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CABINET
MINISTERIAL COMMITTEE ON ECONOMIC STRATEGY

THE THIRD LONDON AIRPORT
Note by the Secretary of State for Trade

The Problem

The time has come to make a decision on whether we should build new airport capacity in South East England to meet the forecast demand for air traffic from the late 1980s, and if so, where it should be situated. By a manipulation of existing capacity at Heathrow and Gatwick - involving the building of two new terminals - it should be possible to meet the demand until then, albeit in increasingly unsatisfactory conditions, but thereafter the traffic would have to be restricted and/or diverted to the Continent.

2. The previous Government, having cancelled the Maplin project, considered the position but recoiled from taking a decision. Instead it set up two committees (ACAP and SGSEA) which have just reported. They have come to no positive conclusions but have explored some of the facts. In order to end great uncertainty I believe we must make a statement as soon as possible.

The Facts

3. The first and most widely asked question is - do we need a new airport in the South East at all. Despite all the uncertainty there is little doubt that we do. We are situated in a unique geographical position between the New World and the Old, our economy is based upon international trade, our airline and tourist industries are very substantial and growing. Our people are willing and able to pay for improved travel facilities - and it would be a unique decision for a developed nation to deny its people the satisfaction of this demand. Colleagues may not realise that Heathrow handles over 14 per cent of the country's visible trade value.

4. The best available estimate taking full account of likely increases in oil prices and the difficulty of supply, wide-bodied aircraft, etc, is that we need additional capacity of a runway and a terminal before 1990. This would, in practice, add 15 million to overall capacity. It should be borne in mind that demand has increased by 7 per cent per annum since the oil embargo in 1973 and that the projections of those who predicted a major falling of demand for air traffic have proved wholly wrong.

Possible Solutions

5. It is clear that regional airports can - and will increasingly - help to meet forecast demand and we should encourage the maximum transfer of traffic to airports outside the South East. But increased use of regional airports does not avoid the problem. The options are as follows:

- i) developing Heathrow and Gatwick, beyond the level now planned, by building a fifth terminal at Heathrow and a second runway and third and fourth terminals at Gatwick;
- ii) developing an inland greenfield site;
- iii) developing the existing airport at Stansted;
- iv) developing an airport at Maplin.

6. Heathrow/Gatwick is tempting precisely because the airports are there already and it could be claimed that the majority of people (approx 1½ million) significantly affected by aircraft noise have moved there in the knowledge of the noise nuisance involved. Proposals already exist for a fourth terminal which would come into operation in Summer 1985, and a separate paper on this issue is being circulated. But it is clear that a fifth terminal at Heathrow would strain the general transport and other facilities of that area, would be fiercely opposed by the local authorities, could lead to substantial delay because of the need to find an alternative site for the 265 acre sewage works at Perry Oaks, and would impose a significant extra noise burden on an area which already suffers heavily. A second runway at Gatwick with associated terminal facilities capable of handling another 25 million passengers could only be built by a major enlargement of the site of the present airport and the destruction of two villages, in the face of great political opposition from local residents. To proceed with this option (which is explored in more detail in Appendix 2) would involve major air traffic control problems and would go against assurances given by successive governments and the BAA. This would cause the maximum amount of public distrust and complaint, and I believe it should be rejected.

7. A green field site. None of the four inland greenfield sites assessed by SGSEA has any demonstrable overall advantage over the site of the existing airport at Stansted, which already possesses a suitable runway and covers 900 acres of land (see Appendix 1). The numbers affected by noise at the possible greenfield sites would be somewhat lower than at Stansted but we are talking about a difference between 5000 and 15000 people compared with 1½ million currently affected at Heathrow.

