

Gatwick Airport Northern Runway Project

The Applicant's Written Summary of Oral Submissions ISH9: The Case for the Proposed Development

Book 10

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1 Introduction

- 1.1.1 This document contains Gatwick Airport Limited's (the "Applicant") summary of its oral evidence and post hearing comments on its submissions made regarding Agenda Item 4: The Case for the Proposed Development at Issue Specific Hearing 9 ("ISH 9") held on 31 July 2024. Where the comment is a post-hearing comment, this is indicated. The Applicant has separately submitted at Deadline 8 (Doc Ref. 10.63.3) its response to the Examining Authority's ("ExA") action points arising from ISH 9 relating to the Case for the Proposed Development, which were published on 1 August 2024 [EV20-002].
- 1.1.2 This document uses the headings for each item in the agenda published for ISH 9 by the ExA on 22 July 2024 [EV20-001].
- 1.1.3 The Applicant, which is promoting the Gatwick Airport Northern Runway Project (the "**Project**") was represented at ISH 9 by Scott Lyness KC, who introduced the following persons to the ExA:
 - Andy Sinclair, Head of Airspace Strategy and Engagement, GAL;
 - Jonathan Pollard, Chief Commercial Officer GAL; and
 - Rob Walker, Principal Aviation Consultant, ICF International.

2 Agenda Item 4: The Case for the Proposed Development

- 2.1. Agenda Item 4.1: 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.
- 2.1.1 The ExA introduced the topic, and thanked the Applicant and Interested Parties for the level of detail they had already provided into the Examination, noting that the questions would be limited to requests for clarification on outstanding points of disagreement.
- 2.1.2 The ExA noted that the application sets out a Future Baseline of 67 million passengers per annum ('mppa') by 2047 with the Project delivering an additional 13 mppa, taking the total up to 80 mppa by 2047. The mitigation in the application is to cater for that additional 13 mppa. The ExA also referred to the detail of set out in the Technical Note on Future Baseline [REP1-047] and [AS-115]. The ExA asked the Applicant whether, in the event that the DCO application is refused, these measures would be retained to mitigate the effects caused by the difference between the 2019 level of passenger throughput and the Future Baseline of 67 mppa.



- 2.1.3 The Applicant responded that in the "no Project" world, the existing controls the Airport is subject to (including relating to noise) would continue to have effect, although the Applicant acknowledges that the voluntary section 106 is time limited and subject of review. More generally, however, the purpose of the examination is to assess the effects of the Project as proposed and to assess the effects of the proposed development and the mitigation that is proposed to address them not to contemplate the imposition of controls on the airport in the event that the application is refused.
- 2.1.4 The Applicant also noted that the regulatory regime for airports is itself subject to change outside of the control of the Applicant, citing as examples the Government consultation on the night flights regime and the existing regime of Noise Action Plans. For regulated airports, the Government will revise controls if it considers that appropriate.
- 2.1.5 The Applicant also noted that GAL has a history of leading the sector on these types of issues, as shown through the Decade of Change policy. The Applicant noted that GAL does not have obligation to deliver these measures, but nonetheless has a track record of doing so.
- 2.1.6 The ExA asked the Applicant to confirm whether the controls and measures that are part of the Project will apply to the whole growth of the Airport, noting that the growth is phased.
- 2.1.7 The Applicant confirmed this was correct.
- 2.1.8 The Joint Legal Authorities ('**JLAs**') noted that some of the current controls the Airport operates subject to are time limited, citing the current section 106 agreement as an example. The JLAs noted that negotiations are ongoing to "roll forward" these controls in a "no DCO" world, however, this has not been agreed.
- 2.1.9 Gatwick Area Conservation Campaign ('GACC') raised the comparison of the Luton Rising DCO, noting that the passenger increases envisaged for the GAL Future Baseline without the Project are greater than for Luton's DCO.
- 2.1.10 The Applicant confirmed that the assessment undertaken related to the proposed Project and the proper approach was to examine the mitigation proposed for the Project it was not for this examination to assess what controls should be placed on the airport in the event that the application was refused.
- 2.1.11 In response to submissions from Communities Against Gatwick Noise and Emissions (CAGNE) which referred to the growth forecasted to occur at Gatwick separately from the Project, the Applicant noted that the situation at present is that the existing section 106 agreement has been entered into voluntarily. The



Applicant highlighted that an important point being missed is that under the DCO, there will be controls that (for the first time) are secured through that consent, as well as through the new section 106 agreement currently being negotiated.

