



**Horsham
District
Council**



GATWICK AIRPORT NORTHERN RUNWAY PROJECT
PLANNING INSPECTORATE'S REFERENCE: TR020005
LEGAL PARTNERSHIP AUTHORITIES
ISH9 POST-HEARING SUBMISSION: CASE FOR THE
PROPOSED DEVELOPMENT
DEADLINE 8: WEDNESDAY 07 AUGUST 2024

Crawley Borough Council (GATW-AFP107)

Horsham District Council (20044739)

Mole Valley District Council (20044578)

Mid Sussex District Council (20044737)

West Sussex County Council (20044715)

Reigate and Banstead Borough Council (20044474)

Surrey County Council (20044665)

East Sussex County Council (20044514)

Tandridge District Council (GATW-S57419)

LEGAL PARTNERSHIP AUTHORITIES

ISSUE SPECIFIC HEARING 9 | AGENDA ITEM 4 – CASE FOR THE PROPOSED DEVELOPMENT

POST-HEARING SUBMISSION INCLUDING WRITTEN SUMMARY OF THE LEGAL PARTNERSHIP AUTHORITIES ORAL CASE

Note: The Legal Partnership Authorities are comprised of the following host and neighbouring Authorities who are jointly represented by Michael Bedford KC and Sharpe Pritchard LLP for the purposes of the Examination:

- Crawley Borough Council
- Horsham District Council
- Mid Sussex District Council
- West Sussex County Council
- Reigate and Banstead Borough Council
- Surrey County Council
- East Sussex County Council; and
- Tandridge District Council.

In these submissions, the Legal Partnership Authorities may be referred to as the “*Legal Partnership Authorities*”, the “*Authorities*”, the “*Joint Local Authorities*” (“*JLAs*”) or the “*Councils*”. Please note that Mole Valley District Council are also part of the Legal Partnership Authorities for some parts of the Examination (namely, those aspects relating to legal agreements entered into between the Applicant and any of the Legal Partnership Authorities).

Purpose of this Submission

The purpose of these post-hearing submissions is to provide a written summary of the Legal Partnership Authorities’ positions on the agenda Item specified below. This includes both a summary of the Legal Partnership Authorities oral representations on this agenda item and, in some cases, further comments on the oral representations made by the Applicant at the hearing. Whilst the structure of these submissions follows the order of the agenda items, they do not include all of the Legal Partnership Authorities’ concerns in relation to each Agenda Item as not all of these positions were rehearsed orally at CAH2 due to the need to keep oral representations succinct.

NOTE TO EXA:

Please note that this submission should be read in light of, and having regard to, the Legal Partnership Authorities’ Deadline 8 submission “**Update on Negotiations Regarding the Draft DCO Section 106 Agreement**” which reports the up-to-date position to the ExA that broad agreement has been reached between the Applicant and the Authorities on many of the Authorities’ outstanding concerns relating to the monitoring and mitigation of environmental impacts. In the unlikely event there is conflict between the Authorities’ submission “Update on Negotiations Regarding the Draft DCO Section 106 Agreement” and another of the JLAs’ submissions, the ExA should have regard to the update on the section 106 negotiations. When considering the below submission, the ExA should also have in mind that the Authorities maintain their position in relation to the proposal for an Environmentally Managed Growth Framework (“EMGF”) ((see [\[REP4-050\]](#), [\[REP5-093\]](#) and [\[REP6-100\]](#)), or any similar measures relating to controlling growth within environmental limits.

