%
Total	100%	100%	100%	100%

7 Action Point 8

7.1.1 The Examining Authority has asked the Applicant to respond to comments made by Dr Alex Chapman (on behalf of New Economics Foundation) at ISH1, and also his Relevant Representation. The following response is provided.

7.1.2 At ISH1 Dr Chapman raised two questions

How do the forecast business passengers relate to other airports – are they relocated from Heathrow?

7.1.3 Table 8.1.1 of the national impact assessment (APP-251 Needs Case Appendix 1) illustrates that the majority of the additional air traffic resulting from the Project would be composed of new passenger journeys, i.e. passenger journeys that would not be made without the Project. However, in the first years after the Project's opening, there would be some air traffic absorbed from other airports—in particular, from Heathrow and Stansted.

7.1.4 The traffic forecasts take into consideration the impact of the Project on all London airports and drive the modelling of airfares and, consequently, the welfare benefits for users and providers. Adopting a comprehensive London system approach to fare modelling ensures that estimates incorporate the potential displacement of air traffic from other London airports within the estimated airfares and, consequently, the stated benefits.

How do trends in business travel feed into the forecasts? Business travel peaked in 2006 and after the last financial crisis there was a large decline and a large number of those passengers never came back.

7.1.5 As correctly pointed out by Dr Chapman, business travel observed its peak in 2006 before experiencing a fall due to a significant economic shock triggered by the Global Financial Crisis. Although business travel experienced a downturn following this crisis, business passenger numbers within the London system have been steadily rebounding since. According to data from the CAA passenger survey, in 2019, business passengers within the London system accounted for 95% of the business passengers observed in 2006. There is no current indication to suggest that a similar rebound will not occur following the Covid-19 pandemic.

7.1.6 It is important to acknowledge that during and after the pandemic, business travel to many destinations was not feasible, and different places retained travel restrictions for longer than in the UK. Thus actual passenger numbers do not necessarily reflect the demand for business travel but rather the consequences of COVID-19 travel restrictions in place. As such, recent patterns cannot accurately represent the value of future business trips and do not provide a reliable basis for assessing future growth in the volume and value of business air trips.

- 7.1.7 Dr Chapman's Relevant Representation makes a further point about business travel which is that the benefits are overstated.
- 7.1.8 The size of the business passenger benefits from the scheme are driven by two inputs in the assessment: forecast business traffic and price elasticities of demand. The traffic forecasts used in the assessment aim to provide a realistic view of the level and characteristics of air traffic growth that would occur at Gatwick and other London airports. Similarly, the analysis incorporates Jet Zero price elasticity estimates from DfT, as requested by the Local Authorities. These estimates suggest that business passengers originating from the NRP would experience proportionately greater reductions in air fares compared to leisure passengers. Therefore, it is anticipated that the majority of calculated passenger benefits will be derived from the business passengers.
- 7.1.9 Dr Chapman's Relevant Representation makes two further points about the methodology. These are similar to points he has made at other Airport Expansion examinations and inquiries where his challenge has been to Government policy rather than to what the applicant has done. Gatwick's assessment has been done in line with the DfT's guidance. If there are additional points in Dr Chapman's Written Representations the Applicant will respond to those at Deadline 3.

8 Action Point 9

- 8.1.1 The Examining Authority has asked the Applicant to respond to the following question in respect of the Funding Statement: "The funding statement estimates that the NRP will cost around £2.2 billion. If the baseline produces some 67mppa, only 13mppa less than is projected with the project, taking reference from para 4.39 of the ANPS, is the project cost-efficient and sustainable?". The following response is provided.
- 8.1.2 In short, the Applicant firmly believes its Northern Runway Project (NRP) is cost efficient and sustainable at the level of investment anticipated to achieve the forecasted passenger throughput associated with NRP. The GAL Board is fully aware of the projected costs associated with NRP and receives detailed updates on a regular basis. The GAL Board showed its confidence in the NRP by agreeing to continue to fund the Project during Covid in 2020 and 2021 and subject to an implementable consent being granted, is committed to its delivery.
- 8.1.3 Paragraph 4.39 of the Airports National Policy Statement (ANPS) says:

The applicant should demonstrate in its application for development consent that its scheme is cost-efficient and sustainable, and seeks to minimise costs to airlines, passengers and freight owners over its lifetime.

- 8.1.4 The reference to the ‘applicant’ in paragraph 4.39 of the ANPS refers to Heathrow Airport Ltd. Heathrow Airport operates under an entirely different regulatory regime compared to London Gatwick.
- 8.1.5 Heathrow’s charges are set by the CAA with reference to its Regulated Asset Base (RAB) to which Heathrow is able to add the cost of investment projects agreed with the CAA. This allows Heathrow to recover the cost of these investment projects through higher charges. In this regard, on 21 April 2021, the CAA confirmed its policy to allow Heathrow to recover the costs it incurred efficiently as part of its expansion programme.
- 8.1.6 In contrast, as explained below in relation to the **Funding Statement** [\[APP-009\]](#), London Gatwick negotiates charges with airlines on a bilateral commercial basis, with the CAA implementing a ceiling on the average level of charges, minimum investment level and core service standards. The CAA also imposes financial resilience conditions.
- 8.1.7 London Gatwick is therefore strongly incentivised to undertake efficient and sustainable investment; in contrast to a RAB based approach it carries full traffic volume risk and cannot automatically pass on investment costs to customers and, in contrast to unregulated airports, any ability to pass on costs through commercial negotiations is limited by the charges ceiling. Moreover, in its proposal to the CAA to extend the current regulatory framework to March 2029, London Gatwick has committed to a price ceiling which is expected to decline, on average, in real terms. This strongly incentivises efficiency.