- 2.2. Agenda Item 4.2: 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].
- 2.2.1 The ExA noted that, as with the item above, the questions would cover matters that the ExA seeks clarification on to understand the main outstanding issues between the parties. The ExA noted the documents previously submitted into the Examination were helpful, and encouraged the parties to continue working on them.
- 2.2.2 In respect of the Statement of Common Ground between Gatwick Airport Limited and the Joint Local Authorities Capacity and Operations [REP7-069], the ExA asked about the FASI-South process and any implications of that relating to the Project. The ExA noted that it appears that the Applicant and the JLAs agree that the Project does not require airspace change, under the Future Airspace Strategy Implementation South (FASI-South) process, and that increased use of the WIZAD Standard Instrument Departure (SID) route is not required to enable the hourly throughput of the Project to be achieved. The ExA asked whether there were any links between the increased air traffic as a result of the Project and the need for airspace change, and asked whether there would be any increased traffic on the WIZAD route as a result of the Project.
- 2.2.3 The Applicant responded to emphasise that airspace change is not required to facilitate the Project. The Applicant noted that the Government sponsored airspace modernisation programme will deliver a range of benefits through FASI-South and confirmed that the Project will benefit from more efficient London airspace, but that FASI-South is not needed to achieve the airfield throughput capacity.
- 2.2.4 The Applicant noted that in relation to the WIZAD Standard Instrument Departure ('SID') route there has been a joining together of JLA concerns relating to two departure routes to the south of the Airport. The Applicant explained its understanding that there are two separate issues: one relates to the use of the WIZAD route (which departs from Gatwick's westerly runway then routes to the south and then east), and the other one is more generally about southerly departures and a departure route from the westerly runway that routes to the south, known as BOGNA. The Applicant noted that it disaggregated the two JLA



concerns about increased southerly departures and the JLA concerns regarding the increased use of the WIZAD departure route, which is not required for the Project.

- 2.2.5 The Applicant noted that there appears to be a misunderstanding on the part of the JLAs that the BOGNA departure route (or a 'BOGNA type' route under FASI-South) will be utilised more as a result of the Project. The Applicant confirmed that if this was the case, it was not correct.
- 2.2.6 The Applicant confirmed that it had considered the air traffic throughput requirements of the Project as part of its work on FASI-South. The proportion of traffic using the 'MIMFO'/Route 4 and BOGNA routes did not materially change and were based upon existing traffic distribution across the different departure routes. These same traffic distributions have also applied in the Project. The Applicant explained that historically the WIZAD southerly departure route is used when there are thunderstorms to the north of the airport as an alternative to the MIMFO/Route 4 departure route. Aircraft that depart on that northerly set of departure routes (MIMFO/Route 4) and the WIZAD route, ultimately join up in the same airspace. However, the southerly BOGNA SID routes to different airspace and a different exit point from the UK airspace, servicing different destinations.
- 2.2.7 The Applicant further explained that the use of these routes is ultimately not controlled by the Airport, rather it is a function of the demand for different destinations and the flight plans filed by the airlines to reach those destinations. The Applicant confirmed that the planning assumptions made for both FASI-South and the Northern Runway Project are based on current proportions of traffic on each of the departure routes.
- 2.2.8 The ExA asked the Applicant to confirm that, although the proportions for the use of each departure route are considered to be the same for the Project, there would be greater absolute numbers of aircraft using the routes.
- 2.2.9 The Applicant confirmed this was correct.
- 2.2.10 The JLAs referred to Figure 2 of Appendix B in [REP7-104], referring to the conclusion of their modelling that different proportions of aircraft would be using the departure routes. The JLAs noted that they accepted the premise that there is no need for airspace change to enable the Project, but that it is required to accommodate greater numbers of aircraft overall as a result of dual runway operations. The JLAs noted that they do not consider that enough sensitivity testing has been undertaken as part of the DCO process to understand on the effects of airspace change on noise in particular.



