

27th January 2025

Gatwick Airport New Runway is not policy ‘making best use of existing runway’ or meeting the Labour criteria for expansion as it exports more sterling out of the UK purse than it brings in.

The Labour Government have set four tests which it says will have to be met for the party to provide support. The tests require –

1. Growth supported across the country – *Gatwick does not*
2. Noise issues to be addressed – *Gatwick does not*
3. Air quality to be protected – *Gatwick does not*
4. The UK’s climate change obligations be met – *Gatwick does not*

1 Labour point 1 & 4 (also see legal points concerning policy at point 4)

New Economic Foundation submission to PINS DCO -

Climate Change – Gatwick continues to resist use of the DfT and BEIS-approved adjustment for non-CO2 emissions. When applying this adjustment, the environmental cost of the scheme rises to at least £9bn. Given the known damages caused by non-CO2 emissions, failing to make such an adjustment (even in the presence of some uncertainty regarding the precise magnitude) disregards the precautionary principles at the heart of the UK government’s environmental principles.

Economics – Approximately £19bn of the £26.5bn in scheme benefits claimed by Gatwick in its revised cost-benefit analysis (DCO Table 3-1, doc 10.75) originate from benefits to business passengers. **Gatwick has failed to provide the information requested by NEF which is required to substantiate these figures, despite requests in our Written Representation, and at deadlines 4 and 8.2.7.**

The estimates Gatwick has supplied for the net gain in consumer surplus (£11.9bn) and business output/imperfectly competitive markets (£12.1bn) **are dramatically higher than were the estimates produced by the DfT** for a much larger expansion of Gatwick Airport in 2017. These were worth £3.8bn and £1.1bn respectively at consistent 2010 prices. Gatwick has produced no explanation for the significant gap. **The gap is made more surprising by the fact that, in the intervening period since the 2017 assessment, the outlook for business-purposes air travel has diminished significantly.**

Table 2: Comparison of estimates of scheme benefits across four scenarios (net present value, 2010 prices)

<i>Scenario</i>	1	2	3	4
<i>All figures shown in £bn</i>	GAL final estimate (Table 3-1, doc 10.75)	NEF replication of GAL assumptions	NEF scenario - slower business travel recovery	DfT 2017 estimates
Net change in consumer and producer surplus	11.9	5.8	4.4	3.8
Business output (imperfectly competitive markets)	12.1	5.6	3.8	1.1
Government revenues	2.5	2.5	2.5	0.1
Total	26.5	13.9	10.6	5.0

Source: NEF

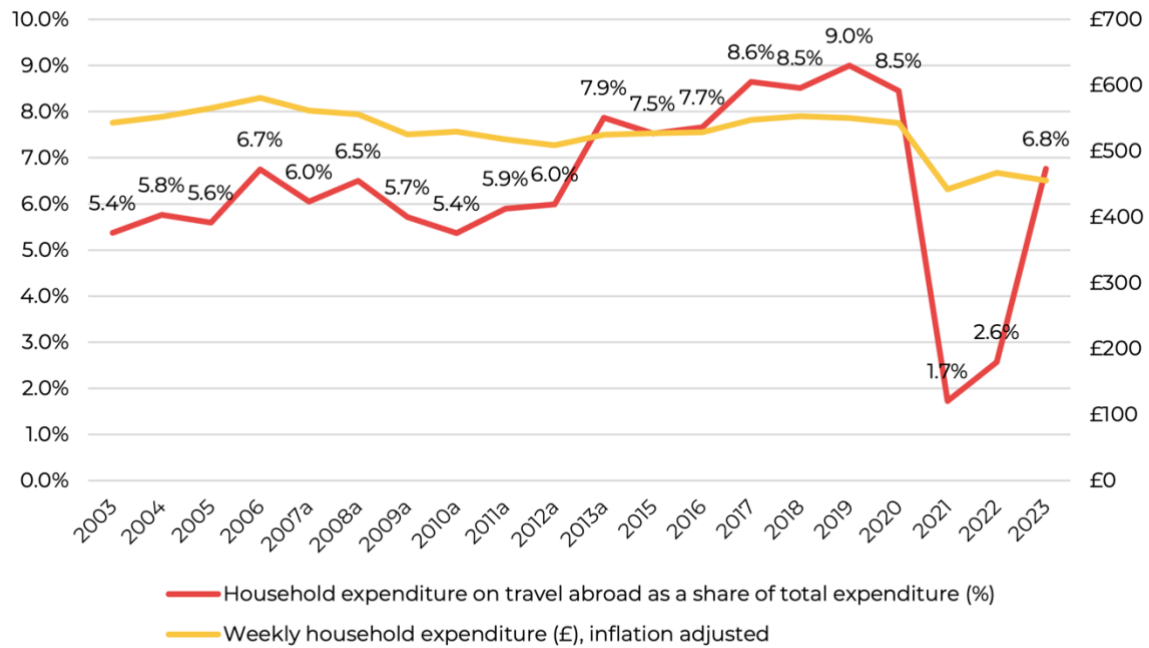
To produce NEF’s headline estimate (£9bn), NEF included an adjustment for non-CO2 emissions. As discussed elsewhere, this adjustment is endorsed by the DfT in TAG and in DESNZ guidance on business greenhouse gas emissions reporting. With this adjustment applied, the total environmental cost of the proposed scheme rises to at least £9bn.