8. Stansted or Maplin. It seems therefore that the only realistic choice is between Stansted and Maplin. Stansted has considerable operational and economic advantages. It is closer to the market; access by road to London is comparatively easy; it will be easier to develop in stages based on the existing runway as demand builds up, and

it can start to carry extra traffic 9 years earlier than Maplin. The costs of initial development to a throughput of 15 million passengers per annum are significantly lower than at any of the other sites (£385m against £900m for Maplin) partly because there would be no disruptive relocation of Ministry of Defence establishments. On the other hand, it is bound to involve associated urban development of a mainly rural area and would be regarded as environmentally damaging. The site has been selected and rejected several times already, and to repeat the performance will of course cause a significant amount of public agitation. However, it must be emphasised that earlier studies (Roskill etc) were concerned with a four runway airport - which incidentally the majority of the Roskill Committee recommended for an inland site at Cublington - whereas as this paper says below, we are concerned here with a single runway airport (already in existence at Stansted) and the reservation of a further area of land to provide for a second runway in the late 1990s should it be needed.

9. A revival of the post-Roskill solution of a new airport at Maplin/Foulness is the first choice of most of the lobbies at the inland sites (although a united lobby is likely to disintegrate when their own particular area is rerieved). On regional planning grounds there are arguments for Maplin because it creates little disruption to existing strategy plans and because it would provide a source of employment in an area where jobs are needed. The objectors to the inland sites will also place great weight on the fact that the immediate noise nuisance is least at Maplin. However, they do not take into account the disturbance created by moving the Ministry of Defence firing range at Shoeburyness to a new site (if one can be found), the road and rail access across Essex and the continued full operation of Luton airport which would be possible if Maplin were chosen (whereas its operations will be severely restricted if Stansted is chosen). Moreover, Maplin is the least attractive site to the airlines and to the BAA. It will take longer to bring into operation (an extra 10 years), will be much more expensive, and is further from the market.

Political and economic assessment

10. There is no need to build a new airport capable of handling 50 million passengers a year at the present time. In this respect our decision can be presented as a rejection of the need for a major new international airport of the kind considered by Roskill. To some extent this should help to alleviate the environmental backlash which is possibly anticipating a decision in favour of a major new four runway site. But we do need to provide for future demand and secure a sufficient area for a second runway on the same site in the future but do so without prematurely destroying more than the minimum area of agricultural land and property.

11. I therefore suggest that, while the BAA should seek outline planning permission for the development ultimately of a two-runway airport, they should limit detailed proposals and compulsory purchase of land to what would be necessary for the first stage only. The BAA should, however, be prepared to purchase by agreement land within areas that would be required for any subsequent stages of the airport's development. Such purchases, and any made compulsorily would be at market value ignoring any effects of the airport scheme. There would

be no reason why, after the change of ownership, the existing users should not continue with present occupiers until such time as the land is required for airport purposes. Arrangements would also have to be made to safeguard, by means of development control under the Town and Country Planning Acts, the whole of the area that might eventually be required.

12. The project could be carried out using the BAA's existing powers and general legislation and I would prefer matters to proceed by these means rather than through a bill. This would have the advantage that the public would have the right to be heard at a local public inquiry that could be wide ranging. Furthermore, if planning permission were to be sought in the form of a special development order Parliament would be enabled, after the inquiry, to have the final say. It seems to me that this would be an attractive course to pursue in the present case.

13. On publication of the reports we may well be faced with demands for yet further consultations. I believe however that, to reduce continuing widespread uncertainties, we should indicate how we intend to proceed as soon as the reports are published. The announcement will nevertheless have to be framed with care so that it cannot be held to prejudice the outcome of the public inquiry.

14. There are no implications for the United Kingdom's membership of the EEC.

Recommendations

15. My conclusion is therefore that we should choose the site which involves the lowest commitment to public expenditure, which gives us the greatest flexibility in the development of the new airport, and which already possesses a good runway and adequate connections, since we cannot feel absolutely certain about the way in which demand will increase. On these grounds, the economic and operational advantages of Stansted considerably outweigh the other advantages of Maplin.