- 2.2.11 CAGNE noted that the majority of growth will occur through use of the Airport's main runway through FASI-S and quoted EasyJet's relevant representation relating to runway capacity [RR-1256]. CAGNE further noted that Routes 8 and 1 also route out to the west of the airport, as well as BOGNA (route 7). CAGNE also confirmed they would submit a report relating to the interaction of airspace change and the Project at Deadline 8.
- 2.2.12 Mr Winter noted that the focus of discussion has been on WIZAD, rather than Route 4. He noted that Route 4 does not have the capacity to facilitate increased number of departures, and so there will be a requirement for airspace change.
- 2.2.13 In response to the JLAs' submissions, the Applicant confirmed that it did not accept the contention that airspace change is required to facilitate the Project, as noted above. The Applicant clarified that the FASI-South process is separate to this Examination and will follow its own course. It is governed by the CAA's CAP 1616 regulatory process, which is discreet from this Application and relates to the whole of the London airspace area.
- 2.2.14 In response to CAGNE, the Applicant asked why what appears to be a materially new piece of work is only being submitted at Deadline 8, leaving very little time in the examination for it to be properly considered. The Applicant also confirmed that, insofar as CAGNE had repeated the JLAs' points, the Applicant's position is the same.
- 2.2.15 In response to Mr Winter, the Applicant referred to the **Capacity and Operations Summary Paper** [REP1-053], which sets out the aircraft separation requirements and how they are achieved.
- 2.2.16 The Applicant also confirmed, in response to submissions from Mr Tanner, that the Airport does not sell slots.
- 2.2.17 The Applicant further noted that FASI-South is a Government sponsored endeavour that GAL is legally required to take part in, through the Air Traffic Management and Unmanned Aircraft Act 2021.
- 2.2.18 In response to the JLAs' submission relating to sensitivity testing in relation to the effects of airspace change, the Applicant noted that the WIZAD route was included for the purposes of assessing a worst case scenario for the Environmental Impact Assessment for the Project, and confirmed that increased use of WIZAD is not required for capacity purposes. The Applicant noted that NATS (En Route) plc ('NERL') has confirmed that they do not consider that the use of the WIZAD route will increase as a result of the Project as compared to the baseline (see NERL's response to ExQ2 GEN2.9 in [REP7-112]). The