Briefing paper 22nd January 2025

NEF True findings for Gatwick Airport expansion are -

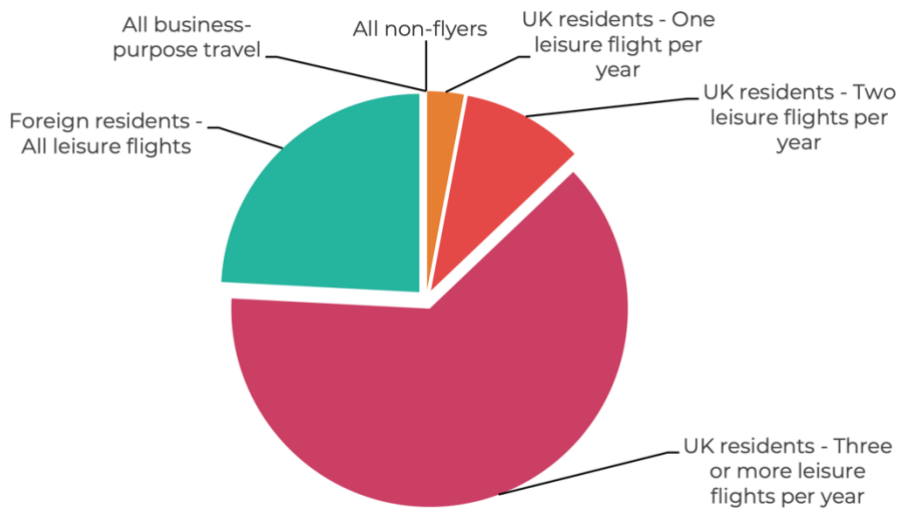
- Real wages in air transport have fallen significantly.
- The UK’s domestic overnight tourism industry has shrunk significantly.
- Growth has primarily driven outbound leisure travel and increased the travel spending deficit, with the greatest spending losses seen in the UK’s wider regions.

Figure 2: Weekly household expenditure (right axis), inflation adjusted, and the share of household expenditure spent on travel abroad (left axis) between FYE 2003 and FYE 2023