8.2 [GAL Funding Statement](#)

- 8.2.1 In response to the specific question, please refer to Section 3.2 of the **Funding Statement** [\[APP-009\]](#), which states:

“The current cost estimate for the Northern Runway Project is c. £2.2 billion. This includes design, land acquisition (including any compensation payable for any compulsory acquisition of land, interests in land and rights over land), and physical construction. This cost estimate takes into account expected inflation and contingencies.

This cost estimate has been informed by contributions from a variety of sources, including budget quotations, expert advice and industry recognised rates based

upon experience of large infrastructure projects. Additionally, this has been informed by learning from previous development projects at Gatwick Airport which over the last decade have totalled £2.5 billion.

Because of this, Gatwick Airport Ltd. is confident that it will be able to raise the funding required through a blend of debt, equity and airport charges for the Northern Runway Project and that adequate funding will be available in order to commence development and for any compulsory acquisition to take place within the timescales set by the Order. The availability of funding is therefore not considered to be an impediment to the implementation of the Northern Runway Project or to the acquisition of land, interests in land or rights over land identified in the Order.

Considering the above, the Secretary of State can be satisfied that Gatwick Airport Ltd. will have adequate funds available for the Northern Runway Project (including the compulsory acquisition of land, interests in land and rights over land) if development consent is granted.”

8.3 **GAL's Regulatory Framework incentivises efficiency**

- 8.3.1 GAL operates under a set of 'Commitments', a legally binding contractual undertaking between GAL and its airline customers, which was last renewed on 1 April 2021 and runs until 31 March 2025. This is underpinned by an economic licence granted by the UK Civil Aviation Authority (CAA) under the Civil Aviation Act 2012.
- 8.3.2 Within this framework, London Gatwick makes a set of 'commitments' which include a ceiling on the average level of airport charges, a minimum level of investment and a set of core service standards below which GAL pays rebates to its airline customers. These commitments are conditions of GAL's economic licence issued by the CAA.
- 8.3.3 The Commitments framework is intended to provide a proportionate and targeted approach to economic regulation, which encourages bilateral contracting with airlines and facilitates commercial rather than regulator-led decision making. Under the framework, GAL enters bilateral contracts with many individual airline customers, tailored to their individual requirements. These commercial agreements ensure that GAL works with airline partners to enhance the customer experience and promote development in a cost-efficient and sustainable manner.

8.4 Capital Investment Plan

8.4.1 Gatwick has a strong track record of significant and efficient investment since the break-up of BAA and the sale of Gatwick in 2009. This is supported by its collaborative and consultative approach to investment under its legally binding set of Commitments.

8.4.2 Gatwick's Capital Investment Programme (CIP) is a rolling five-year investment view which is published each year as part of the Commitments regulatory framework. The latest CIP was published in July 2023. The programme is consulted upon annually with GAL's airline customers and GATCOM's Passenger Advisory Group (PAG) and is informed by a continuous and extensive range of passenger feedback and research to understand their needs.

8.4.3 Gatwick operates in a highly competitive environment and the quality of service provided for passengers is key to attracting and retaining customers. GAL's success through the pre-pandemic decade was evidenced by record traffic levels, increased market share, an expanded network of both short-haul and long-haul routes, and consistently rising level of passenger satisfaction. Investment in service quality underpinned this performance, and it remains one of GAL's key drivers.

8.4.4 The NRP investment is included in the 2023 CIP and is identified as a separate category to capacity and service investment to support the growth from the main runway. The NRP investment amounts to £589.8m for 'near term' investment including:

- Consultation, planning and legal costs to gain DCO approval for the Project.
- Survey, design and the first stages of construction of the programme including the runway, taxiways, stands, roads, water and other ecological mitigation measures.

8.4.5 Future capital investment programmes will start to break the scheme out into its many constituent parts and consolidate them into the relevant CIP categories alongside organic growth and other business as usual investment. Given the CIP is a rolling programme, further costs could be added to the investment sums based on the outcome of the DCO process.

8.4.6 The 2023 CIP, which covers 6 years, from April 2023 to March 2029 totals circa £2.18 billion.

8.4.7 Historically, the airport has invested at rates not dissimilar to the spend envisaged as part of the Northern Runway Project. Between 2010 and 2019,

Gatwick invested approx. £2.9bn, enhancing the airport by transforming processes, upgrading facilities, adding resilience and maintaining the extensive asset base. (Fig.1). During this period, passenger numbers grew by 15 million, from 31m passengers a year in 2010 to 46m passengers a year in 2019. This is consistent with the level of investment now envisaged for a similar increase in passenger numbers as part of the Northern Runway Project.



Fig. 1 Historic London Gatwick Investment (2024 prices)

8.5 Alignment of framework to Northern Runway project timings

8.5.1 The current Commitments framework at London Gatwick was extended in 2021 to cover a four-year period to 31 March 2025. GAL’s economic licence and proposal to extend the commitments to 31 March 2029 is currently the subject of consultation by the CAA (dated June 2023) – with further details available on the CAA’s economic regulation webpage (CAP2554).