- submission from NERL should be treated with appropriate weight given their statutory role in providing en-route air traffic services.
- 2.2.19 In response to the point made comparing this application to the Luton Rising DCO application, the Applicant noted that Luton has made it clear it does need airspace change for its proposals, which NERL has supported. In contrast, GAL has confirmed it does not need FASI-South to facilitate the Project. The Applicant also noted that NERL has highlighted that Gatwick Airport is located in a preferential geographical position, as compared to Luton in relation to the flow of air traffic across the London airspace, being further south.
- 2.2.20 CAGNE reiterated concern about the assessment of the effects of FASI-South airspace change and confirmed they would submit evidence relating to this at Deadline 8. GACC raised the matter of the recent judgment of the Supreme Court in *R* (on the application of Finch on behalf of the Weald Action Group) (Appellant) v Surrey County Council (and others)[2024] UKSC 20 to argue that assessing the downstream impacts of more congested London airspace should be considered as part of the Project. GACC also requested a non-technical summary of the noise effects of the Project.
- 2.2.21 The Applicant responded to confirm that the judgment in the *Finch* case has no bearing on the submissions made in relation to FASI-South. The Applicant also confirmed that section 7.9 of the Environmental Statement Non-Technical Summary [APP-217] provides a summary of the noise effects of the Project. The Applicant also noted that the summary at the end of Chapter 14: Noise and Vibration [APP-039] (section 14.13) provides a comprehensive summary of the assessment undertaken.
- 2.2.22 In relation to the Statement of Common Ground between Gatwick Airport Limited and the Joint Local Authorities Forecasting and Need [REP7-070], the ExA referred to row 1.1.2 in Table 1.1 relating to excess demand. The ExA noted that the Applicant has submitted Annex A to the Needs Case Technical Appendix, which is a letter to the Airport from Airport Co-ordination Limited (ACL) [REP1-052], which states that in 2023 there were 634 unallocated slots and that GAL has more unallocated slots in most cases than the average for other London airports, with 299 unallocated for the winter. This equates to 9% and 5.5% of requests for summer and winter respectively not being allocated a slot. This excess demand has not resulted in GAL experiencing more growth than other airports in London. The ExA asked the Applicant to explain that apparent dichotomy.
- 2.2.23 In response, the Applicant stated that in 2023 the Airport was still in the stages of an underlying recovery from the COVID-19 pandemic, a recovery which has



been overall exceptionally strong. In terms of the demand which presented itself but was not ultimately operated, the Applicant noted that this gets into the crux of the case, which is that relative to the overall demand, the Airport currently does not have the necessary capacity (particularly in peak times) to accommodate all of it. That is the principal point relative to what was requested by the carriers and what was then operated. There remains a lack of correlation between when that available capacity is and when that demand wishes to operate.

- 2.2.24 The ExA asked the Applicant whether it would be fair to say that the slots requested by airlines were not available because the airport was already full at those times?
- 2.2.25 The Applicant responded to confirm this was not correct in its entirety, because a significant number of slots were requested which were ultimately operated. When there is a total sum of excess, however, clearly not all of that can be operated, particularly at peak times. Those examples of where a request was not fulfilled, allocated or operated did obviously correlate with periods when the Airport did not have the capacity. During those periods, the airport is significantly over subscribed.
- 2.2.26 The JLAs set out their position that if aircrafts request slots that are already fulfilled, this calls into question the case that peak spreading will materialise. The JLAs explained that this was the basis for their conclusion that the Future Baseline should be 57 mppa.
- 2.2.27 The Applicant responded to note that that peak spreading is a broader point. The Applicant confirmed that it did not say that all of the demand that presented could not be allocated, rather, there were examples where requests could not be allocated because there was no capacity. The Applicant noted what did happen in parallel is that requests manifested themselves in periods outside of the peak, which could be accommodated. This *is* peak spreading and was experienced by the Airport extensively up until 2019 and has resumed more recently.
- 2.2.28 In respect of common ground between the Applicant and the assessment from York Aviation, the Applicant noted that the parties have hit a stumbling block because the Applicant's modelling is based on observed trends that GAL considers will continue up to 2050. Generally, the Applicant's modelling has been conservative it assumes that peak spreading will happen but not at the same extent as previously. In contrast, York Aviation have taken a position that some behavioural trends will not happen up to 2050, in contrast to the Applicant's position that they will. The Applicant considers that forecasting that takes account of actual observed trends should be preferred to one that does not take account of those trends and must therefore be less credible.



