



# Gatwick Airport Northern Runway Project

Appendix C - Response to Written Representation from  
LHR Airports Limited and Heathrow Airport Limited

**Book 00**

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## 1 Introduction

- 1.1.1 Gatwick Airport Limited (The Applicant) is grateful to Heathrow Airport Limited (Heathrow) for confirming that 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.” (paragraph 1.1.6).
- 1.1.2 Like Heathrow, the Applicant is also “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” (also paragraph 1.1.6).
- 1.1.3 For that purpose, Heathrow concludes that:
- “To be consistent with the existing policy framework: 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;*
- 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.” (paragraph 4.1.2)*
- 1.1.4 Whether these are tests to be met by the Applicant is ultimately a matter for the ExA and the Secretary of State but the Applicant considers that the conditions set by Heathrow are readily met in the submitted application and in practice. Before examining those tests further, however, the Applicant also wishes to confirm:
- The Applicant would have no objection to Heathrow bringing forward a third runway in accordance with the Northwest Runway scheme considered by the Airport Commission and supported by the Airports NPS.

- The Applicant accepts that there is a need for Heathrow to construct and operate a new northwest runway, consistent with the Government's preferred scheme at Heathrow to reinforce Heathrow's status as the UK's hub airport in accordance with the ANPS; and
- the Northern Runway Project (NRP) at Gatwick does not meet that need and is not being promoted to do so. Gatwick has little transfer passengers or facilities, is a point to point airport, does not have dedicated cargo movements and is therefore (and will remain) complementary to Heathrow's hub status.

1.1.5 Against that background, and recognising that there is much within **The Applicant's Response to Heathrow Airport Limited Written Representation – Appendix C** [Doc Ref.10.14] with which the Applicant agrees, this response deals with three issues:

- Policy for a new runway
- The terms of making best use (MBU) policy; and
- The complementary nature of the NRP.

## 2 Policy for a New Runway

2.1.1 **The Applicant's Response to Heathrow Airport Limited Written Representation – Appendix C** [Doc Ref.10.14] deal at length with the work of the Airports Commission and the background to the selection of Heathrow in the ANPS as the Government's chosen location for the construction and operation of a new runway in the South East of England to meet the need for one new runway by 2030, referred to at paragraph 2.32 of the ANPS. Whilst both Heathrow and Gatwick were shortlisted by the Airports Commission as potential locations to meet that need, the Applicant has never challenged the conclusion reached in the ANPS.

2.1.2 Heathrow's representations refer to two court cases (at paragraph 2.3.14 and 2.3.15). For the avoidance of doubt, the Applicant was not a party to or involved in those cases or any other challenge to the ANPS.

2.1.3 Gatwick's proposal for a new runway was described at Section 5.2 of the Airports Commission's final report in 2015 and shown there in its Figure 5.1. The proposed runway was to be a new 3,000m runway situated 1,045m south of the existing main runway with the separation designed to provide room for the required supporting airport infrastructure – a new terminal building, main pier and



satellite. The spacing would also have allowed simultaneous independent mixed mode operations on each runway. The same Figure 5.1 shows the existing northern runway in place as it is today.

- 2.1.4 Appendix A to **The Applicant's Response to Actions from ISH1** [[REP1-062](#)] also shows the southern runway proposal, on land substantially outside the existing airport boundary. The Government continues to safeguard land for the southern runway, but it is a completely different proposal from that which is the subject of this DCO application. By comparison with the 260,000 ATMs that the ANPS requires to be enabled by the Northwest Runway at Heathrow, the NRP would enable an additional 60,000 ATMs, compared to forecast growth in the Base Case (in the absence of the Project) (**ES Appendix 4.3.1: Forecast Data Book** [[APP-075](#)] paragraph 8.3.3).
- 2.1.5 Notably, the Luton Rising DCO application promoted an ATM increase of 71,800 ATMs (the increment of the core case over the without development case) (Luton Rising Needs Case – the reference in the Luton Rising examination library is APP-213 Table 6.8). Luton Rising also argue their case claiming policy support from MBU.<sup>1</sup>
- ## 2.2 MBU Policy
- 2.2.1 In the light of Heathrow's representations, it may be helpful to check the terms of the Government's MBU policy: in particular, whether the construction of a new runway would meet the entirety of the need for aviation capacity (which might be inferred from Heathrow's paragraphs 2.3.8 and 2.4.11) (which would render MBU unnecessary) and the related point: whether MBU is a policy limited only to the short term pending the construction of that runway (Heathrow's paragraphs 2.2.4, 2.2.6, 2.2.9, 2.2.15, 2.4.2, 2.4.4 and 4.1.1).
- 2.2.2 The Applicant's case is that policy identifies the need both for a new runway at Heathrow and for existing airports to make the best use of their existing capacity / runways / infrastructure (the terms are interchangeable and the meaning is the same).<sup>2</sup>
- 2.2.3 Given that the APF (paragraph 1.24 - capacity), the ANPS (paragraph 1.39 - runways), Beyond the Horizon (paragraph 1.25 - runways) and Flightpath to the Future (page 18 - capacity) all seek best use of airports but express it differently, any distinction is unnecessary, because the intended effect is the same – MBU is

