



# **Future Development of Air Transport in the UK: South East England**

**Consultation with London City Airport  
Consultative Committee**

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**London City Airport**



# Aim of This Evening

The aim is to

1. Summarise UK Government proposals for developing Air Transport in the South - East of England over the next 30 years
2. Comment on the implications for London City Airport
3. Seek views of LCACC on these proposals

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# The Importance of Aviation to UK and the South East of England

Aviation directly employs 180,000 people in UK, and many more indirectly

Economic growth requires and generates air freight, business & leisure flights

Successful airlines and airports are vital if UK is to remain attractive for business and jobs

Important 'social benefits' from widely available leisure flying

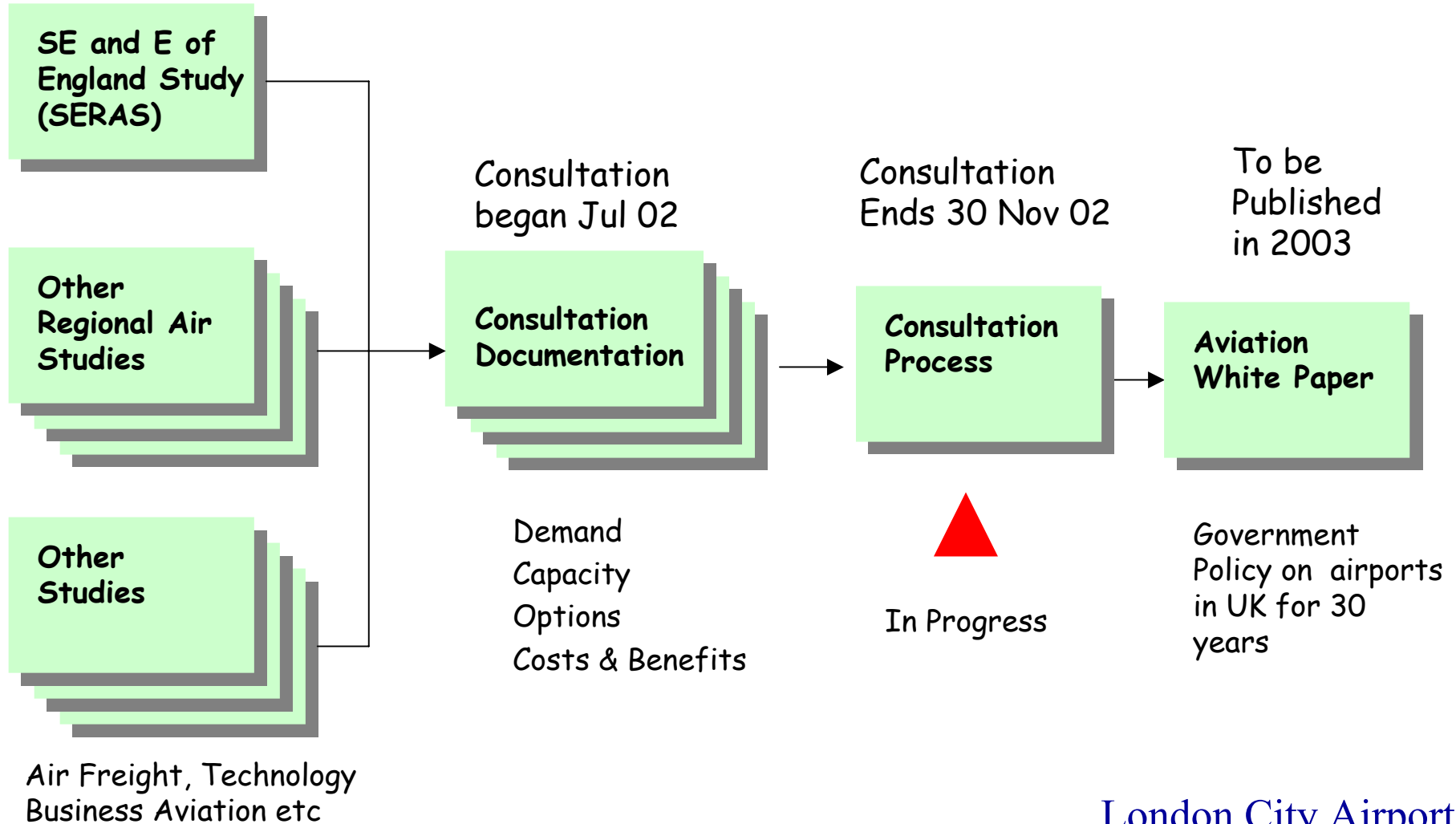
Other EU countries are expanding their airports