8.5.2 The Executive Summary (page 3) of the Gatwick Commitments: Proposal to Extend Gatwick’s Commitments explains that:

Finally, the outlook for Gatwick is particularly uncertain given the outcome of Gatwick’s application to bring the Northern Runway into regular use is currently unknown. The Northern Runway project is a major expansion opportunity that will shape the future of Gatwick’s capacity offering and resilience. It is expected to take until at least Q1 2025 for a decision to be made by the Secretary of State for Transport on whether to approve GAL’s planning application for this major infrastructure project. In addition to this uncertainty on the airport infrastructure, Gatwick has to compete with other airports in the London system for passengers;

and with airports across Europe for airline services: the outcome of this competition is unknown and so GAL is committed to remaining agile, delivering high quality service to passengers and airlines; and pricing competitively.

This uncertainty reflects the risks in the aviation business: under the Commitments framework, GAL and its airline partners manage those risks flexibly using commercial agreements. These agreements provide a clear framework which is well understood by stakeholders, enables positive commercial engagement between GAL and its airline partners to shape price and service levels to each airline and to share commercial risk and rewards, and to provide flexibility to respond to market conditions. Under these agreements, GAL takes a substantial level of cost and traffic risk, which is higher than under many other forms of regulation and, in some respects, greater than in an unregulated market.

In this context of unparalleled uncertainty, GAL's proposals for a short extension [until 2029] will provide for stability and certainty over the coming years as the economy and aviation industry stabilise and the outcome of the Northern Runway planning application becomes known. It will enable GAL and its airlines to focus on delivering resilient operations, high service quality, a large capital programme and the anticipated growth, rather than engaging in time consuming zero-sum games which characterise other regulatory regimes.

GAL believes that these proposals are in the best interests of passengers, airlines and GAL, and looks forward to engaging further with the CAA and airlines.

8.6 Oversight of capex efficiency

8.6.1 The CAA has responsibility for the economic regulation of London Gatwick. The approach to regulation and the requirements to meet GAL's obligations will be set out in further detail through a joint statement of common ground with the CAA.

8.6.2 At this stage, London Gatwick notes that, in addition to its own internal processes, capex efficiency is ensured through several mechanisms:

- The CAA's economic regulation framework in which the CAA's expert economists, lawyers and finance analysts examine both GAL's capex plans and its progress in delivering capex projects. The CAA has a strong focus on efficiency as its primary duty under the Civil Aviation Act 2012 is to further the interests of users of air transport services regarding the range, availability, continuity, cost and quality of airport operation services.

- Commercial contract negotiations with airlines in a highly competitive environment where airlines (typically at C-Suite level) rigorously scrutinise GAL's commercial proposals, including capex.
- The annual consultation process on the rolling 5 year Capital Investment Programme where the CAA, airlines and passenger representatives scrutinise capex projects, including costs and timings.
- Review of capex projects at bi-monthly meetings with the Airport and Airlines Group.

9 Action Point 10

- 9.1.1 The Examining Authority has asked the Applicant to submit documents prepared for York Aviation and copies of the responses to the questions raised by York Aviation. The following response is provided.
- 9.1.2 As mentioned during ISH1, the Applicant has shared a number of documents with the Joint Local Authorities (via York Aviation) to provide further detail on the needs case for the Project and capacity and operations. These documents have been provided as part of this Deadline 1 submission:
- **Needs Case Technical Appendix** (Doc Ref. 10.6)
 - **Capacity and Operations Summary Paper** (Doc Ref. 10.7)
 - **Appendix: Airfield Capacity Study** (Doc Ref. 10.7)
- 9.1.3 The **Needs Case Technical Appendix** (Doc Ref. 10.6) provides further technical detail in support of the **Needs Case** [\[APP-250\]](#), including the Applicant's approach to the development of the forecasts for the DCO Application and top-down forecasts in response to requests from the Joint Local Authorities.
- 9.1.4 The **Capacity and Operations Summary Paper** (Doc Ref. 10.7) and **Airfield Capacity Study** (Doc Ref 10.7) provide background information on existing operations at Gatwick Airport and the concept of dual runway operations, including comparison of the current and future performance capability of single and dual runway operations.
- 9.1.5 In light of the comments expressed by some Interested Parties at the ISH, the Applicant has also prepared a short summary of the future baseline forecasts and capacity for submission at Deadline 1 – **Technical Note on the Future Baseline** (Doc Ref. 10.10).

10 Action Point 11

- 10.1.1 The Examining Authority has asked the Applicant to provide additional information in relation to a current 'busy day', as requested by Cllr Essex and to compare this current situation firstly in relation to the increase within the future baseline and secondly to that under the project case. The following response is provided.
- 10.1.2 Airport capacity assessments are typically undertaken using a busy day schedule, in the case of London Gatwick the 3rd Friday in August, as this is a representative peak day. The busy day passenger numbers from 2018 & 2019 actuals and the forecasted 2038 baseline and Northern runway project (NRP) growth scenarios are shown in Table 10.1 below. The passenger numbers stated are commercial movement passengers incl. transfer passengers.

Table 10.1 Busy day passenger numbers, 2018, 2019 and 2038

Scenario	Passengers		
	Busy day 2018	Busy day 2019	Busy day 2038
Actual	165.8k	166.7k	-
Baseline	-	-	194.5k
NRP	-	-	232.8k

- 10.1.3 The majority of baseline busy day passenger growth is within the shoulder periods of the day, as the number of declared aircraft movements does not increase beyond the 55 movements currently declared. Terminal balancing can be used to manage the minor increase in peak passenger terminal demand along with internal reconfiguration of existing terminal areas and process improvement.
- 10.1.4 The infrastructure developments planned to accommodate the passenger growth under NRP can also be found in APP-255 Section 5.7 for the North terminal and APP-256 Section 5.10 for the South Terminal.