- 2.2.29 The Applicant then provided quantitative numbers relating to the trends described, referring to paragraph 3.3.13 of the Applicant's Response to Deadline 5 Submissions Response to York Aviation [REP6-091] (see Figure 1). Gatwick had approximately 26,000 additional ATMs in the five years leading up to 2019. 85% of that growth was in off peak hours, off peak days and off-peak months.. Off-peak monthly demand was the biggest contributor to Gatwick's ATM growth in the 2014-19 period.
- 2.2.30 In the 2014-19 period there was peak day growth of just 4% in terms of runway activity over five years. The Applicant further noted that there was a 30% growth in passengers in the winter season in the same period. This demonstrates that a disconnect between peak and off-peak growth is very well established.
- 2.2.31 In terms of the future peak spreading trends, the Applicant has assumed trends that are materially lower than historically on a conservative basis.
- 2.2.32 The Applicant explained that in the 2014 to 2018 period, the peak day grew by about 35 air traffic movements ('ATMs'), but the average day in August was able to grow by nearly 50 ATMs, demonstrating peak spreading within the month, accounting for an extra 15 movements by 2038.
- 2.2.33 A growth of 26 peak day ATMs is assumed versus 2019 (by 2038), versus 37 for the average August day. The assumption is therefore, that peak spreading accounts for an additional 11 movements in the busy month. So, this assumes much less peak spreading within the peak periods in the next decade versus the observed trend in the five-year period leading up to 2019.
- 2.2.34 The ExA noted that in its Deadline 5 submissions [REP6-091], the Applicant stated that the peak spreading assumptions in the York Aviation assessment were not feasible, and asked the Applicant to expand on this statement.
- 2.2.35 The Applicant responded by defining peak spreading as when the peak is full, demand finds an opportunity to be served elsewhere, i.e. disproportionate growth in the off peak periods. The Applicant noted that York Aviation's forecasts reference peak spreading as having been applied, but that manifests itself as growth all year-round, rather than disproportionate growth in off peak periods.
- 2.2.36 Looking at historic data and taking August as a peak month, the ratio of August traffic to year round traffic reduced by 6 basis points between 2014 and 2019. The York Aviation forecast assumes there is no further change in this ratio throughout the year up to 2047, so that if growth isn't possible in the peak, it isn't possible at all. The Applicant considers that this position lacks justification given the trend evident before the COVID-19 pandemic. As a result, the Applicant also



- noted that this was a significant factor in York Aviation's forecast being 10 mppa lower by 2047.
- 2.2.37 The JLAs responded to note that the York Aviation assessment does take into account peak spreading, it just uses different assumptions in doing this. The JLAs also noted that the assessment considers what is happening in the market now, and referred to differences in seasonal demand patterns post COVID-19.
- 2.2.38 In response, the Applicant noted there is an alignment between the parties on the fact that peak spreading occurs when there is an excess of demand. If that is accepted as the premise, then it follows that there will be peak spreading in the future now that excess demand is re-presenting itself. The York Aviation case assumes there will be no decrease in seasonality. Although the parties may dispute the overall level, it cannot be there case that there will be zero further reduction in seasonality in the future.
- 2.2.39 In response to further submissions from the JLAs, the ExA asked the Applicant to clarify its position on the statement from the Forecast Data Book [APP-075] relating to requiring an average of 47 additional daily ATMs as compared to the baseline referenced by JLAs.
- 2.2.40 Responding to the point on the 47 additional daily ATMs, the Applicant explained that this was a misunderstanding on the part of the JLAs and referred the ExA to Annex 6 of the Forecast Data Book [APP-075] and noted that the table on page 4 references that this figure is the peak month increase in ATMs. The growth in the peak day is forecast to be less than the growth in the peak month, reflecting peak spreading across the peak month as well as across the year.
- 2.2.41 The Applicant noted that it has explained this before in the examination and referred, for example, to paragraph 3.4.2 of the Capacity and Operations Summary Paper [REP1-053] and the table below paragraph 3.1.4 of the Capacity and Operations Summary Paper Appendix: Airfield Capacity Study [REP1-054] which sets out the actual figures used for busy day growth. Against the baseline, busy day movements increase from 928 commercial ATMs in 2019, to 950 in 2032 and to 954 in 2038.
- 2.2.42 The Applicant also noted that for the largest carriers, there are disproportionate levels of growth off peak as compared to peak periods, noting that this is consistent with the observed trends before 2019.
- 2.2.43 The JLAs responded that in order to generate uplifts in passenger volumes, additional services would need to operate on both peak and off-peak days to get to the Applicant's Future Baseline figure of 67 mppa.