Source: NEF analysis of the ONS Living Costs and Food Survey

Figure 3: Share of passenger growth since 2006, by market segment



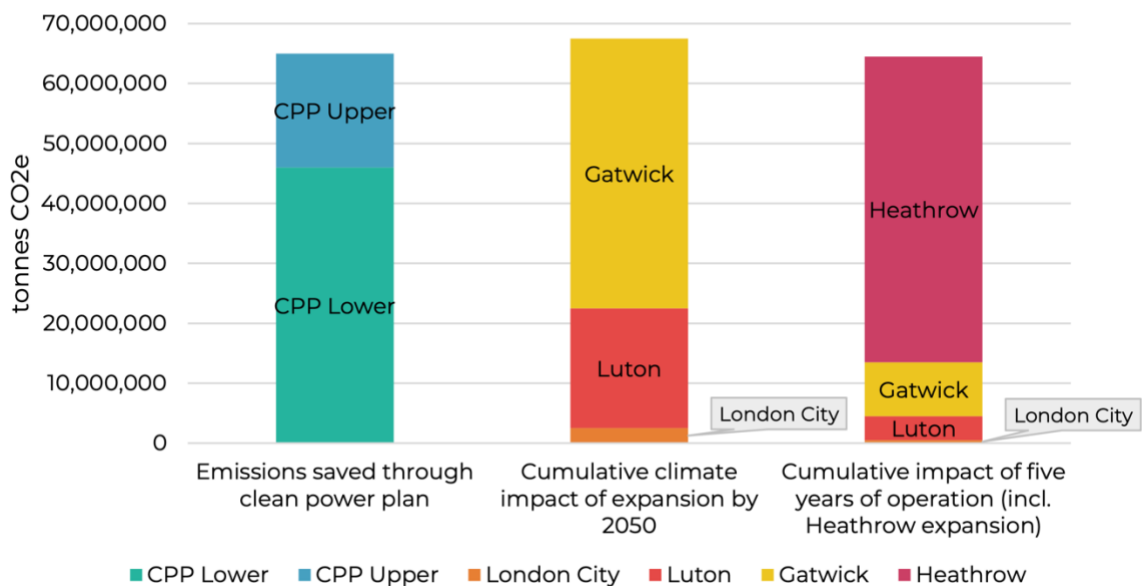
Source: NEF analysis of ONS Travelpac and DfT National Travel Survey. See further notes below.

Moving forward, there are significant economic risks created by the growth of air travel

- The carbon debt of the aviation sector will squeeze other sectors of the economy, forcing faster and more costly decarbonisation (e.g. higher traded emissions prices).
- The aviation sector’s proposed use of alternative fuels will create significant pressure on the wider economy through demand and prices for land (to create biofuels) and/or energy (to create synthetic fuels).
- Public consent for the broader green transition will suffer if policy appears not to be consistent or fair.

https://neweconomics.org/uploads/files/NEF-Briefing_Airports-CPP-and-the-economy.pdf

Figure 1: Climate impact of the CPP and selected airport expansion schemes



CAA Data –

Sample 18th July 2024 – Freight carried by airports

Name of Airport	Freight Scheduled Passenger Aircraft Foreign UK	Freight Scheduled Cargo Aircraft Foreign EU	Freight Scheduled Cargo Non-EU	Freight Scheduled Passenger Aircraft UK
Heathrow	3022.182	1153.55	1394.73	6.396
Gatwick	41.082	0	0	0
Luton	0	1560.296	113.438	0

<https://www.caa.co.uk/Documents/Download/11905/71dc2913-7da9-4f67-9cb7-e0eb6f5b2c94/16699>

CAA Data

Even with spare capacity in the Winter months, Gatwick **Airport does not attract cargo planes** (see Appendix A for full data and links). There is no reason why a new runway should attract cargo.

Year 2024	Jan-Nov total freight aircraft – Intl & domestic
Heathrow	65658
Gatwick	0
Luton	27656

Jobs - Aviation seeks to reduce the workforce with automation, and surrounding areas do not need rejuvenating.

Gatwick Airport suffers now –

- A lack of workforce locally and in surrounding counties generally and during the summer peak season
- Low salaries don't allow staff to live locally, so placing a far greater burden on the low levels of affordable housing, healthcare, and amenities.
- Jobs are seasonal and very vulnerable to consumer spend downturns.
- Multiple construction projects in the Gatwick area, with a lack of workers locally and nationally to build homes, wind farms and potentially a new runway and road

The number of staff at Sussex Gatwick expected to be required for a 2-runway operation would appear to offer a significant challenge, with potential for a vast influx of migrating workers to fulfil the roles – but where are they to come from and live?

