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By electronic submission and by e-mail to gatwickairport@planninginspectorate.gov.uk

21 August 2024

British Airways Plc and International Airlines Group Joint Response to Planning Inspectorate Request for Information [TR020005/ PD-027]

Dear Mr Gleeson,

Thank you for your letter requesting further information, under Rule 17 of the Infrastructure Planning (Examination Procedure) Rules 2010, from British Airways plc and International Airlines Group ("BA/IAG") as registered parties which have made relevant representations on the applications by Gatwick Airport Limited ("GAL") for an order granting development consent for the Gatwick Airport Northern Runway Project. Please see our update below in answer to your request detailed in Annex A of your letter dated 14 August, referenced TR020005/ PD-027¹.

We thank GAL and its team for engaging directly with us in combination with providing its published responses² ³ to our Relevant Representations⁴ ⁵. The published signposting provided by GAL to information contained in the application documents was useful for confirming our assessment and that we had considered the full and appropriate details available.

With regards to our considerations, we can confirm that our previous representations remain as an accurate reflection of our position. BA/IAG support airport expansion that satisfies our guiding principles that we have previously set out in our relevant representations to the Planning Inspectorate.

Over the previous couple of months, we have held a series of productive engagements with GAL to discuss the concerns and issues we hold. As can often be expected given the complexity of the issues under discussion and relatively compressed timescales there has

⁴ <u>https://national-infrastructure-consenting.planninginspectorate.gov.uk/projects/TR020005/representations/62136</u>

¹ <u>https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020005/TR020005-003240-Rule%2017%204%20ExA%20request%20for%20further%20information%2014%2008%2024.pdf</u>

² <u>https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020005/TR020005-002166-10.14%20The%20Applicant's%20Response%20to%20Written%20Representations.pdf</u>

³ <u>https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020005/TR020005-001844-10.2%20Relevant%20Representations%20Report.pdf</u>

⁵ <u>https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020005/TR020005-001687-D1 International%20Airlines%20Group%20and%20British%20Airways_Written%20Representation.pdf</u>





been marginal progress in achieving resolution. We are positive that progress will continue in further addressing these issues.

We continue to be concerned that GAL's assertions that the cost envelope presented captures the total extent of airfield and terminal investments that will be required to deliver an appropriate level of service for consumers and operators in the case that the forecast passenger demand fully, or even in part, materialises are not supported by the evidence provided. That said, if the £2.2B budget as suggested by GAL does accurately reflect the full extent of investment required then the GAL proposal appears to deliver a significant capacity increase to the London and Southeast market at a relatively reasonable cost in comparison to other airport expansion plans, particularly the most recent Heathrow Runway 3 plan. We would welcome such an outcome, and we look forward to the necessary information to aid understanding of the financial plan over the coming months.

One of our key tests in consideration of airport expansion is affordability for consumers and users. The full implication of this notable investment on charges at the airport remains unclear. The regulatory framework currently applicable for GAL is only in place until the end of March 2025, under the Civil Aviation Authority ("CAA") Commitments Framework, and the relation of the Northern Runway Project investment and the impact to consumers beyond this date is undecided. There is a current CAA consultation underway to review the extension of the framework to March 2029, with the consultation due to close on 20 September. We will be very happy to share our response to the consultation at that time and answer any questions that you may subsequently have. We note that beyond 2029 the future regulation of GAL is opaque and as a result so is the impact and affordability for consumers and users.

The operational concerns we previously raised are still applicable today. Whilst some progress appears to have been made by GAL and its supplier with regards of ATC provision, further work in this regard still requires delivery along with improvements to our other outstanding issues with GAL's existing airfield and terminal operations. We appreciate that GAL are committed to engaging with us and other airlines through various forums and we will continue to seek solutions to our existing operational concerns and on the future operability of the airport.

In summary, we conclude that our previous representations are still valid and not wholly answered or resolved by the applicant and that an extended period of engagement will be required to achieve this which we are encouraged by GAL that they will fully engage upon.

Please feel free to approach us with any questions on our response.

Yours sincerely,

Gavin Molloy

Head of Infrastructure Networks & Alliances British Airways Plc