- 2.2.44 The ExA asked whether the Applicant would be able to share further information to help the JLAs understand the Applicant's position.
- 2.2.45 The Applicant responded to confirm it was happy to do this, and made two further points as follows:
 - 2.2.45.1. In relation to demand year on year, if one looked at the slots currently being held by airlines in the winter season ahead, if all winter slots were to be operated, there would be a 20% increase in operations versus last year; and
 - 2.2.45.2. Mathematically, peak spreading will present itself as changes to the seasonality ratio over time. As such, it cannot be the case that York Aviation have a static seasonality ratio (of 1:16) from 2019 to 2047 if peak spreading has been taken account of.
- 2.2.46 The ExA asked if the Applicant wanted to respond to comments made by Mr Tanner about the Applicant's basis for its assessments.
- 2.2.47 The Applicant responded that the modelling undertaken shows that the Airport's recovery from the effects of the COVID-19 pandemic will be complete next year (there was an 87% recovery last year, increasing to 95% this year), and therefore it is appropriate to use 2014-2019 data as a guide for forecasting trends as next year the Airport will be back to 2019 levels of throughput. The Applicant further noted peak spreading is being driven in part by long haul carriers that operate a year round schedule, and that there has been a spread of demand for leisure travel into the shoulder peaks, with the latter showing the largest amount of peak spreading. For example, the Applicant noted that highly seasonal routes have declined by about 34 basis points in the 2014-19 period for Gatwick's largest operator (easyJet).
- 2.2.48 The Applicant agreed that a further exchange of information between GAL and the JLAs would help each party understand the other's position. The Applicant noted that the 47 additional daily ATMs point appears to be an incorrect interpretation of GAL's figures. This in particular would benefit from further discussion, given that this is given as the basis of York Aviation's case that 67 mppa is not feasible as a future baseline.
- 2.2.49 In response to submissions from GACC requesting sensitivity testing of the Future Baseline, the Applicant noted that the Response to Rule 17 Letter Future Baseline Sensitivity Analysis Version 2 [REP7-073] provides this. The Applicant confirmed its position that, on a without prejudice basis, this sensitivity testing



does not change anything advanced in the Application, and in fact enhances the case for the benefits of the Project.

- 2.2.50 The ExA referred to section 1.1.6 of the Statement of Common Ground between Gatwick Airport Limited and the Joint Local Authorities Forecasting and Need [REP7-070], which refers to GAL's ability to provide growth before other London airports. The ExA asked the Applicant to confirm why airlines would choose to redeploy to Gatwick from Stansted or Luton, and asked whether there was any evidence of this.
- 2.2.51 The Applicant responded by referring to paragraphs 4.1.15 to 4.1.17 of the Needs Case [APP-250]. These paragraphs provide evidence of airlines prioritising growth at Gatwick, including EasyJet. The Applicant further confirmed that, after London Heathrow, Gatwick is the only airport in London with a secondary trading market for slots. This is not seen at other airports and is evidence that airlines would prefer to pay to fly from Gatwick. The Applicant cited the example of Norwegian Air, that pulled all flights from Stansted when it got slots at Gatwick.
- 2.2.52 It was further noted by the Applicant that long haul flights are more challenging to operate from Stansted and Luton than at Gatwick. The Applicant noted that Heathrow and Gatwick generally have the most constrained catchments out of the airports in the South East, so without growth, airlines/passengers would need to use other non-preferred airports to meet demand. Therefore, once Gatwick adds the NRP, demand would be able to return to its favoured airport of choice i.e. Gatwick.
- 2.2.53 The JLAs noted that Gatwick is only a preferred airport when airlines cannot get slots at Heathrow. The JLAs also noted that every new service is not necessarily an addition, rather, this needs to be looked at in the round to understand the level of demand.
- 2.2.54 The ExA asked the Applicant to explain how useful bottom up forecasts are for long term projections. The ExA also asked the Applicant how valuable long term forecasts are, noting how much has changed in aviation in the past 20 years.
- 2.2.55 The Applicant responded that the bottom up forecasting is informed by the pipeline of known demand experienced today, which provides confidence in medium and near term forecasting. The forecasting also indicates that the Airport is expected to remain constrained in the future, and within that it is assumed there will be some ongoing evolution of fleet mix. The Applicant confirmed that the bottom up forecasting has been complemented by some top down market assessments. This factors in markets like India and China which continue to