16. I therefore invite my colleagues to take the following decisions which should be the subject of an early announcement:

- a) the expected longer term growth in air traffic should be met as it develops;
- b) we should encourage the maximum transfer of traffic to airports outside the South East but accept that this will not solve the basic problem;
- c) we should confirm that a fifth terminal at Heathrow and a second runway at Gatwick will not be provided;
- d) we should invite the BAA to bring forward, so that they can be examined through appropriate planning procedures, proposals for the development of Stansted;
- e) the BAA should proceed by way of a Special Development Order which would provide for outline planning permission for the ultimate development of Stansted to a two-runway airport and be subject to a wide-ranging local public inquiry;

- f) the BAA however should be limited to bringing forward proposals for acquisition by compulsory purchase of the land needed for the construction of the terminal and other facilities required for the first stage of development alone.

J. N.

Department of Trade
26 November 1979

SELECTION OF A THIRD LONDON AIRPORT

Background

1. The provision of new airport capacity in South East England has a long and troubled past. The history of the attempted solutions over the last two decades is given briefly in the annex (a). In its White Paper on Airports Policy the previous Government stated that proposed developments of existing London airports were enough to cope with air traffic in the London area during the 1980s. However, it stated that in the longer term additional capacity would almost certainly be required and suggested that further consideration would be given to how best this could be provided beyond 1990. Subsequently, the then Government appointed an Advisory Committee on Airports Policy and a Study Group on South East Airports to consider the longer term options for handling growth of air traffic in the South East.

ACAP and SGSEA Reports

2. The membership of ACAP and SGSEA was designed to reflect all the major interests concerned, with a particular emphasis on the involvement of the local authorities. The task given to the Study Group was strictly limited to examining sites for a 5000 acre two-runway airport. This compares with the Roskill Commission's task of selecting a site for a larger four-runway airport.

3. Unlike Roskill no attempt has been made to produce a cost-benefit analysis of possible sites, since it has not been considered useful to allocate costs to such intangible factors as the value of damage to a Norman Church or to the disturbance of Brent geese. The reports do not attempt to make a single recommendation for a site for a Third London Airport. They merely provide advice and facts upon which decisions must be taken.

Need for further airport capacity

4. ACAP report that the capacity of the existing London airports could reach a theoretical maximum of 72 million passengers a year by 1990 if a fourth terminal is built at Heathrow and a second terminal at Gatwick and that Luton and Stansted are expanded as envisaged in the White Paper. In practice effective capacity is likely to be about 65 million passengers a year.

5. Revised air traffic forecasts have been produced which take account of such factors as recent and expected increases in oil prices. These suggest that air traffic demand in the London area in 1990 will be between 69 and 81 million passengers and in the year 2000 between 92 and 116 million passengers a year. These forecasts indicate that there is greater scope for expanding traffic at regional airports than had previously been assumed. Nevertheless, despite all the inherent uncertainties in such forecasts and even assuming that the demand will be at the lower end of the forecast range the firm conclusion is reached that the capacity at existing airports in the London area, including already proposed expansions of terminal capacity at Heathrow and Gatwick, will be exhausted by the late 1980s.

6. One possibility would be to take a deliberate and conscious decision not to provide for the anticipated excess of demand over supply of airport capacity. In Chapter 4 of their report ACAP consider the consequences of such a decision. They conclude that the arguments for continuing to meet the demand for air transport are compelling and should be confirmed as Government policy. It would seem strange to force a profitable industry with a favourable balance of trade and which employs many thousands of people into decline in the UK so exporting employment and damaging our balance of trade.

Expansion of Regional Capacity

7. The revised air traffic forecasts suggest that there is greater scope for expanding traffic at regional airports than had previously been assumed. In their report ACAP have considered in some detail the possibility of meeting the additional demand from the South East outside that region. They conclude that, while existing regional airports can and should make a greater contribution towards meeting demand in the South East, neither expansion of existing regional airports nor the creation of a new airport (eg at Severnside) is a feasible solution or will delay the need for extra capacity in the South East by more than one or two years.