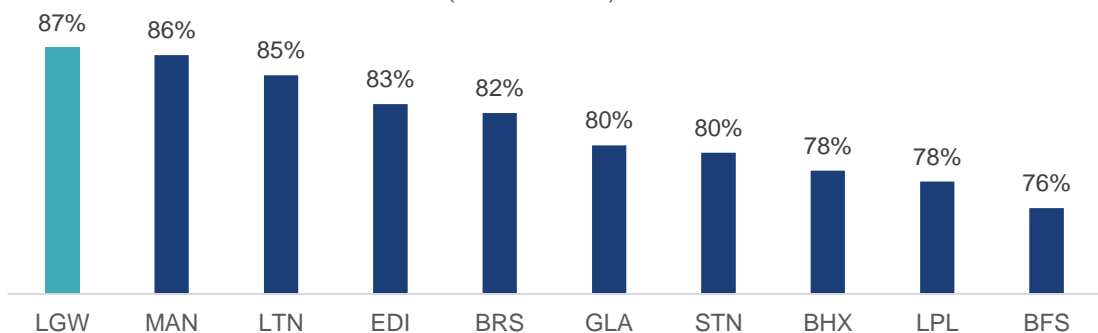
11 Action Point 12

- 11.1.1 The Examining Authority has asked the Applicant to provide information/ referred to documentation to support its position in relation to the profitability of slots. The following response is provided.

- 11.1.2 Several matters demonstrate the relative financial value of slots at Gatwick to carriers, including easyJet.
- 11.1.3 **Slot values:** Airlines were routinely paying millions of pounds per daily slot pair (used for one daily service) for access to Gatwick pre-Covid. With capacity available at other airports, it would only make sense to invest significant sums to access Gatwick if the airlines could generate above average returns to justify the upfront costs of acquisition. In 2019 easyJet paid £36 million for Thomas Cook’s slot portfolio (vast majority of the deal relating to Gatwick for 12 daily slot pairs). A letter from ACL (Airport Coordination Limited), the slot allocation body, is provided in GAL’s deadline one submission as an appendix to the **Needs Case Technical Appendix** (Doc Ref. 10.6).
- 11.1.4 **Estimated profitability:** For easyJet (Gatwick’s largest carrier), industry estimates demonstrate that Gatwick is their most profitable base. easyJet was estimated to generate a profit of over £180 million per year in the 12 months to March 2020. This is more than twice as profitable as their next top performing airport. (Source: RDC Aviation)
- 11.1.5 **Performance Trends – Load Factor:** for easyJet, Gatwick is routinely one of their strongest performing airports for share of seats sold; this demonstrates the strong underlying demand they routinely achieve at the airport compared to other markets they operate in.

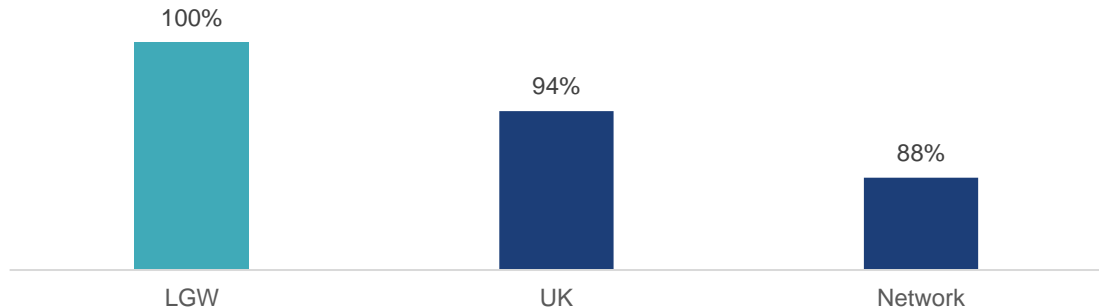
EasyJet Load Factor, 2023

(Source: CAA)



- 11.1.6 **Performance Trends – Recovery:** Gatwick is one of easyJet’s bases that they have prioritised for recovery. In 2023 they carried the same number of passengers to and from Gatwick as in 2019, this was notably ahead of their wider UK and European Network as shown in the following chart:

EasyJet Passenger Recovery (% of 2019 Passengers)



12 Action Point 13

12.1.1 The Examining Authority has asked the Applicant to provide a response to the following question: "Is there a minimum two runway separation distance that would mean two runways could be used at the same time for arrivals, if so what is it?". The following response is provided.

12.1.2 The minimum separation distance between runways to allow both for arrivals is set out in in the following documents:

- UK Regulation (EU) 139/2014 Certification Specification and Guidance Material for Aerodrome Design.
- ICAO PANS-OPS Doc 8168 Aircraft Operations, Vol I Flight Procedures, Part III, Section 2.
- ICAO PANS-OPS Doc 8168 Aircraft Operations, Vol II Construction of Visual and Instrument Flight Procedures, Part I, Section 3, Part II, Section 1 and Part III, Section 3.
- ICAO PANS-ATM Doc 4444 Air Traffic Management, Chapter 6 Operations on Parallel or Near-Parallel Runways.
- ICAO 9643 Manual of Simultaneous Operations on Parallel or Near-Parallel Instrument Runways (SOIR).

12.1.3 UK Regulation (EU) 139/2014 states where parallel instrument runways are intended for simultaneous use, the minimum distance between their centre lines should be:

- 1,035m for independent parallel approaches;
- 915m for dependent parallel approaches;

- 760m for independent parallel departures; and
- 760m for segregated parallel operations.

12.1.4 There are specific provisions which may allow the reduction of the above minimum distances.

13 Action Point 14

13.1 Introduction

13.1.1 The Examining Authority has asked the Applicant to provide a summary note of the work undertaken by Lichfields in respect of hotels. The following response is provided.

