Town & Country Planning Act 1990 - Section 77 Town & Country Planning (Inquiries Procedure) (England) Rules 2000

Lydd Airport Action Group (LAAG) Proof of Evidence

Conformity to Aviation White Paper

Applicant: London Ashford Airport Limited (LAAL)

Location: London Ashford Airport Limited, Lydd, Romney

Marsh, TN29 9QL

Applications: Y06/1647/SH and Y06/1648/SH

Proposals: 294m runway extension and a 150m starter extension

plus a new terminal to accommodate up to 500,000ppa

Expectorate APP/L2250/V/10/2131934 Reference: APP/L2250/V/10/2131936

Document

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1.0: Introduction and purpose

1.1: My name is Louise Barton. I am the principal spokesperson for the action group opposing Lydd Airport's planning application, Lydd Airport Action Group (LAAG).

I have an Agricultural Science Degree (University of Melbourne). I worked for the Australian government's Commission of Inquiry into Rural Poverty and for the Institute of Applied Economic and Social Research on the Australian Economic Review. After moving to the United Kingdom in 1978 I became an investment analyst and spent over twenty years analysing companies and industry sectors for fund managers, stock brokers/investment banks in London. Although retired, I retain my membership of the Securities Institute and I am a non-executive director of a small financial software company.

1.2: The purpose of this report is to demonstrate that Lydd Airport's planning application does not conform to the Aviation White Paper.

2.0: Policy framework

The Aviation White Paper ((CD5.24) *The Future of Air Transport, Department for Transport, December 2003*) provides a clear framework for development for all the international and large regional airports across the UK, setting out whether or not additional runways will be permitted and sanctioning additional terminal capacity where necessary.

By contrast, although the White Paper supports the development of smaller airports in principle¹, it fails to provide a clear policy framework for development. In the case of Southend, Lydd and Manston the "policy" is a statement of fact, rather than a policy designed to guide future development.

"The operators of Southend, Lydd, and Manston argue that their airports could grow substantially and each has plans for development²".

But, all airports are subject to the overarching premise that the starting point is making the best use of existing airport capacity.

"Our starting point is that we must make best use of existing airport capacity."

This policy is repeated in the *Air Transport White Paper Progress Report, 2006*, 1.12 (CD5.25).

"The first priority is to make the most of the UK's existing airports through a process of improvement and modernisation."

¹ Page 14 & 111, The Future of Air Transport, Department for Transport, December 2003

² Ibid, 11.98, page 132

³ Ibid Page 7

The in principle support of smaller airports is also qualified with "subject to relevant environmental considerations".

3.0: Why Lydd Airport does not conform

3.1: Excess capacity at Lydd and Manston

Kent has two principal airports which are situated less than 50 miles apart by road - Lydd and Manston. Both airports' are operating at a fraction of their respective capacities as the following table shows. Two classes of capacity are shown - terminal capacity plus derived capacity based on research (see later) backing up the White Paper.

On the basis of the White Paper's capacity estimate of 125,000ppa for Lydd Airport, the highest utilisation rate since 1992 has been 3.7% in that year, with the corresponding figure of 1.5%, on the basis of the airport's current terminal capacity of 300,000ppa.

Similarly, Manston with utilisation peaking in 2005 at 3.4% based on the airport's potential capacity of 6mppa and 20.7% based on its current terminal capacity of 1mppa. The 207,000 passenger figure achieved in 2005 is not representative of underlying capacity utilisation as the disproportionately large number of passengers reflects the death kicks of the airline EUjet which effectively gave away seats before its owner PlaneStation went into liquidation.

There is thus excess airport capacity in Kent and significant scope for both airlines to expand within their existing terminal and runway infrastructure. As LAAG's case for the need for Lydd Airport shows (LAAG/7/A,3.4 & 3.5), Lydd Airport's inability to commercially cater for B737s/A319s is not the reason for its failure to attract customers – other airports have successfully expanded using aircraft types that could operate commercially from Lydd Airport's existing runway. Further, expanding Lydd Airport will NOT solve any deficit in the quality of airport capacity in Kent as Manston Airport will continue to be superior operationally to Lydd Airport even after its proposed expansion.

Table 1: Airport Capacity Utilization – Lydd & Manston Airports

LYDD AIRPORT			MANSTON AIRPORT			
Year End Dec	No of Passengers	Passengers as Percentage of White Paper Potential Capacity of 125,000ppa	Passengers as Percentage of Terminal (Upper Baseline) Capacity of 300,000ppa	No of Passengers	Passengers as % of White Paper Potential Capacity of 6mppa	Passengers as % of Current Terminal Capacity of 1million ppa
1992	4,592	3.7%	1.5%	7,385	0.1%	0.7%
1993	1,515	1.2%	0.5%	11,848	0.2%	1.2%
1994	195	0.2%	0.1%	5,123	0.1%	0.5%
1995	235	0.2%	0.1%	2,523	0.0%	0.3%
1996	303	0.2%	0.1%	941	0.0%	0.1%
1997	2,596	2.1%	0.9%	2,936	0.0%	0.3%
1998	2,370	1.9%	0.8%	2,269	0.0%	0.2%
1999	3,430	2.7%	1.1%	1,599	0.0%	0.2%
2000	1,522	1.2%	0.5%	7,594	0.1%	0.8%
2001	65	0.1%	0.0%	5,921	0.1%	0.6%
2002	3,088	2.5%	1.0%	92	0.0%	0.0%
2003	4,498	3.6%	1.5%	3,582	0.1%	0.4%
2004	4 018	3.2%	1.3%	101 233	1 7%	10.1%

11,657 5574 Source: CAA statistics: terminal and transit passengers

206,875

10.167

16,180

3.4%

0.2%

0.3%

0.2%

0.1%

20.7% 1.0%

1.6%

1.2%

0.6%

2.2: White Paper background research

2.3%

2.2%

2.2%

1.3%

0.5%

2,817

2,754

2,696

1,673

588

2005

2006

2007

2008

2009

The table below shows capacity projections made as part of the research back up to the White Paper ⁴.