| No. | Agenda Item | Summary of Oral Submissions and Post-Hearing Notes | |
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| 4. The Case for the Proposed Development | | | |
| 4.1 | <p>The Applicant and Joint Local Authorities (JLAs) will be asked about any controls of potential environmental effects between the 2019 baseline and the Future Baseline.</p> | <p><i>The ExA asked the Applicant and the Authorities whether the controls and measures in the dDCO and draft Section 106 Agreement would apply full extent of airport growth were the DCO to be approved.</i></p> <p>The Authorities highlighted the need to consider the time-limited nature of some controls in place at the Airport. As the Authorities have previously explained, the current Section 106 agreement entered into in 2019 imposes certain restrictions, but this agreement is time-limited. Ongoing negotiations aimed at extending this section 106 agreement are still on-going. The Authorities emphasised that this uncertainty must be factored into the baseline considerations along with the potential for regulatory changes beyond the control of the parties involved, which could alter existing controls. Therefore, the Authorities emphasised that it could not be assumed that the baseline conditions in 2019 would remain unchanged by 2047.</p> <p><u>Airspace Change</u></p> <p>The Authorities acknowledged that there had been productive discussions on this matter, but they still hold differing views to the Applicant on the implications of airspace change and its relationship to the project. The Authorities explained that their view is supported by the submission from National Air Traffic Services at Deadline 7 [REP7-112], which discussed the use of the WIZAD route for alleviating congestion at the Airport, going beyond just avoiding weather issues to the north as claimed by the Applicant in discussions.</p> <p>Considering the proposals outlined in Figure 2 of [REP7-112] – Appendix 1 and 4 – the potential for different airspace routings affects how movements would be split between the north and south turns from the runway, it seems likely that there could be different noise implications for communities around the Airport if airspace change is implemented and no sensitivity testing has been undertaken by the Applicant. Although the Authorities agreed that airspace change was not required for operating the dual runway system, the Authorities contended that it is clear that there will need to be airspace change, in line with the current FASI-S proposals referenced above, to enable the increase volume of flights with the NRP to be handled through the airspace as a whole.</p> <p>The Authorities recognise that flight planning and routing were managed by the airlines and NATS En Route. However, both the examination evidence and the airspace change process suggest that airspace change is crucial for facilitating growth and capacity. The Authorities emphasised their view that the Applicant has not sufficiently tested the noise impacts on local communities within the DCO process.</p> <p>At Luton, the Applicant had identified the worst-case noise scenario, consulted with the CAA, and assessed its impact on the noise envelope. Such an assessment is lacking from the Applicant’s case, and the relationship between the Northern Runway Project and the need for airspace changes should be addressed.</p> | |