13.1.2 Gatwick Airport Ltd (GAL) appointed Lichfields to undertake a study of hotel provision on and around the airport to inform the NRP masterplan and how much hotel capacity might be needed.

13.1.3 The study looked at the existing provision in terms of its proximity to the airport and how much of it was used by Gatwick passengers.

13.2 Methodology

13.2.1 Lichfields conducted a two-tiered approach to define an appropriate assessment area, comprising:

- a core assessment area, extending out from the Gatwick Airport policy boundary as defined in the Crawley Local Plan 2015, and
- a series of 'focus areas' outside the core assessment area.

13.2.2 After defining these areas, a validation exercise was undertaken, comprising of drive-time analysis, public transport (journey time) modelling and rail station analysis. This exercise identified four 'zones' within the assessment area:

- On-airport;
- Direct links to the airport, less than a mile from the Airport boundary and/or in proximity to Salfords, Crawley, or Horley rail stations and linked by a shuttle or bus service and within a 15-minute journey time;
- Inner assessment area, less than 5 miles from the Airport boundary and/or within a walkable (pedestrian) distance from nearby rail connections in Croydon, Brighton, Burgess Hill, Haywards Heath, Horsham, and Lewes; and
- Outer assessment area, 5-10 miles from the Airport boundary or in proximity to rail connections at East Grinstead, Dorking, Tandridge and Caterham.

13.2.3 Lichfields then undertook a telephone survey of hotels to identify what proportion of rooms were typically taken by Gatwick passengers. This was used to identify a “Gatwick Relationship Level” (GRL).

13.2.4 This then enabled Lichfield to identify how many rooms there were in total and how many were typically taken by Gatwick passengers. These were split into three more refined zones:

- On-Airport - terminal linked or elsewhere within the airport boundary
- Off-Airport - in close proximity linked by a shuttle or bus service and within a 15-minute journey time.
- Off-Airport - more distant and serving Airport needs

13.2.5 In turn this allowed Lichfields to compare the number of hotel rooms used by GAL passengers in 2019 to the total number of passengers and identify an estimate number of rooms in each zone per one million passengers per annum (mppa).

13.3 Findings

13.3.1 The GRL across the three zones was as follows

- On-Airport – 84%
- Off-Airport (in close proximity) – 80%
- Off-Airport (more distant) – 68% (3-star) and 56% (4-star+)

13.3.2 There is a clear passenger preference for being on airport, but also a significant number of more price-sensitive and time-insensitive passengers who are happy to stay further away – the survey suggested that off-airport 3 star hotels have more Gatwick-linked guests than 4 star hotels.

13.3.3 Of the number of rooms taken by Gatwick passengers, the study found that around 40% of demand from the airport is currently met on-airport and just under 30% in close proximity.

13.3.4 In 2019 there were just over 2,800 rooms on-airport and total passenger numbers were nearly 47m. This translates to around 60 on-airport rooms per mppa.

13.4 DCO position

13.4.1 By 2032 (when the NRP will have added nearly its full additional capacity by comparison to the baseline) the number of additional passengers at the airport is forecast to be around 26mppa – approximately half each from baseline growth

and the NRP. This will increase demand for on-airport hotels by approximately 1,550 (and off-airport demand by around 2,150).

- 13.4.2 The DCO includes up to 1,250 rooms at four locations on-airport.
- 13.4.3 That would mean total on-airport provision would be nearly 4,100 rooms out of total Gatwick demand of 10,500, i.e 39%.
- 13.4.4 This broadly maintains the current relationship between on and off-airport hotels to meet Gatwick demand, leaving significant demand to be met in local town centres and other sustainable locations.
- 13.4.5 As it has to date, further growth can and will be accommodated through new provision secured through TCPA applications – both on and off-airport – there is clear policy support for this in both the adopted and emerging Crawley local plans.
- 13.4.6 The DCO application is therefore well-aligned with likely demand from the airport.