Possible locations

8. The reports identify six possible sites for a third London airport but make no firm recommendation as to which should be selected. The following notes are intended to bring out the main considerations which should be taken into account in reaching a final decision:

- i) Regional Planning. A coastal site at Maplin/Foulness will be the first choice of the local authorities because, like Yardley Chase and Hoggston, it is located in an area which is already planned for growth and where further employment would be desirable. There are still some proponents of the scheme to develop Maplin as a combined airport/seaport but such suggestions normally involve very large injections of public expenditure on capital infrastructure in return for the comparatively minor costs of reclamation provided by the private sector. On the other hand, it will be argued that the development of Stansted will involve significant disruption and urbanisation of a rural area near London for which further growth is not desirable. Stansted will certainly involve local urban development but the estimates of housing needed which are given in the SGSEA report (and have been provided by the local authorities) should be treated with very great caution since they make very little allowance for the possibility of reversing commuting patterns, or of attracting labour locally or from outside the immediate area (eg from Luton, whose airport would eventually close, or from the East End of London). It should be noted that there was disagreement in ACAP on this point.

- ii) Environmental Impact. There will be significant environmental changes whatever site is chosen. Yardley Chase, which is one of the least damaging sites from the point of view of noise, is perhaps the worst on other environmental grounds, as it would involve the destruction of the last remains of an ancient and unique forest. Maplin is also not without its drawbacks. Apart from the conservationist concern at the disruption of wildlife on the Maplin sands and destruction of part of the scarce resource of undeveloped coastline in South East England, development of an airport at that location would involve construction of road and rail communications through the length of South Essex and the relocation of the Ministry of Defence facilities at Shoeburyness. Both factors would entail considerable environmental disruption to people further away from the airport. Meanwhile enlargement of Stansted would involve the closure of Luton airport, with a consequent reduction of noise in that area, and relatively minimal construction of new access routes. As regards the loss of agricultural land, it should be noted that the land gained at Maplin by reclamation would be partly offset by the fact that some of the area of a new Stansted airport is already in the hands of the BAA. Some of the land required for development at Maplin is of a very high quality.

- iii) Costs. The table at Annex (b) gives the costs of development at each of the six sites considered by SGSEA. It will be noted that Stansted's costs for initial development to handle 15 million passengers a year are £330 million lower than Langley, the next cheapest site and £122 million lower than Maplin. This cost advantage remains at all stages up to full development of a 50 million passenger airport some time in the next century. Figures are also given in Annex (c) for the costs of Stage 1 appreciated at 5 per cent per annum to take account of the longer lead times at some sites.

A more detailed comparison of estimated capital costs of the initial development of Stansted and Maplin to handle 15 million passengers a year gives the following results:

	£m (1979 prices excl interest)	
	<u>Stansted</u>	<u>Maplin Sands</u>
Site acquisition and defence relocation costs	20	240 *
Site preparation (including explosives clearance at Maplin)	20	100
Construction of airport and air traffic control facilities	245	295
Road access	15	110
Rail access	<u>85</u>	<u>160</u>
All items	<u>385</u>	<u>905</u>

* without allowing for the cost of resiting units displaced by the relocation of Shoeburyness.

- 4 -
- iv) Public Expenditure Implications. An attempt has been made to analyse the spending profile of the two sites and to allocate responsibility for the expenditure. For the purposes of this exercise it has been assumed that the costs of defence relocation, clearing the Maplin sands of projectiles and road access provision would be a direct charge to the Exchequer. It has been assumed that British Rail would be responsible for rail access (although in practice they might well ask for financial assistance to carry out the work involved) and that the BAA would be responsible for preparing the site and constructing the airport. On this basis the profile of expenditure at the two sites for development of an airport capable of handling 15 million passengers per annum might be as follows:

MAPLIN SANDS

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	TOTAL
BAA	-	-	-	-	-	30	40	58	83	92	27	36	18	384
BR	-	-	5	5	20	20	20	20	30	35	5	-	-	160
HMG	48	48	55	60	65	17	17	20	15	15	-	-	-	360
TOTAL	48	48	60	65	85	67	77	98	128	141	32	36	18	904

STANSTED

Year	1	2	3	4	5	6	7	TOTAL
BAA	32	41	61	78	21	36	14	283
BR	-	5	10	20	25	25	-	85
HMG	-	-	5	5	5	-	-	15
TOTAL	32	46	76	103	51	61	14	383

All these costs are expressed in £m at current prices and take no account of the differing lead times. It is estimated that Stansted would open after the fourth year of expenditure and Maplin after the tenth year. If interest were added to take account of this factor, the difference in total levels of expenditure would be that much greater (see Annex C).