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| | | <p>Summary of Detailed discussions regarding Capacity Application between Louise Congdon, Managing Partner of York Aviation acting on behalf of the Authorities, and the Applicant</p> <p>In response to the ExA's question to the Applicant regarding whether it would be fair to say that slots were requested and not available because the airport is full already at the relevant times, the Authorities explained that this aligns completely with their view.</p> <p>Louise Congdon made the following points:</p> <ul style="list-style-type: none">• The issue of baseline capacity is critical because if airlines request slots at specific times and the airport is already full at those times, achieving the degree of peak spreading asserted by the Applicant becomes unlikely. Evidence, including statements from the Applicant, shows that the Airport is indeed full during the times airlines want to operate, supporting the view that a baseline of 67 MPPA without development is not plausible. The long-term baseline for the existing single runway is therefore more realistically around 57 MPPA, as confirmed by various representations and subsequent evidence.• Some degree of peak spreading was assumed in the JLA's alternative Baseline and NRP sensitivity test cases both within the day, within the month, and within the year, contrary to what was asserted by the Applicant. Although assumptions may differ, peak spreading was duly considered in the Authorities' analysis. The analysis and evidence upon which this is based, as set out in submissions, includes not only pre-pandemic evidence but also current market conditions at Gatwick and other airports in the UK and Europe. Post-COVID, the nature of airport growth has changed, with slower recovery of business travel and more seasonal leisure travel, making Gatwick's seasonality more extreme than in 2019 and this seems likely to continue so it will be sometime before it gets back to 2019 patterns of operation.• The Authorities' analysis is based on the current state of the Airport and the future growth prospects, rather than solely on the 2014-2019 period. The assumption that Gatwick would achieve a flatter demand profile similar to Heathrow cannot be validated as reasonable when compared with other European hub airports (see Appendix III to REP6-099)..• There is a disconnect between the Applicant's forecast for accommodating additional daily services and peak day movements. It is questioned how 47 additional daily services (required to achieve the Baseline forecast in Annex 6 to the Forecast Databook [APP-075]) could be achieved year-round if peak day slots are insufficient at the times when the airlines want to operate. If 47 additional services cannot be achieved daily through the peak, the number of additional flights operating in the less busy times of the year would be substantially greater to deliver the Applicant's forecast. This does not seem realistic.• Based on current evidence and historical data, a baseline of 57 million passengers per annum (MPPA) is a more realistic estimate for the existing single runway. <p>In response, the Applicant claimed that peak spreading would occur during periods of excessive demand against binding constraints, similar to the period from 2014 to 2019, and that current constraints are re-emerging. Regarding the 47 additional daily movements, the Applicant clarified</p> |
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| | | <p>that these movements are based on peak month increases rather than peak day increases, with growth expected to be less on peak days than on peak months.</p> <p>In response, Louise Congdon emphasised that:</p> <ul style="list-style-type: none">• Peak spreading assumptions, including seasonal peak spreading, were indeed made and detailed in the Authorities' previous submissions.• The calculations regarding the 47 movements showed that to achieve the uplift in passenger volume claimed, these services would need to operate daily, including both peak and off-peak days, with additional services on off-peak days. The Applicant's information did not align with this requirement and was mathematically inconsistent.• If the Applicant believed there were errors in the Authorities calculations, clarification is requested. Evidence supporting claims of disproportionate growth in off-peak slots compared to peak slots had not been seen; the reviewed evidence indicated the opposite. <p>In response, the Applicant reiterated their view that demand is growing positively, with a projected 20% increase in operations this winter if all slots are used. The Applicant also questioned how peak spreading could occur while maintaining a seasonality ratio of 1.16 from 2019 to 2050.</p> <p>The Authorities rejected this argument and – in response to the Applicant's final suggestion under this agenda item that the sensitivity exercise merely serves to demonstrate that the benefits case has improved – the Authorities also noted that they do not accept the benefits case has improved, as set out in prior submissions to the Examination due to the need to adjust to lower overall market forecasts for the south east of England as set out in REP1-052.</p> <p><u>Post-Hearing Notes:</u></p> <p>[Post-hearing note: Although the Applicant claimed that demand for slots in winter 2024/5 was higher than in 2023/4 and that this would help to reduce seasonality, this is not supported by evidence - see Figure 1 of Appendix B to [REP7-104. Subsequent analysis of airline schedules in the Online Airline Guide (OAG) shows that like for like with the position at the end of July 2023, planned airline operations at Gatwick this winter are for 1.8% fewer aircraft movements offering 1.5% fewer seats. Currently, Gatwick's recovery from the effects of the pandemic remains the poorest of the major UK airports, with recovery only to 91% of 2019 passenger levels compared to 101% at Heathrow, 99% at Manchester and 102% at Stansted.]</p> |
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| <p>4.2</p> | <p>The Applicant and JLAs will be asked about outstanding differences relating to Forecasting & Need and Capacity & Operations as outlined in the respective Statements of Common Ground [REP7-070], [REP7-069] and Appendix B to the JLA's response to the Applicant's Deadline 6 submissions [REP7-104]</p> | <p><u>Gatwick Airport's Ability to Grow before other London Airports</u></p> <ul style="list-style-type: none">• In the Statement of Common Ground, the Authorities had essentially responded to a point made by the Applicant regarding their place within the London Airport system. The Authorities noted that Gatwick has been both a preferred airport in certain cases and only a preferred option in others, depending on carrier access and preference for Heathrow as and when slots become available. The Authorities highlighted that while there have been anecdotes of preference shifts, it is important to consider the overall stability of the network, including the churn in routes and services as historically observed at Gatwick. The Authorities pointed out that new services do not always represent true demand, as airlines may initially take up slots at Gatwick but this does not necessarily reflect the long-term market and some of these services will be withdrawn where demand is not sufficient. Therefore, when evaluating the NRP as a long-term project, it is crucial to assess long-term stability in the market rather than short-term slot allocations as have driven the Applicant's bottom-up market assessment. <p><u>Utility of Bottom up and Top-Down Forecasts for Long-Term Projections</u></p> <ul style="list-style-type: none">• Louise Congdon explained that the Authorities had not produced their own forecast for Gatwick but had instead adopted the Applicant's top-down forecast to evaluate its feasibility within the NRP capacity and a reasonable seasonal demand profile. The Authorities acknowledged past issues with the Department of Transport's top-down models, which were influenced by assumptions regarding Heathrow's constraints, but argued that well-calibrated top-down models are appropriate for longer-term predictions. They emphasised that the ICF top-down model used by the Applicant should be preferred over the short-term, bottom-up and market-driven forecasts for assessing the Airport's long-term passenger throughput as advanced by the Applicant. |
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