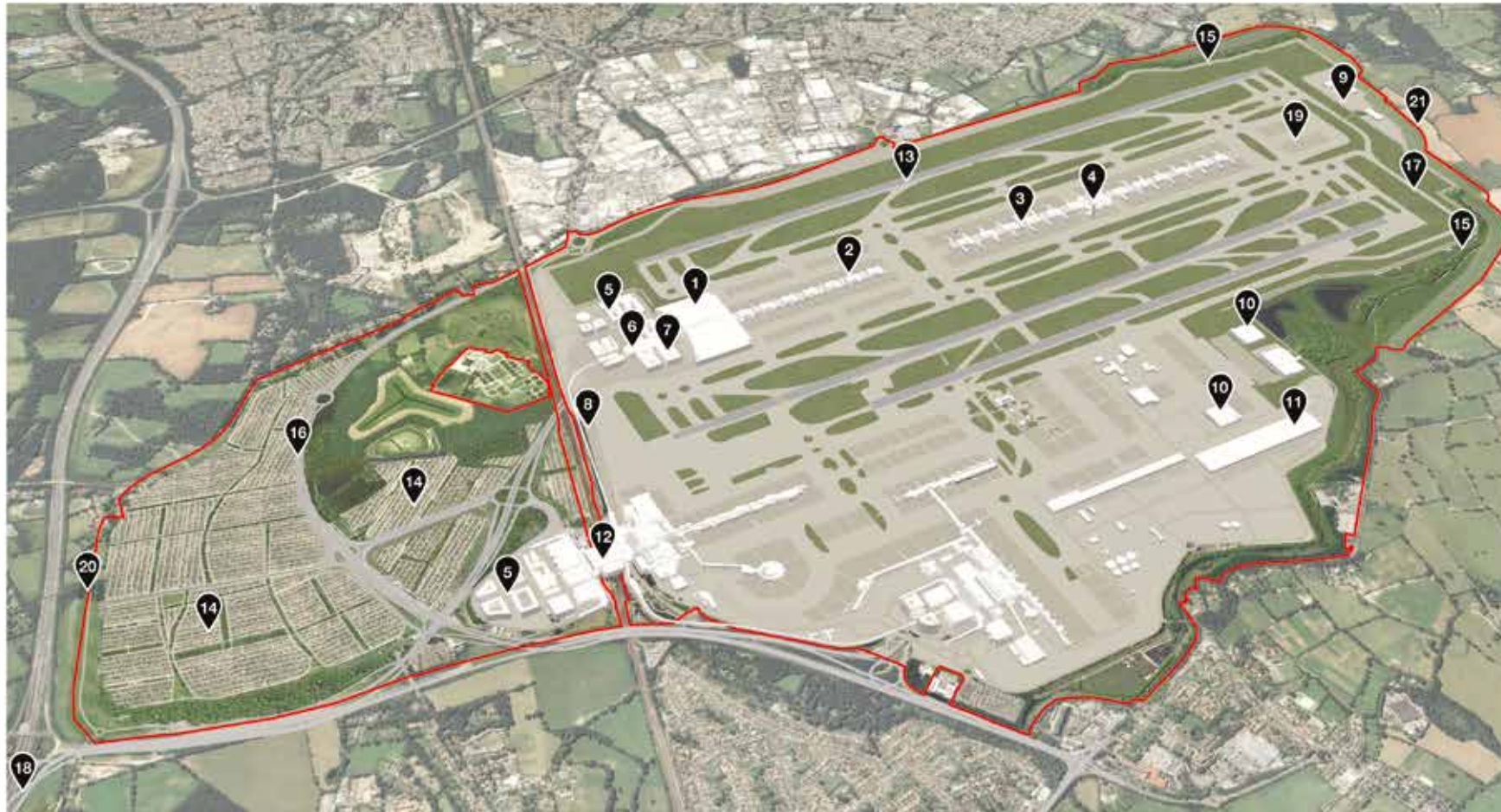
Appendix A Gatwick Airport Masterplan 2019



GATWICK AIRPORT

MASTER PLAN 2019

YOUR LONDON AIRPORT
Gatwick



PLAN 20 - Airport Layout Additional Runway

- 1 New Terminal Building
- 2 Contact Pier
- 3 Remote Pier
- 4 New Control Tower
- 5 Offices
- 6 Carpark
- 7 Hotels
- 8 People Mover System
- 9 Support Accommodations
- 10 New Hangar
- 11 New Cargo
- 12 Gatwick Gateway
- 13 New South Runway
- 14 Long Stay Car Park
- 15 New Noise Barrier
- 16 A23 Diversion
- 17 End Around Taxiway
- 18 New M23 Sliproad
- 19 New Remote Stands
- 20 Balcombe Road diversion
- 21 River Mole diversion

Airport Boundary



Appendix B Indicative Cross-Sections of the Northern Runway

Code Assigned:

Code 1 - Work may proceed
 Code 2 - Revise and resubmit. Work may proceed subject to incorporation of comments indicated
 Code 3 - Revise and resubmit. Work may NOT proceed

Permission to proceed does not constitute acceptance or approval of design details, calculations analyses, test methods, or materials developed or selected by the contractor/supplier, and does not relieve contractor/supplier from full compliance with contractual obligations or release any "holds" placed on the contract.

Authorised Signatory:

Date Signed:

Coding Comments:

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Model File References List - XRef Model Name (excluding path), Version & Status

ABBREVIATIONS:

surf SURFACE COURSE
 bin BINDER COURSE
 DLC DRY LEAN CONCRETE
 GSB GRANULAR SUB-BASE

LEGEND

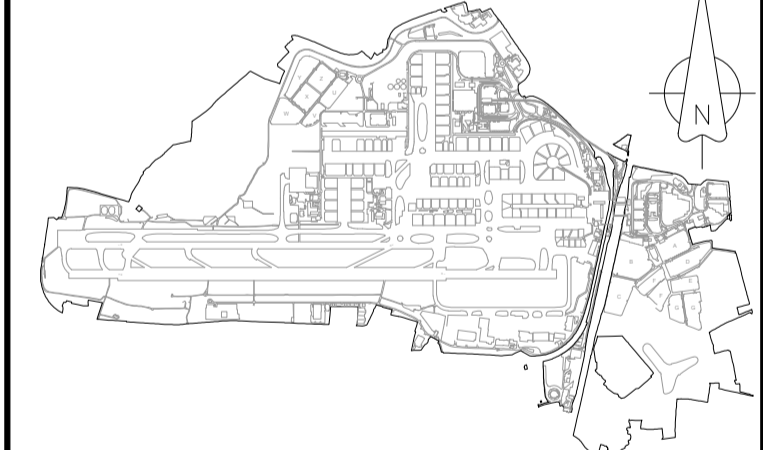
(TYPICAL SECTION - PROPOSED RUNWAY)

 EXISTING RUNWAY PAVEMENT TO REMAIN
 EXISTING SHOULDER PAVEMENT ON NORTH TO BE REMOVED
 EXISTING PAVEMENT TO BE REMOVED AND RETURNED TO GRASS
 NEW PAVEMENT CONSTRUCTION