5 -

The BAA's financial policy is "to generate sufficient funds to cover capital expenditure (ie 100 per cent self financing) except in periods of severe recession or in periods of exceptionally high capital expenditure when a minimum of 60 per cent self financing will be achieved". (BAA Corporate Plan 1979). In fact, the BAA has a track record of being self financing. The cost to the BAA of developing Stansted up to a size capable of handling 15 million passengers a year would thus be of the order of £280 million at current prices. This is comparable, proportionately to capacity, to the anticipated cost of developing Terminal 4 at Heathrow and Terminal 2 at Gatwick. The BAA would therefore expect to continue to apply its present financial policy and to finance the bulk of the development from its own financial resources. The incidence of capital expenditure during the 1980s may require some external borrowing in some years but the cash flow in the following years would enable any loans to be repaid rapidly.

To develop Maplin, the extra cost to the BAA would be of the order of £100 million at current prices spread over a longer period. This extra cost would mean a corresponding increase in the funds required from external sources before the airport began to earn revenue.

- v) Timing. Although traffic forecasts point firmly to a clear need for new airport capacity in the South East by the late 1980s (and earlier if a second terminal is not built at Gatwick) both SGSEA and ACAP stress that the uncertainties inherent in any forecasts, particularly in the longer term, are such that the greatest possible flexibility should be exercised so that airport capacity, surface access facilities and the necessary urban development can be provided when required with the minimum commitment to public expenditure and impact on the environment. ACAP have concluded that allowing for the time that might be needed to obtain the necessary authorisations and consents, development of an airport at Maplin would take 17 years. This is a conservative estimate, given the time required for planning procedures, transfer of MoD installations and site preparation, but even if this lead time could be reduced, it is very doubtful if an airport could be ready to take any passengers until well into the 1990s and certainly not in time to ease the expected shortfall at the existing London airports. This interim capacity would have to be provided at Stansted which would then become redundant after a few years. Stansted, on the other hand, has facilities and a runway that can be used immediately to relieve pressure on Heathrow and Gatwick and additional terminals and a second runway can be built as and when demand increases. A terminal capable of handling 15 million passengers a year could be ready by 1988. There would be no major disruption of Ministry of Defence establishments and full use could be made of the M11 which already exists. Those critics who claim that the forecasts of future air traffic growth are so uncertain that a commitment to a new airport is unjustified would have to concede that Stansted offers the best site for cautious incremental growth with a less distant planning horizon and the least liability of expensive over-provision of facilities.

History of
The Third London Airport

1953

White Paper on London's Airports

This proposed rationalisation of London's seven airports by concentrating traffic at Heathrow with Gatwick to help cope with the Summer seasonal overflow (and to be the diversionary airport for Heathrow) and with Blackbushe also to help in a supplementary role. Stansted was to be held in reserve in case a further airport should be needed later.

1960

Blackbushe was closed because its proximity to Heathrow produced insuperable air routing difficulties. Otherwise the system remained as envisaged in the 1953 White Paper.

1960-61

Select Committee on Estimates recommended an immediate study of Stansted's prospects as a future third London airport as the cost of keeping it in reserve was proving expensive.

1964

Inter-Departmental Committee on the Third London Airport

This Committee was set up as a result of the Select Committee's recommendation. It concluded that Stansted was the best of the sites examined and the only one with a clear prospect of making a successful third London airport.

1955-66

Inquiry into Local Objections to the Proposed Development of Land at Stansted as the Third London Airport for London

The Government decided to proceed on the basis of the Inter-Departmental Committee recommendations. The Inspector found

the local objections formidable and justified on grounds of regional planning, bad ground access from London, noise, change of character of the neighbourhood and loss of good agricultural land. He recommended a review of the whole problem.