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<sup>1</sup> Luton Rising Closing submissions (Section 15), found as document REP11-049 in the Luton Rising examination library.

<sup>2</sup> The Applicant has addressed these matters in its **Response to the Written Representations from CAGNE** [Doc Ref. 10.14]. The source documents refer variously to airports, infrastructure, capacity and runways but better use of any of them would result in increased use of existing, underused runways.

not an end in itself, its purpose is to achieve increased aviation activity to help to meet need and generate benefits.<sup>3</sup> There should be no doubt about the objectives of government policy but, in response to Heathrow's representations, the Applicant's case can be summarised under a few short headings.

## 2.3 The Airports Commission <sup>4</sup> <sup>5</sup>

- 2.3.1 As Heathrow point out at paragraph 2.2.4 and 2.3.2, there were two parts to the terms of reference for the Airports Commission: to report by 2013 on "*immediate actions to improve the use of existing runway capacity in the next 5 years*" in an Interim Report and, in its Final Report in 2015, to report more comprehensively. The two should not be confused.
- 2.3.2 The full terms of reference included: "*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.***" <sup>6</sup> (emphasis added)
- 2.3.3 The Commission's recommendations in relation to making best use of other airports were not time limited. As the Final Report confirmed on its final page (page 339) "*The need to make best use of existing infrastructure will remain.*"
- 2.3.4 Making best use is a longstanding policy, already in place for example at the time of publication of the Aviation Policy Framework in 2012: "*The Government wants to see the best use of existing airport capacity*" (paragraph 1.24). It is an obvious and consistent policy objective; why would any government not want to see best use made of existing airport capacity, particularly when providing new capacity has proven to be so difficult?
- 2.3.5 In its instructions to the Airports Commission's Interim Report, the Government was seeking recommendations on what measures could be taken in the immediate future to make better use of airports, not whether better use should be made.

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<sup>3</sup> The Airports Commission Final report at paragraph 16.40 explained the purpose of MBU "to grow domestic and international connectivity".

<sup>4</sup> Airports Commission Interim Report (December 2013). Available from [assets.publishing.service.gov.uk/media/5a7c1f56ed915d1c30daab4a/airports-commission-interim-report.pdf](https://assets.publishing.service.gov.uk/media/5a7c1f56ed915d1c30daab4a/airports-commission-interim-report.pdf)

<sup>5</sup> 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).

<sup>6</sup> <https://www.gov.uk/government/organisations/airports-commission/about/terms-of-reference>

### The Terms of the Policy

- 2.3.6 It should not be necessary to debate the terms of the Commission's reports, however, because the Government responded with policy. Paragraph 1.39 of the ANPS is unequivocal and straight forward: the Government is "*supportive of airports beyond Heathrow making best use of their existing runways.*" That is an unqualified expression of a clear policy principle.
- 2.3.7 Similarly, paragraph 1.42 of the ANPS explains that "*the Government's policy on this issue will continue to be considered in the context of a new Aviation Strategy.*"
- 2.3.8 That became manifest in Beyond the Horizon, the Future of UK Aviation, Making best use of existing runways, June 2018 (MBU). (The document recognised (at paragraph 1.4) that demand had turned out to be higher than the Airports Commission forecast.) Under the heading 'Policy Statement' the document confirms: "*.... the government is supportive of airports beyond Heathrow making best use of their existing runways*" (paragraph 1.29). In neither case is the policy expressed with reservation or conditions about Heathrow Airport. Additionally, the policy is not expressed to be short term in either the ANPS or MBU.