NOTES

- THE PURPOSE OF THIS SKETCH IS TO ILLUSTRATE THE PROPOSED PAVEMENT ARRANGEMENTS TO INCREASE THE CENTRE LINE SEPARATION OF THE NORTHERN RUNWAY (08L-26R) AND THE MAIN RUNWAY (08R-26L) BY A DISTANCE OF 12m.
- THE SKETCH AND LOCATION OF THE SECTION ARE INDICATIVE, THE FOLLOWING LIST, NOT INTENDED TO BE COMPREHENSIVE, ARE TO BE CONFIRMED AT LATER DESIGN STAGES:
 - THE THICKNESS OF ANY PROPOSED OVERLAY TO THE RESIDUAL WIDTH OF THE NORTHERN RUNWAY.
 - THE SECTION AND TIE IN DETAILS BETWEEN THE RESIDUAL WIDTH OF THE RUNWAY PAVEMENT AND NEW PAVEMENTS.
 - THE PROPOSED PAVEMENT DESIGNS.
 - THE ARRANGEMENT OF ANY DRAINAGE.
 - FINISHED LEVELS AND GRADIENTS.
- AIRFIELD GROUND LIGHTING TO BE REPOSITIONED IN ACCORDANCE WITH CAA REQUIREMENTS.
- DRAINAGE DETAILS WILL BE DEVELOPED DURING DETAILED DESIGN.
- RESURFACING INVOLVES THE REMOVAL OF THE EXISTING ASPHALT LAYERS (SURFACE COURSE AND BINDER COURSE) (CIRCA 100mm) AND REPLACED WITH NEW ASPHALT TO BE LAYERED TO PROVIDE REQUIRED RUNWAY PROFILE (CIRCA 250mm).
- INDICATIVE RUNWAY AND PAVEMENT CONSTRUCTION. SPECIFIC DETAIL WILL BE DEVELOPED THROUGH DETAIL DESIGN PHASE.

Rev	Date	Revision Description	Dm	Clk	Rvd	App
00	06/03/24	FOR INFORMATION		FC	GW	GW CT



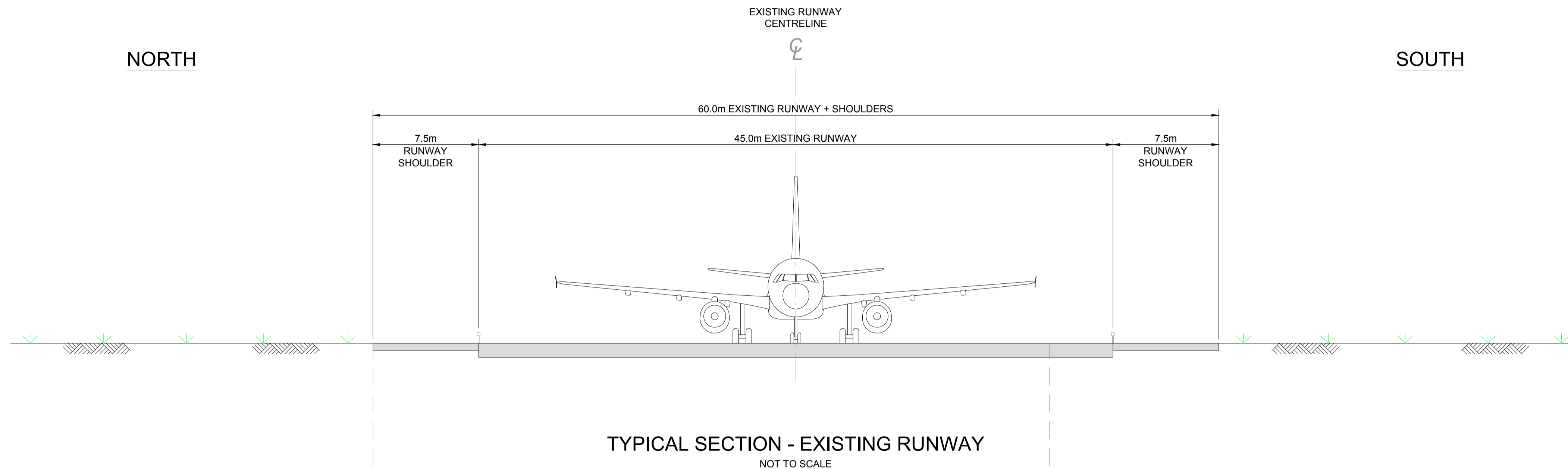
Project Name
 GATWICK AIRPORT NORTHERN RUNWAY PROJECT

Title
 NORTHERN RUNWAY CONSTRUCTION
 INDICATIVE CROSS SECTIONS
 FOR ISH1 ACTION POINT 5

Process Function Code (PFC) 000-Process Function		GAL Project No.	
Process Function Code Description XXX-Non Process Function Specific		Originator's Job No.	
Drawing Originator		Drawn Date 12/03/24	
Checked By GW	Checked Date 12/03/24	Drawn By FC	Status Review
Approved By CT	Approval Date 12/03/24	Scale NTS	Reason for Issue IFR
Location-Level-Discipline-PFC-DOC Type-Unique Number GALNRP-SK001			Revision 00