White Paper on the Third London Airport

This White Paper concluded that Stansted still compared favourably with other sites and further stated that because of the difficulty of finding new sites the airport should be capable of expansion to four runways. It proposed giving the BAA planning permission to develop Stansted.

The Roskill Commission

Because of mounting public and Parliamentary pressure, the Government dropped their proposals and established the Roskill Commission to enquire into "the timing of the need for a new four runway airport to cater for the growth of traffic at existing airports serving the London area, to consider the various alternative sites, and to recommend which should be selected". The Commission's report recommended Cublington as the most suitable site overall. Professor Colin Buchanan indicated that on environmental grounds he favoured a site for a new airport at Foulness.

In April 1971 the Government announced that it accepted the Commission's recommendation that a third London airport would be needed but said that on environmental and planning grounds alone, leaving aside economic considerations, the Foulness site was the best.

The Maplin Development Act

This Act set up the Maplin Development Authority to undertake the reclamation of land from the sea at Maplin Sands for the establishment of a seaport and a 4-runway airport. The Bill met strong Parliamentary criticism - and there were mounting pressures outside - and the Government were obliged to insert a clause saying that work on the project would not commence before widespread consultations had been carried out and a further report made to Parliament on the scope and timing of the project and its effect on regional policies.

Review of the Maplin Airport Project

The new Government published a re-appraisal of the project in July 1974 which concluded that the case for a new airport had not been established and that it had decided to abandon Maplin. It stated that the cost of accommodating the forecast traffic at Maplin was estimated to be about £650 million nearly twice as much as the next most expensive alternative.

White Paper on Airports Policy

This confirmed the decision to abandon Maplin and proposed that capacity at Stansted should be expanded to handle 4 million passengers a year. It suggested that longer term provision for the London area should be considered and that possible solutions were:

- (a) a major expansion of Stansted; or
- (b) the development of an existing military airfield as a civil airport; or
- (c) the construction of a new airport.

ACAP and SGSEA were subsequently appointed to carry out a review of the issue.

CAPITAL COSTS OF THIRD LONDON AIRPORT (INCLUDING ASSOCIATED DEFENCE AND SURFACE ACCESS COSTS)

£M

	STAGE 1		STAGE 2	STAGE 3	TOTAL
	LEAD TIME	COST	COST	COST	COST
HOGGESTON (MML/LBL)	12	720/ 805	275/280	N.A/560	N.A/1645
YARDLEY CHASE(MML/LBL)	13	980/1115	275	N.A/585	N.A/1975
LANGLEY	11	715	280	615	1610
STANSTED	8	385	260	605	1250
WILLINGALE	11	720	235	550	1505
MAPLIN(SANDS/FOULNESS)	17	905/900	230	575	1710/1705

Notes:

- (1) Costs are rounded to nearest £5m
- (2) Lead Time in years from decision in principle to opening date
- (3) Costs are identifiable capital costs, in £M (1979), without interest
- (4) The costs for Hoggston and Yardley Chase depend on whether the rail link is provided via the Midland main line (MML) or the London Banbury line (LBL) of British Rail
- (5) The MML option is not available at 50 mppa without major additional investment.

CONFIDENTIAL

ANNEX B

CONFIDENTIAL

SUMMARY OF STAGE 1 COSTS WITH/WITHOUT INTEREST - ALL SITES
 £M (1979)

SITE	STAGE 1 COSTS NO INTEREST	STAGE 1 COSTS INTEREST AT 5% APPRECIATED
HOGGESTON M L/LBL	720/ 805	900/1015
YARDLEY CHASE M L/LBL	980/1115	1250/1425
LANGLEY	715	890
STAINSTED	385	460
WILLINGALE	720	900
MAPLIN SANDS/FOULNESS	905/900	1255/1260

- (1) The costs for Hoggaston and Yardley Chase depend on whether the rail link is provided via the Midland main line (ML) or the London Banbury line(LBL) of British Rail
- (2) Costs are £M (1979), rounded to nearest £5m.