### 2.4 Timing

- 2.4.1 Heathrow suggest that MBU is a policy principle for the short term, pending the operation of the third runway at Heathrow. For the reasons set out in this Response, the Applicant does not agree. As set out above, the words of the policy in the ANPS and Beyond the Horizon do not say that.
- 2.4.2 If the policy were time-restricted, paragraph 1.42 would not have gone on in the way it does to acknowledge that it may be possible for other airports to demonstrate sufficient need for their proposals, additional to or different from the need met by R3. No restriction is placed on how or when that need may be shown. If a need is different or additional to a third runway at Heathrow, it must follow that it can arise even if the third runway is assumed to come forward, not that it can only arise until the third runway exists. Put another way, if the MBU policy was time limited, paragraph 1.42 would have been drafted accordingly but it is not.
- 2.4.3 However, even if it was time limited, it would not be a reason to resist the NRP. The NRP will be operational long before a Northwest runway at Heathrow, even if steps towards the design and development of that runway were restarted in the short term.

2.4.4 Both the Airport Commission and the ANPS anticipated that the Heathrow Northwest runway would be in place by 2030 (ANPS paragraphs 1.21, 3.3, 3.13, 3.46). That is clearly not now going to be the case. The Applicant addresses the relative timings of the NRP and any other known candidates for airport capacity gain at section 3.5 of the **Needs Case Technical Appendix** [[APP-251](#) – [APP-252](#)] and there explains the contribution which the NRP can make to meeting the need in that period.

2.4.5 The ANPS explains that it is imperative that new capacity is added in the interim (paragraph 1.6), although it does not constrain later growth either. That need and urgency (and the weight which attaches to MBU proposals) has only increased as a result of the significant delay in delivering the Northwest runway. That need and urgency support the NRP.

## 2.5 Decision Making in Practice

2.5.1 The Secretary of State or Planning Inspectors appointed to make planning decisions in his name have been called upon to apply the MBU policy at Bristol, Stansted, Manston and Luton. MBU has been applied to support the grant of consent, again without qualification as to its principle or pre-conditions relative to a new runway at Heathrow.

2.5.2 In **The Applicant's Response to Actions - ISH1: The Case for the Proposed Development** [[REP1-062](#)], the Applicant summarised learning from those decisions as including:

- **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."* (Stansted)

*"...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")."* (Manston)



- **There is nothing in MBU which suggests that making best use proposals cannot involve operational development** of the type proposed in this case.” (Stansted)
- **MBU developments can be of a scale requiring DCO approval** by the relevant authority. (the ANPS and Beyond the Horizon)

2.5.3 In its representation Heathrow seeks to distinguish its case from the conclusions of the Secretary of State at Manston who did not attach weight to the prospect of a North West runway, on the basis that Manston was proposing a freight operation and not risking undermining the future delivery of hub capacity at Heathrow.<sup>7</sup>

2.5.4 In fact, the Secretary of State was expressing a common sense principle that there can be no certainty that proposals which have not yet been the subject of an application will necessarily become submitted, approved, financed, constructed and operated, whatever their status. His conclusions were also consistent with those set out above drawn from the decisions made: that there is no requirement for MBU developments to show a need for their proposals and the MBU policy does not limit the number of MBU airport developments that might be granted or place a cap on any associated increase in ATMs as a result of intensifying use at MBU developments (whether a third runway comes forward or not).

2.5.5 As a straight forward principle, therefore, policy is supportive of airports making best use of their potential, without that support being time limited or related to the development of a third runway at Heathrow.

### 3 The NRP Application and Heathrow Airport

3.1.1 Heathrow’s representations draw attention to paragraph 1.42 of the ANPS which states that:

*“.. 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.”*

3.1.2 The Applicant set out its view on this point at paragraph 3.1.41 of its **Written Summary of Oral Submissions at Issue Specific Hearing 1: Case for the Proposed Development** [[REP1-056](#)]. Paragraph read as a whole calls on

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<sup>7</sup> Heathrow, of course, is the UK’s largest freight airport, so competition with or from Heathrow was not irrelevant for that reason.

applications to be considered on their merits against the in principle support for MBU set out in paragraph 1.39. It does not set out a test or requirement for any type of need to be met and this much has been established in the decided cases referred to above.

3.1.3 The existence of a need and associated benefits would no doubt weigh in favour of an application but it is not set up as a test. Even if it was a test for MBU applications, the proposals in this case demonstrate such a need.

3.1.4 It is not known to what extent Heathrow or others consider that Gatwick's forecast growth is not different from or additional to Heathrow's role. As set out above, the scale of growth proposed is comparable with that forecast at Luton, where no such concern was expressed. If it is the character of the growth, perhaps the concern relates to the ability of Gatwick to attract long haul traffic in circumstances where Heathrow has no capacity to do so. However, that involves no conflict with MBU policy. In that context, the Applicant would make two points:

- i. Whether it is the APF or the Airports Commission reports which are regarded as a foundation of MBU policy, both make clear that it is important that MBU does secure long haul connectivity. The references are:
  - APF paragraph 1.60 identifies that the role of MBU includes developing new routes and services and paragraph 1.24 in that context celebrates enhancements, for instance, at Birmingham airport which have added long haul capacity;
  - The Airports Commission's Final Report at paragraph 16.40 explains that the purpose of MBU is "*to grow ...domestic and international connectivity*" and then sets out a number of examples of where that has been successfully achieved.