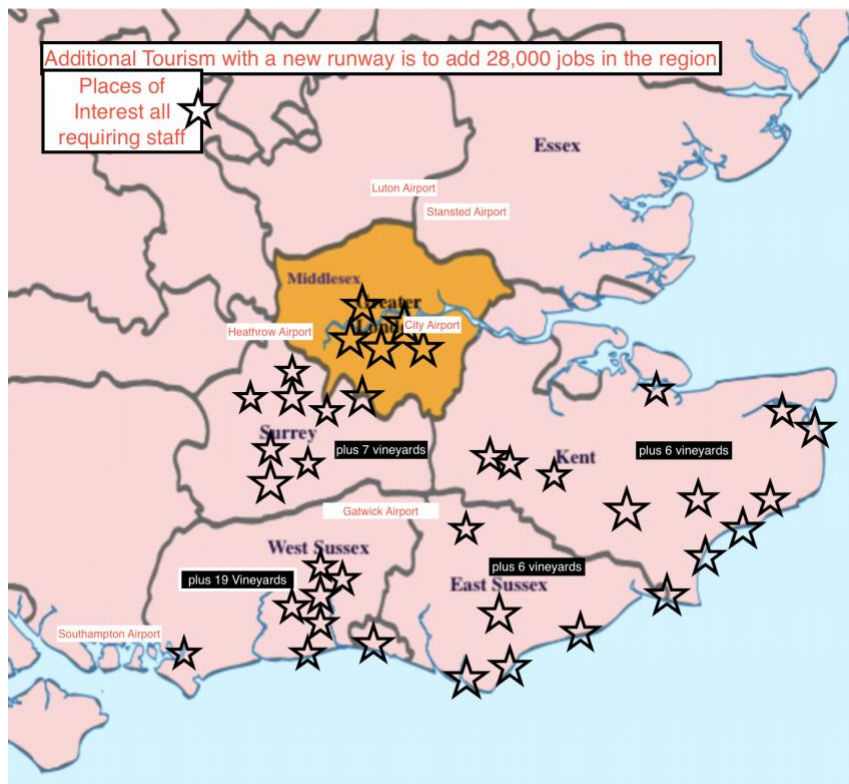
The Airport Commission in 2015, concerning the pool of labour that Heathrow could access, commented in their final report that new job creation from a new runway would be a '*positive contribution rather than a significant challenge*'.

Gatwick is repeating much of what was proposed to access labour markets, as in their 2015 proposals, but with its lack of public transport, the AC commented that '*Gatwick would not, however, have a direct rail link to anywhere further east*' thus excluding Kent and East Surrey regions from job creation opportunities.

The Airport Commission found in 2015 that for Gatwick '*with the exception of Crawley and Mole Valley, the nearby local authority areas have comparatively low levels of unemployment, suggesting that there would be fewer regeneration benefits.*'

These factors have not changed. If anything, it has become harder to find workers post-COVID, partially due to the ramifications of Brexit. Mole Valley and Crawley are now exhibiting far lower levels of unemployment than the national average. Gatwick Airport relinquished a significant number of workers when almost grounded during COVID; those workers found better rates of pay and working hours in other sectors, so have not returned to the airport for work.

Local tourism and the healthcare sector both require a similar minimum-wage workforce as the airport during the summer season, making it even harder to find workers.



2 Labour Point 2 - Noise

Gatwick seeks to increase flights from 285,000 flights a year to 386,000, going from 46m passengers pre-COVID to 80m+ with a new runway.

The Gatwick noise documentation does not justify why 2013 is relevant to Gatwick Airport, choosing it entirely based on this year being referenced for Heathrow in the Airports National Policy Statement (ANPS, June 2018) – reported by SUONO at DCO hearings and went on to report -

- Noise Envelope – this open-ended flexibility offered by Gatwick does not provide certainty of future noise levels, or demonstrate reduction over time,

which is expected of the aviation industry. Section 3.3 of Aviation Policy Statement 2013 summarises this succinctly.