Relocation of some work and
 land acquisition
 Relocation of site and
 laying of foundations
 Rail access from existing
 station to 14, central area
 and 15
 Extension of 14
 Rail access to central area
 Improved access to 14
 Terminal building and apron

FURTHER EXPANSION OF HEATHROW AND GATWICK?

APPENDIX 2

1. The provision of a fourth terminal at Heathrow airport will raise its capacity to 38 mppa. A second terminal at Gatwick, which is to be the subject of a Public Inquiry, would increase that airport's capacity to 25 mppa, the maximum that could be handled with a single runway. The previous Government's policy was that there should be no further development at Heathrow and Gatwick beyond those levels. However, in theory, both airports should be capable of further expansion: a fifth terminal with a capacity of 15 mppa could be built at Heathrow, and a second runway with two further terminals capable of handling 25 mppa could be provided at Gatwick. The feasibility cost and timing of these developments are considered below.

HEATHROW

2. The only site where a fifth terminal with a capacity of 15 mppa could be built is Perry Oaks, which is presently owned by the Thames Water Authority and occupied by a sewage sludge disposal works. The lead time required to obtain the necessary planning permissions, to relocate the sewage facility and build the new terminal is estimated to be about 13 years. Broad estimates of the costs involved in building a terminal on this site (but excluding any provision for the possibly extensive road building which might well be needed outside the airport) are as follows:

	<u>£m</u>
Relocation of sewage works and land acquisition	50
Reclamation of site and laying of foundations	10
Rail access from Feltham station to T4, central area and T5	60
Extension of LT Underground to T5	20
Road access to Central Area	15
Improved access to M25	5
Terminal building and aprons	<u>245</u>
	<u>405</u>

The present LT Underground link to Heathrow Central would not have sufficient capacity to serve both the fourth and fifth terminals. Even with the improvements envisaged, road access to the airport would be extremely congested with a throughput of over 50 mppa. It could well be necessary to provide an additional rail link by extending the BR Waterloo-Feltham line to Heathrow Central and probably to the Fifth Terminal. 7

Assessment

3. From the standpoint of air traffic control, it would be possible to handle the traffic from a five terminal Heathrow airport, and there would be no implications for defence establishments. There are, however, a number of serious drawbacks:

- (i) A fifth terminal at Heathrow would cost at least £20m more than a new terminal at Stansted and probably more if road improvements outside Heathrow are taken into account. There could be no room for any further expansion thereafter. It would therefore be an expensive short term investment.
- (ii) The terminal could not be available before about 1993 whereas, additional airport capacity will be required in the late 1980s.
- (iii) The segregated ("environmental") mode of operation of the runways would have to be abandoned to accommodate the additional traffic and even then it would take some years before the terminal could be fully utilised. This would expose many more people to more intensive aircraft noise than would otherwise have been the case (and certainly far more than if equivalent capacity were provided at Stansted).
- (iv) There would be severe management problems

and difficulties for passengers with terminals at three different locations within the restricted site of Heathrow. There must be doubts about whether an expanded airport could be adequately served by the existing infrastructure and labour market without imposing considerable strain on the surrounding areas.

- (v) Heathrow is located in the busiest area of London from the standpoint of surface traffic.
- (vi) Such a development would meet fierce resistance from amenity groups in the area who would point to previous Government assurances that no further development would be allowed at Heathrow.
- (vii) Procedures for building the M25 London orbital route near Heathrow are at a very advanced stage. If the suggestion for a fifth terminal is not quickly rejected publicly by Ministers, objectors might try to re-open the decision on the section from Staines to Heathrow, including the airport spur, possibly by a challenge in the High Court; and could cause difficulty and delay at the Public Inquiry currently in progress into the section to the North, which includes the M25/M4 interchange.