- show strong growth prospects and is supported by what Gatwick is seeing in discussions with airlines today.
- 2.2.56 The Applicant also referred to GAL's history of outperforming DfT forecasts, e.g. from 2011 (which forecasted that Gatwick would only reach 40 mppa by 2030, when in reality GAL passed the 40 mppa mark only a few years later). The same was reflected in the DfT's Airports Commission Forecast which also underestimated the Airport's growth. This reflects GAL's confidence in its forecasting based on the pipeline of demand.
- 2.2.57 The Applicant also responded on the broader question about what level of confidence the ExA can have in long term forecasts. The key assumptions that feed into long term forecasting are the volume of movements, the size and density of the aircraft, and where those movements represent themselves across the annual period. The Applicant reiterated that, to gain more confidence in forecasting, it needs to be based on looking at the historic trends across those key metrics.
- 2.2.58 The Applicant further noted that the Project will fulfil demand in the short term, and so, when considering the need case for the Project, the need to look further than the short term is not as strong because the airport will approach capacity in the short to medium term.
- 2.2.59 The JLAs noted that concerns were raised at the time the DfT models were produced about how they were calibrated. The JLAs also set out their position that a well calibrated top down model is the best way to assess long term demand.
- 2.2.60 The Applicant responded that its preferred approach is to rely on the bottom up forecasting, but reiterated this has been supplemented by top down modelling to understand the scale of overall market demand. The Applicant also reiterated that, if the conclusion to be drawn from looking at top down modelling is that growth will come, but the timing will be different, this does not make a difference to the need case for the Project. This principle was confirmed in the recent Stansted decision. As a matter of principle, it should not make a difference if the growth is going to come earlier rather than later.
- 2.2.61 **Post hearing note**: at paragraph 30 of their decision of 26 May 2021 relating to Stansted Airport, the panel of Inspectors concluded:
 - "It remained unclear throughout the Inquiry, despite extensive evidence, why the speed of growth should matter in considering the appeal. If it ultimately takes the airport longer than expected to reach anticipated levels of growth, then the



corresponding environmental effects would also take longer to materialise or may reduce due to advances in technology that might occur in the meantime. The likely worst-case scenario assessed in the ES and ESA, and upon which the appeal is being considered, remains just that. Conversely, securing planning permission now would bring benefits associated with providing airline operators, as well as to other prospective investors, with significantly greater certainty regarding their ability to grow at Stansted, secure long-term growth deals and expand route networks, potentially including long haul routes."

- 2.2.62 The Applicant further noted that paragraph 9 of Appendix B to the JLA's response to the Applicant's Deadline 6 submissions [REP7-104] states that York Aviation state that "the effect of growth being delivered later may be deemed to be neutral in the overall planning balance".
- 2.2.63 In response to comments made by Mr Tanner about the safety of the emergency runway and the effect of dual runway operations on runway safety, the Applicant confirmed that there is a Statement of Common Ground between the Applicant and the CAA [REP3-068] which makes clear that the CAA has responsibility for the safety of the Airport (certification under the CAA satisfies UK aviation operational and safety requirements). The Applicant also clarified that the use of a second runway improves the resilience of the Airport in the event of an incident as in a future dual runway operation the Northern Runway would already be active, as opposed to today when, if required, the Northern Runway would need to be safeguarded prior to use, which can take some time.