- Gatwick seeks to reason that such an increase would be allowable if new generation aircraft have low carbon emissions, but this is not a consideration of government policy. Indeed, the Costs Decision [APP/C1570/W/20/3256619, May 2021] for the Stansted Airport 43mppa inquiry concludes in section 22:
*“As a general principle, the Government therefore expects that future growth in aviation should ensure **that benefits are shared between the aviation industry and local communities**. This means that the industry must continue to reduce and mitigate noise as airport capacity grows.”*
“...reliance on a perceived direction of travel in policy or emerging policy that may never [be agreed is] not a sound basis for making planning decisions”.
- The corresponding **table does not set out the movements being modelled in the summer period**, which is of most importance given that GAL state LAeq,16hour (which applies over the summer period) is their primary assessment metric.

Appendix 4.3.1 Forecast Data Book [APP-075] also provides no information on:

- Summer 92-day period breakdown of aircraft types;
 - Details of movements broken down by day, evening and night-time;
 - Reference to specific aircraft types, which is essential in order to know precisely what has been modelled within air noise assessment;
 - Confirmation of the number of movements which are departures and arrivals.
- In CAGNE’s experts’ view, the submitted **documents do not therefore properly respond to PINS’s scoping response requirements. Nor do they allow for any review to properly assess how noise from different aircraft types and operations contribute to the overall noise conditions in the affected community for all assessment scenarios.**

3 Labour Point 3 - Air Quality

Gatwick suggests that the health effects of ultrafine particles (UFP), are unimportant because the hazard ratio of smoking is 20 times higher. This would suggest that Gatwick also considers the health effects of PM2.5 exposure is unimportant, as the hazard ratio for PM2.5 exposure is similar to that for UFP, according to the most recent study.

- This is clearly wrong, as it is widely accepted that exposure to PM2.5 is a major health risk.

- The road transport modelling does not follow good practice, as set out in government guidance, despite the Gatwick assertion that it does.
- The roads modelling is not fit-for-purpose. That is, it does not reliably estimate pollution concentrations at locations across the study area.
- Gatwick acknowledges that effects on air quality occur below the current standards, but the air quality assessment fails to assess the significance of these effects.

<https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020005/TR020005-003069-DL8 - CAGNE - Appendix 2 - Air Quality WR.pdf>

4 Labour Point 4 - SAF (Sustainable Aviation Fuel) is not the answer that allows growth

Aviation Environment Federation said of the DCO - *‘No part of Government policy states that climate considerations should be excluded from the planning process for airport expansion, or that they should be given no weight, and the airport capacity assumptions included in the Government’s Jet Zero model do not – it is made clear – pre-judge the outcome of any future planning applications.’*

Aviation’s growth plans are “irreconcilable” with Europe’s climate goals, according to a report published this week (23.1.25) by environmental group Transport & Environment (T&E).

The report argues Europe’s aviation industry could deplete its projected carbon ‘budget’ for 2050 as soon as next year, when aircraft manufacturers Airbus and Boeing forecast air passenger traffic will double by 2050 from 2019 numbers.

It warns current industry growth projections “will counteract most efforts” to reduce aviation emissions and suggests: “Sustainable aviation fuels (SAFs) are only a viable solution without exponentially growing levels of traffic.”

<https://www.transportenvironment.org/articles/aviation-industry-plans-for-growth-irreconcilable-with-europes-climate-goals>

The CAGNE Kings Counsel DCO submission over the legal stance of climate change and policy/ guidance - ‘Over the course of the examination, the following has emerged/occurred:

- a. Confirmation by the DfT, in information provided to AEF,ⁱ that neither the JZS nor Jet Zero OYO assume the extent of GHG emissions which would be caused by the proposal and that the modelling for Jet Zero OYO in fact shows a significantly lower level of capacity utilisation at Gatwick Airport, and hence lower GHG emissions, than Gatwick predicted would result from the proposal;

- b. The finding in *R(Friends of the Earth) v SSESNZ* [2024] EWHC 995 (Admin) (“**the CBDP judgment**”)ⁱⁱ that the Carbon Budget Delivery Plan (“**CBDP**”) is unlawful as a result of the Secretary of State taking an erroneous or unreasonable approach to risk assessment; and
- c. The clarification of the law on indirect effects in *R (Finch) v Surrey County Council* [2024] UKSC 20 (“**Finch**”).