Secretary of State for Transport: "Doing nothing is not an option"

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# Setting UK Airport Policy - 'White Paper' Process and Timings





## Long term Government Forecasts - (mppa)

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	<i>2000 actual</i>	2010	2015	2020	2030
United Kingdom	<i>181</i>	277	335	402	501
South East England	<i>117</i>	173	202	242	301

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## Airport Capacity Requirements in the South East

The Government states that by 2030 in South East of England

3 more runways will be needed

(in addition to maximising the use of those that already exist at Heathrow, Gatwick, Stansted, London City and other South East airports)

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## Consultation Questions

The Government has questions that it wants views on:

1. Should new airport capacity be provided in the South East over the next years, and if so, how much?
2. Can the UK regions play a bigger role?
3. Where should any new airport capacity (runways) be located? Should Heathrow be developed further?
4. What controls, mitigation measures and compensation should be put in place to limit and manage the adverse impacts of any additional airport development on people and on the natural and built environment?

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# The South East Options

Major South - East Options based on combinations of:

- 1) Heathrow
- 2) Stansted
- 3) Cliffe

## Some Key Themes

- Full use of existing capacity first
- Environmental sustainability and mitigation measures
- Private sector funding of airport investment
- Surface access - use of public transport
- Importance and location of hub capacity for the SE
- Airspace congestion and reorganisation in the London Area

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# Heathrow

Proposal: 2,000m runway built to the north of existing airport

Considered but rejected: 4,000m (full length) runway because the 'disbenefits' were considered substantial.

## LCY Comments

- LCY do not in principle oppose a third runway as this would help sustain the UK's predominant position in European aviation
- Demand for air services is greatest at Heathrow
- More capacity at Heathrow reduces potential loss of UK business to other European airports and countries
- Some short-medium term impact at LCY (not in long-term)

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# Stansted

Proposal: Up to 3 new runways

## LCY Comments

Heathrow is favoured by the major airlines

Previous attempts to attract Heathrow-based carriers to Stansted did not work

Growth of low cost and charters

But seems likely that Stansted will get at least one new runway

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## Luton

Proposal: No *additional* runways because of the severe physical constraints of the site.

Government proposes lengthening current runway to 3,000m (either on current alignment or on a bearing in line with Stansted's runway)

### LCY comment

LCY does not have a strong opinion on either of these options

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# Gatwick

Government intends to respect legal agreement between Gatwick Airport Ltd and West Sussex County Council not to construct an additional runway at Gatwick before 2019.

## LCY Comment

Government could over-ride this agreement

Ignoring Gatwick is an odd decision because aviation policy will cover a 30 year period until 2033 - i.e. a further 14 years after the Gatwick legal agreement expires

Where do charter airlines grow?

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## Other SE Airfields

Southampton - Longer runway to handle medium size aircraft with a potential capacity of 7mppa.

Norwich - terminal and apron development with a capacity of 5mppa.

Redhill & RAF Northolt - Development as satellite runways of LGW and LHR rejected