GATWICK

4. Gatwick airport's passenger handling capacity could not be expanded beyond the 25 mppa currently envisaged without a second runway. Bearing in mind the need to provide for two further terminal buildings with access to both runways, the most appropriate line for a second runway would be to the north of the existing one, at a distance of about 2,400 metres, and parallel to it. This would entail a major expansion of the airport's present boundaries. The eastern end of the runway

would be a mile or so from Horley, and in order to provide for the required length of 3,600 metres, it would be necessary to cut through a hill to the west which is more than 110 feet high very seriously affecting the village of Cudworth. This would involve moving about 20 million cubic metres of earth. The village of Charlwood, falling between the runways, would have to be destroyed. For Gatwick to handle 50 million passengers a year, it would also be necessary to extend the existing runway through high ground to the west to allow for maximum capacity utilisation of the runway system. Broad estimates of the costs involved in providing a new runway, a third terminal capable of handling 15 mppa, and associated facilities (equivalent to the first stage of a Third London Airport development) have been produced by the BAA. They are as follows:

	<u>£m</u>
Land acquisition (approximately 850 ha including Charlwood village) and diversion of services	50
Construction of second runway including earthworks	55
Extension of existing runway to 3,600 m	7
Additional rail access capacity	85
Road access, widening of M23 and junction with M25	15
Improvements to local roads	10
Terminal 3 and aprons	<u>245</u>
Total	<u>467</u>

Assessment

5. Previous plans for a second runway at Gatwick were concerned with a shorter runway, much closer to the existing one, and were designed for an airport with a throughput of up to 25 mppa. The expansion of Gatwick to a theoretical capacity of 50 mppa would involve the acquisition of a considerable amount of property, major engineering works, and serious environmental consequences. The main conclusions which can be drawn are:

- i) Allowing for compulsory purchase of properties and planning procedures, a second runway and third terminal with a capacity of 15 mppa could not be available before 1991 (11 years lead-time).
- ii) Further development would be possible by provision of a fourth terminal but there are serious doubts whether air traffic control considerations would allow two runways at Gatwick to be operated independently from Heathrow and at full capacity without severe operational limitations.
- iii) A preliminary assessment suggests that development of Gatwick on a scale similar to that planned for a third London Airport combined with a fifth terminal at Heathrow might have the following consequences for the Ministry of Defence:
 - (a) The departure paths to the north and west of Gatwick might well impose such severe restrictions on the Royal Aircraft Establishment, Farnborough, and the helicopter base at RAF Odiham as to necessitate the closure of these airfields. Costly relocation would then be required.
 - (b) The arrival and departure paths required to the west of Gatwick would impose severe restrictions on a large area of airspace between Farnborough and Taunton causing widespread restrictions on flying from trials and experimental airfields and from military airfields around Salisbury Plain.
 - (c) Airspace available for low flying would be restricted and the MoD(PE) contractor's airfield at Dunsfold would probably have to close.
- iv) Possibly more than 350 dwellings would be destroyed, mainly in the village of Charlwood, and some 1,450 people would have to be displaced. The environmental impact of a major expansion of Gatwick would also be considerable for surrounding communities.
- v) The increase in traffic could expose new areas of Crawley, Horley and other urban areas to significant levels of aircraft noise.

- (vi) Expansion of the airport would impose additional demands on the local labour and housing markets and would lead to considerable increase in surface traffic.

TIMING

6. Neither a fifth terminal at Heathrow nor a second runway at Gatwick could be available in time to meet the shortfall in airport capacity expected in the late 1980s. To do so, it would be necessary to build a new terminal at Stansted, which could be ready by 1988. A second runway and third terminal at Gatwick could not be available until 1991 at the earliest, and possibly later bearing in mind the complications arising from the planning agreement between BAA and West Sussex County Council not to build a second runway. A fifth terminal at Heathrow could not be fully utilised until the mid or late 1990s because of the runway constraint and no further development would then be possible at Heathrow.

Even if both airports were expanded to handle 50 mppa each, air traffic control would probably require operational limitations of a magnitude which are unlikely to be acceptable. For example, movements from Gatwick would have to be heavily orientated to the South and there could be no services at all from Luton and Stansted in that direction.

The ACAP report suggests that a fifth terminal at Heathrow would not obviate the need for a third London airport, although it might affect its timing. It positively recommends the Government against resurrecting proposals for the construction of a second runway at Gatwick.