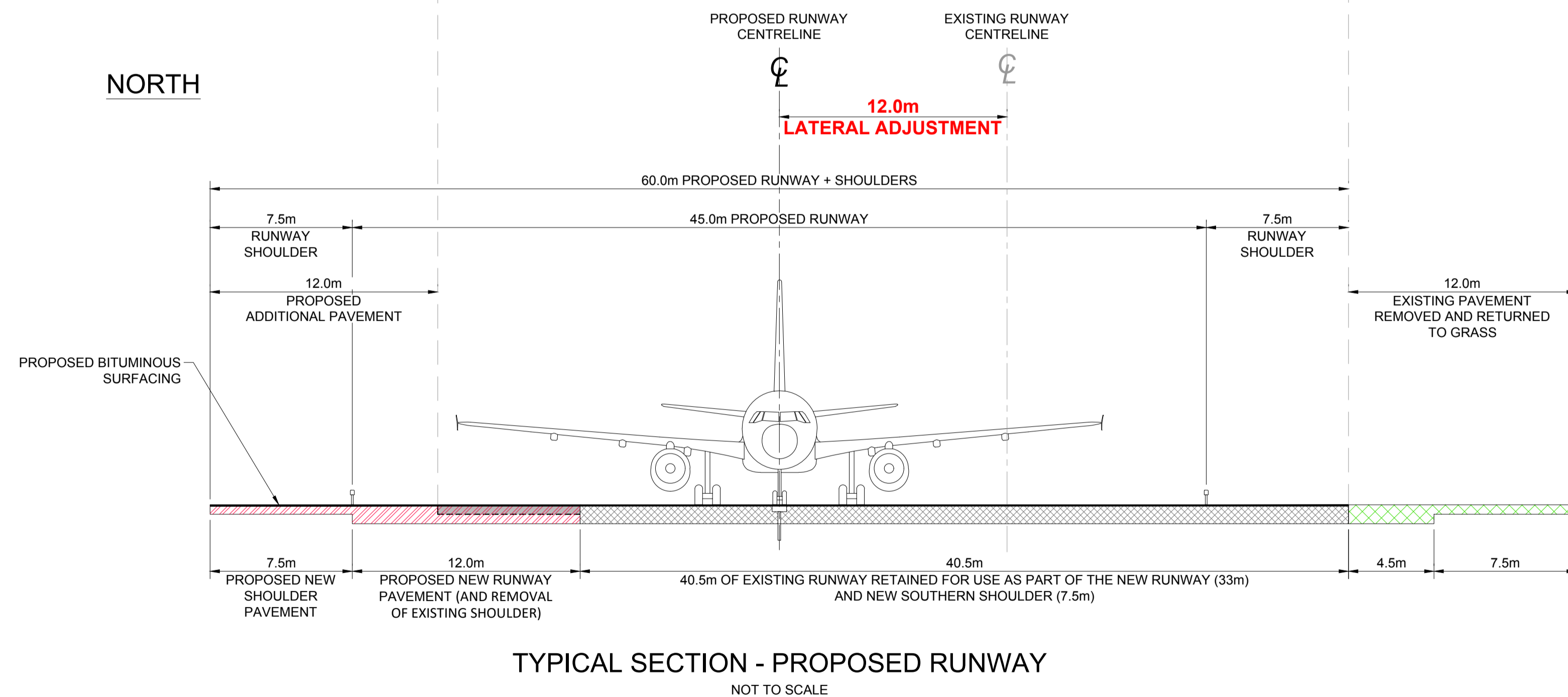
NORTH

SOUTH

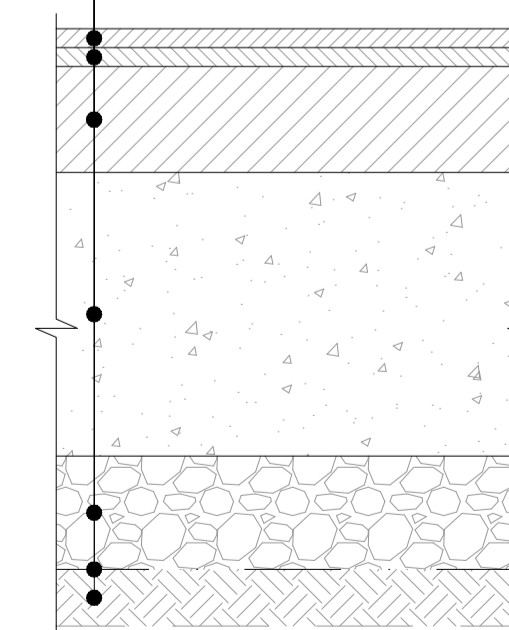


NORTH

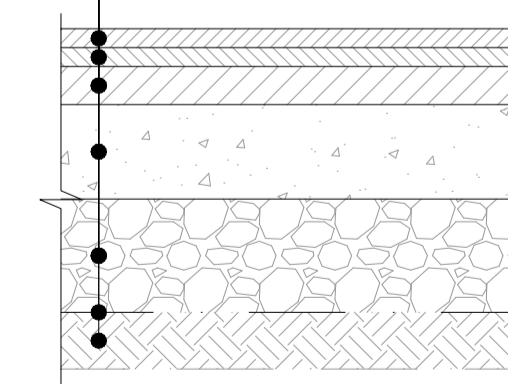
SOUTH



INDICATIVE CONSTRUCTION:
 50mm ASPHALT surf
 50mm ASPHALT bin
 280mm ASPHALT BASE COURSE
 750mm DLC
 300mm TYPE 1 GSB
 GEOTEXTILE
 (SEE NOTE 6)



INDICATIVE CONSTRUCTION:
 50mm ASPHALT surf
 50mm ASPHALT bin
 100mm ASPHALT BASE COURSE
 250mm DLC
 300mm TYPE 1 GSB
 GEOTEXTILE
 (SEE NOTE 6)



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