- ii. The ANPS is clear that long haul traffic is particularly important:

*"2.9 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.**"*

- 3.1.5 In circumstances where Heathrow does not have the capacity to attract additional long haul traffic, it is nationally important that Gatwick is able to do so in the meantime.
- 3.1.6 There is no policy imperative on the Applicant, therefore, to demonstrate that it can meet Heathrow's 'conditions' set out above and which are said to be drawn from paragraph 1.42.
- 3.1.7 However, even if such a test did exist in policy, the Applicant's case would meet that test. At paragraph 3.1.1 of its representations, Heathrow notes Gatwick's forecast growth in long haul services and states that:
- "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."*
- 3.1.8 GAL's forecasts are summarised and explained in its **Needs Case Technical Appendix** [[APP-251](#) – [APP-252](#)] submitted at Deadline 1. With or without the NRP it is apparent that Gatwick does already attract significant long haul traffic; indeed, it is the only airport apart from Heathrow with the proven ability to do so (see paragraphs 2.4.5 and 2.4.9).
- 3.1.9 Nevertheless, Gatwick would continue to be a point-to-point airport supporting significant growth in long haul traffic. Gatwick will continue to serve:
1. Point to point routes where demand is typically large enough to justify several carriers on a route. Connections may support some carriers but they are not a pre-requisite to serve these destinations. Examples include New York, Orlando, Barbados, etc.
  2. Connectivity into non-UK hubs. Many of the largest O&D markets from London are served by carriers operating hubs at the non-London end of route. This enables traffic to travel via these hubs, often to markets unserved from London or not large enough to warrant further non-stop capacity (e.g. London-Dubai-Kathmandu). Examples include Dubai, Hong Kong, Shanghai, Chicago, etc.
- 3.1.10 Given that Gatwick's use of incremental runway capacity will be largely used by passengers originating or terminating in London, it will therefore deliver more

efficiently for the UK passenger/economy. Rather than improving connectivity for non-UK passengers (e.g. India to US via London), the benefits will be delivered in the UK.

- 3.1.11 The Applicant has provided more information that may be relevant to this point in its response to the ExA's **Question CS 1.25** [Doc Ref. 10.16]. There the Applicant sets out the characteristics of Heathrow as a hub airport, which will never be replicated at Gatwick. In 2023 data for the two airports showed that 23% of Heathrow's passengers to be transfer passengers. The equivalent figure for Gatwick is 2%. The airports are complementary in their function and the UK needs them both to be successful.
- 3.1.12 The third runway at Heathrow does not have enough certainty as a project to form part of the Applicant's core assessment for environmental purposes. Indeed, for the Applicant to have structured its application in that way would undoubtedly have attracted criticism that the DCO Application's environmental effects were being underestimated.
- 3.1.13 However, that does not mean that the potential implications of a third runway at Heathrow have not been considered. That scenario was set out and tested in the **ES Appendix 4.3.1: Forecast Data Book** [APP-075] and is set out again in the submitted **Needs Case Technical Appendix** [APP-251 – APP-252] in Section 7. There it is explained that, on the opening of the third runway at Heathrow, the Applicant would expect a "*significant impact on long haul services*", recognising that Heathrow's hub status would be more attractive for long haul traffic.
- 3.1.14 The absence of the third runway at Heathrow seriously inhibits Heathrow's ability to attract more long haul traffic and it is helpful to Gatwick (and nationally) that Gatwick is able to secure some of that long haul traffic in the meantime. Nevertheless, with new available capacity at Heathrow, the Applicant recognises that a large proportion of long haul traffic would revert to Heathrow, whilst Gatwick would consolidate as a lower cost, complementary airport playing an important role as part of the wider market offer.
- 3.1.15 It is the absence of the third runway, rather than the development of the NRP at Gatwick which prevents Heathrow meeting its full potential as a hub airport.
- 3.1.16 The NRP is not a threat to Heathrow's hub status or to its third runway project but the country is not obliged to wait for the third runway before making best use of its existing capacity. To do so would "*negatively impact the UK's direct connectivity and potential for economic growth*".