Biggin Hill - Poor surface links - upper limit of 0.5mppa assumed

Lydd / Manston - Too far from the core areas of demand

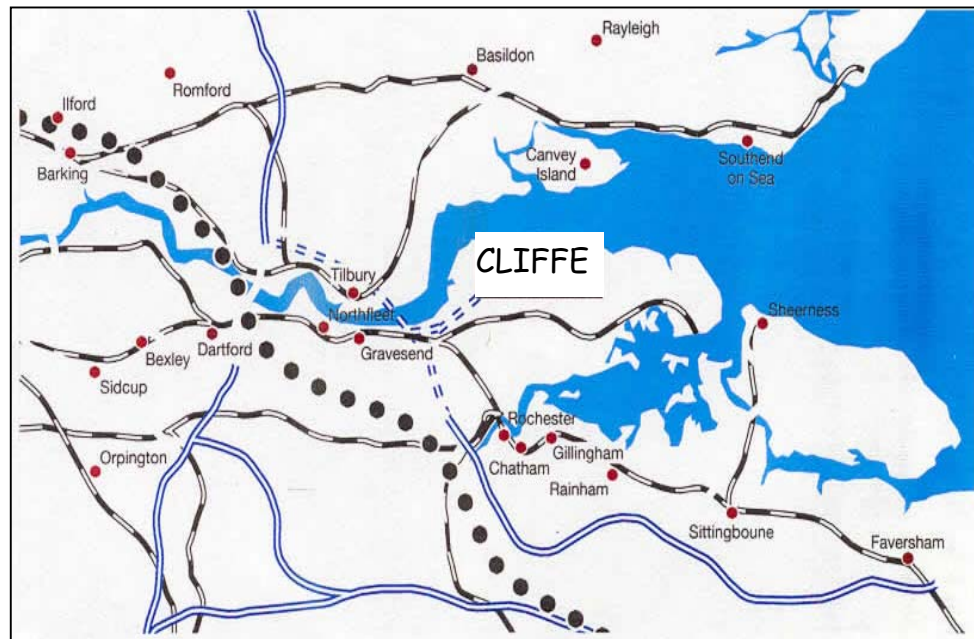
Southend - upper limit of 2mppa assumed. Constrained by inability to lengthen runway & proximity to busy European airways

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# Cliffe

Proposal: New purpose-built airport on site in North Kent for a 2 runway airport or a 4 runway airport



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## Cliffe (cont..)

### LCY Comments

Will be opposing this option - Why?

1. **Airspace** - Likely that Cliffe would have serious implications for airspace used by aircraft using LCY.

Cliffe option been ruled out by Chief Exec at NATS as a 'non-starter'. Complex structure of air space in SE would "simply not support the introduction of arrival and departure routes for a major new airport without serious implications for other airports"

2. **Most expensive** of all options - huge construction & surface access costs

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## Cliffe (cont..)

3. Environment - site would destroy internationally protected nature reserves, (bird habitats).
4. Safety - Operations would be subject to an increased risk of bird strikes
5. Funding Viability - sceptical how such a large scale project could be funded privately without a guarantee that airlines will move from Heathrow to Cliffe. Who would move from Heathrow?
6. New hub at Cliffe probably only plausible if Heathrow was closed

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Categorised as a 'first tier' airport (along with Southampton and Norwich)

Govt expects LCY to continue to play an important niche role:

- Serving the local market
- Serving as a mainly business airport
- As a site for business aviation

Ability of LCY to attract and retain traffic in the long term is recognised by the Government *even if extra capacity is provided elsewhere in the SE.*

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# London City Airport Government's Assumptions

Retain existing runway with planned airside infrastructure developments (OIP)

Retain similar aircraft sizes, types and services within current ATM limit (73,000)

Throughput of 5mppa (2001 - 1.6mppa)

Impacts and constraints on growth - airspace and surrounding land use

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# Government Forecasts for London City Airport Passengers

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Scenario	2000	2010	2015	2025	2030
If 3 new runways are built in the South East	1.6 mppa	4.1 mppa	2.0 mppa	4.2 mppa	4.8 mppa
If no new runways are built in the South East	1.6 mppa	4.3 mppa	4.3 mppa	5.1 mppa	5.1 mppa

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## LCY Comment

The forecasts assume our capacity is limited to about 5mppa

Disagree with the Government's projected reduction in LCY passenger numbers after 2010 (although some flattening of growth likely)

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# The Opportunity - Growth Areas

## THAMES GATEWAY

- 142,000 houses
- 255,000 new jobs

## Isle of Dogs

150,000 jobs by 2016 (as identified in the draft London Plan)

## Canary Wharf Estate

90,000 jobs at Canary Wharf by 2007/2008

## The Royals

38,000 jobs by 2010,  
67,000 with Royals Crossrail station



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# What is behind this Growth?