0.9%

0.9%

0.9%

0.6%

0.2%

Lydd and Manston Airports: Potential Capacity in 2030				
Manston (Kent International Airport)	Lydd Airport			
3mppa (later raised to 4-6million)	125,000ppa			

The research examined the passenger potential of secondary airports in 2030 assuming maximum use of existing runways and no new runway capacity in the South East. The assessment took into account constraints which affected passenger demand such as infrastructure and catchment areas. The maximum potential of Lydd Airport in 2030 was determined to be 125,000 passengers per annum, with the constraints deemed as the immediate catchment population and poor surface access.

By contrast, the upper limit at Manston for its existing runway was 3mppa which was later raised to 4-6mppa⁵, reflecting Manston's long runway and relatively supportive

⁴ The Future Development of Air Transport in the United Kingdom: South East Consultation Document, page 92 & 93. Note in the second edition, February 2003, the pages are 109 &110.

⁵ This figure was challenged by the new owners of Manston at the time (PlaneStation) and later raised to 4-6mppa as a result of an independent study by Arthur D.Little.

infrastructure. The 6mmpa ceiling was also cited in the now defunct Kent & Medway Structure Plan (TP24). The airport's key constraints were deemed to be its geographic position in relation to the major sources of demand and noise impacts over Ramsgate.

The above analysis takes into account factors that could constrain demand. On the supply side the physical capacity to support passenger and freight demand is ultimately determined by the nature of the runway, with terminal capacity dictating the medium term situation for passengers. At Lydd the current terminal capacity is alleged to be 300,000ppa and at Manston one million passengers per annum. Runway capacity exceeds these figures for both airports with Manston having the superior capability and headroom to furnish both passenger and freight growth longer term on its existing runway. Even after the proposed runway extension, Lydd Airport would remain operationally inferior to Manston - (see LAAG/7/A, 3.5).

While there is no obligation in the White paper to accord with this analysis of capacity ceilings outlined in the consultation document, the analysis does demonstrate that the White Paper recognises the considerable constraints under which Lydd Airport operates.

The analysis also begs the question as to why an airport that is assessed to have limited potential (125,000ppa) should be granted planning permission for a development up to 500,000ppa as a first step in its master plan goal of 2mppa.

2.3: Environmental considerations

The in principle support of smaller airports is qualified with "subject to relevant environmental considerations". In the case of Lydd, in addition to the normal noise and pollution impacts on the civilian population and the wider issue of climate change, the airport is located in one of the most ecologically unique and heavily protected areas in the UK. Lydd Airport has not demonstrated that its development will not adversely affect the habitats surrounding it.

3.0: Case Observations

The Secretary of State in his decision (October 18th 2005) to grant planning permission for the Little Cheyne Court Wind Farm dismisses the policy support for Lydd Airport's expansion in the White Paper due to its weakness. He states (See Appendix 1, 488):

The Government's White Paper on the "Future of Air Transport" recognises that Lydd Airport, along with Southend, Manston and others, could play a valuable role in meeting local demand and could contribute to regional economic development. Support for the Airport's development is given in principle, subject to relevant environmental considerations. The White Paper offers no greater encouragement than that" (LAAG's emphasis).

The appeal decision of Warwick District Council's decision to oppose a new terminal at Coventry Airport emphasised the importance of making the best use of existing runways.

"The Secretaries of State also agree with the Inspector's Interim Conclusions on Policy in IR4.16 that the starting point of Government policy is that the best use should be made of existing airport capacity where possible;" - see Appendix 2: 12.

4.0: Conclusion:

Lydd Airport's expansion plans do not conform to the White Paper as the airport is not first making the most of its existing infrastructure. There is also considerable excess capacity at Manston Airport which means Kent has adequate capacity based on the region's existing infrastructure.

The analysis backing the White Paper predicts that Lydd Airport would only achieve a peak of 125,000ppa due to the constraints on demand, despite the airport's existing runway and terminal capacity to cater for considerably more passengers.

The in principle support of smaller airports is qualified with "subject to relevant environmental considerations which cannot be met by Lydd Airport.

The final judgement on the Little Cheyne Court wind farm dismissed the White Paper's policy on smaller airports while the appeal decision of Warwick District Council's decision to oppose a new terminal at Coventry Airport emphasised the importance of making the best use of existing runways.

6.0: Appendices

Appendix 1:

The Secretary of State's decision to grant planning permission for the Little Cheyne Court wind farm, October 18th 2005, page 142 (Pages 1&2)

Appendix 2: The appeal decision following Warwick District Council's decision to oppose a new terminal at Coventry Airport