As a result of these matters, although **Gatwick has refused to provide an updated version of Chapter 16 of the ES** (which would have been the most helpful approach), the ExA has sufficient information before it to decide that the Proposed Development – **which would result in a larger increase in passengers and emissions than any airport expansion since the passing of the Net Zero legislation – would bring about so significant an increase in greenhouse gas emissions as to have a material effect on achieving the obligations both in the national carbon budgets and in other relevant trajectories and in-sector targets.**

Est Feb 2014



ⁱ [REP6-119](#).

ⁱⁱ [REP4-093](#) Appendix 1.

Appendix A

Figures taken from CAA Data - Sample 18th July 2024 – Freight carried, by airport

Name of Airport	Freight Scheduled Passenger Aircraft Foreign UK	Freight Scheduled Cargo Aircraft Foreign EU	Freight Scheduled Cargo Non-EU	Freight Scheduled Passenger Aircraft UK
Heathrow	3022.182	1153.55	1394.73	6.396
Gatwick	41.082	0	0	0
Luton	0	1560.296	113.438	0

Cargo carried during January – November 2024

CAA Data – Even with spare capacity in the Winter months, Gatwick Airport does not attract cargo planes. There is no reason why cargo should be attracted with additional spare capacity.

Year 2024 Jan-Nov total freight aircraft

Heathrow	65658
Gatwick	0
Luton	27656

Airport Name Cargo planes, including passenger Charter & Scheduled Int & Domestic, by month for 2024

January 2024

Heathrow	11111
Gatwick	0
Luton	2062

<https://www.caa.co.uk/Documents/Download/11899/dda6ab8f-a98e-4fe9-9eef-d68feccd22130/16422>

February 2024

Heathrow	11636
Gatwick	0
Luton	2313

<https://www.caa.co.uk/Documents/Download/11900/ac681269-1636-44cd-8044-ed9612e30829/16516>

March 2024

Heathrow	12620
Gatwick	0
Luton	2758

<https://www.caa.co.uk/Documents/Download/11901/12c05e71-0e64-4463-ad79-f1c991451b0f/16522>

April 2024

Heathrow	4073
Gatwick	0
Luton	2353

<https://www.caa.co.uk/Documents/Download/11902/f6bb5cf6-bd7d-4901-a3d5-8730618170e3/16600>

May 2024

Heathrow	4503
Gatwick	0
Luton	2776

<https://www.caa.co.uk/Documents/Download/11903/cc374f6d-5a1e-4470-8a68-1f7a49525161/16613>

June 2024

Heathrow	4272
Gatwick	0
Luton	2680

<https://www.caa.co.uk/Documents/Download/11904/f044d823-0284-4d78-9744-ca439ce3f3cb/16682>

July 2024

Heathrow	5247
Gatwick	0
Luton	2675

<https://www.caa.co.uk/Documents/Download/11905/71dc2913-7da9-4f67-9cb7-e0eb6f5b2c94/16701>

August 2024

Heathrow	4268
Gatwick	0
Luton	2395

<https://www.caa.co.uk/Documents/Download/11906/7ae45bcc-d0b5-45b1-8726-70f8a4d48cbc/16726>

September 2024

Heathrow	4104
Gatwick	0
Luton	2506

<https://www.caa.co.uk/Documents/Download/11907/4ba74b90-06f3-4dc0-9ad3-2870d235bfda/16802>

October 2024

Heathrow	5031
Gatwick	0
Luton	2743

<https://www.caa.co.uk/Documents/Download/11908/1fab3277-8867-4eba-8cee-10b511ca3dc2/16811>

November 2024

Heathrow	8793
Gatwick	0
Luton	2395