In the next 15 years (according to the draft London Plan).....

## More Population

London's population will increase by 700,000 (equivalent to the size of the City of Leeds). 30+% expected to be accommodated in East London.

## More Employment:

London jobs will increase by 636,000 of which 463,000 in financial and business services (and are likely to continue to locate in the City and Isle of Dogs)

## In comparison:

- current no. of employees in City of London is 331,000
- current no. of employees in Canary Wharf is about 50,000

## More Homes

459,000 needed, many of which are planned to be in LCY's catchment area (because of the availability of land for development)

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# The Opportunity

- Growth at London City Airport would create economic wealth and prosperity by:
  - Creating more jobs for local people
  - Encouraging inward investment into Docklands
- LCY is in the heart of the fastest growing area of London
- If it is technically and environmentally feasible, should we consider plans to grow further than 5 mppa?

**What do you think?**

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## London City Airport - Going beyond 5mppa ? How could we achieve this?

- Make better use of the existing runway (no new runway needed)
- More services to more destinations
- Higher frequencies on existing destinations
- Expanding services/frequencies - would require revised ATM limit above 73,000 ATM/year
  - Would need to do this in an environmentally sustainable way
- With surface access improvements - would need a Royals Crossrail station

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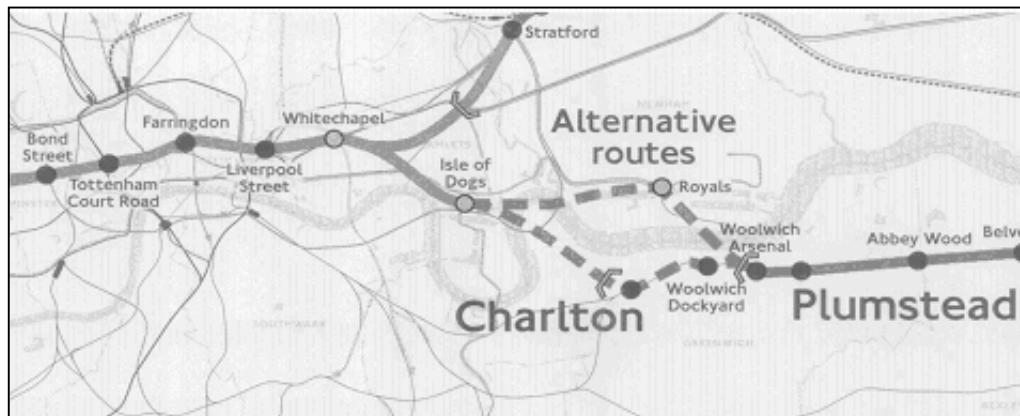
## Surface Transport - Key to Growth at LCY

### Docklands Light Railway (DLR)

Extension of the DLR to airport confirmed. Completion - 2005  
Trains from LCY to Bank & Canary Wharf via Canning Town  
Completion of Woolwich extension - 2007/8

### Crossrail

Major East - West rail link currently being planned for London.  
LCY lobbying for 'Royals' station, very close to LCY, to boost capacity of public transport to airport



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## What happens if we don't exploit this opportunity?

Further regeneration in the Royals and Docklands may be affected if growth at LCY is restricted

There is a risk that if growth is restricted at LCY, overall confidence in the airport will reduce which may result in a decline in routes served and consequently employment.

Argument for Crossrail to serve the Royals will be weaker

Local people and businesses will not benefit from more destinations and frequencies

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# Questions

If expanding LCY is physically feasible it would be expensive...

1. Is it commercially viable?
2. Should more capacity be provided?
3. If more capacity were to be provided, how much and when?
4. What measures would we need to take to minimise disruption to the local community?

This time higher growth at LCY is not necessarily crucial to the survival of the business (as was the case when runway was extended in 1992 and when the air transport movement cap was raised in 1997)

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## Summary - London City Airport

LCY....

Will consult with the local community, the local authority, airlines, customers and staff before responding to the Government

Is happy to give this presentation to the local Community Forums as well

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## Questions or Further Information

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