

Gatwick Area Conservation Campaign

GACC

Campaign Office
Stan Hill
Charlwood
Surrey RH6 OEP

01293 863 369
www.gacc.org.uk
gacc@btconnect.com

Rt Hon Patrick McLoughlin MP
Secretary of State for Transport

19 October 2015

There have been a number of recent reports in the press, and comments by the Scottish Nationalist Party, on the comparative costs of infrastructure relating to a new runway at Heathrow or Gatwick. These follow an answer given by Robert Goodwill to a recent PQ in which he indicated that whichever airport was selected would be expected to pay for the necessary infrastructure - a policy we fully support.

It has come to our attention, however, that the comparative costs as quoted are extremely misleading.

At Heathrow the infrastructure costs were calculated by the Airports Commission at £5.7 billion, and the need to include these in the cost of a new runway is said to be a 'black hole at the centre of the Heathrow runway plan'. At Gatwick the infrastructure costs were assessed at under £1 billion, and Gatwick Airport Ltd have promised to meet them.

Both sets of costs are calculated for the year 2030, which would appear to be fair. Why they are misleading is because in 2030 the forecasts show the new Heathrow runway as handling 35 million extra passengers while at the same date a Gatwick runway would be handling only 8 million. Thus the extra road and rail traffic generated at Heathrow would be far greater than that at Gatwick, and (when added to the need to tunnel the M25 at Heathrow) accounts for the difference in infrastructure costs.

As Sir Howard Davies has set out in his letter to you dated 7 September, the difference in forecasts is because of the pent-up demand for Heathrow, and the fact that a new runway at Gatwick would struggle to attract passengers in competition with Stansted and Luton.

The danger for the public finances in using these forecasts based on 2030 is that if by 2050 a new Gatwick runway was operating at full capacity, all the cost of the additional infrastructure would fall on the Exchequer.

The infrastructure proposals made by Gatwick Airport Ltd for the year 2030 do not include any widening of the M23 or M25, merely hard-shoulder running; and no improvements to the Brighton main line except using longer trains. Yet by 2050 with Gatwick operating at full capacity - larger than Heathrow today - it is obvious that there would need to be widening of the southern segment of the M25 and a widening of the M23 with perhaps a hugely expensive extension of this motorway into central London. The Airports Commission mentioned the possible need by 2040 to rebuild East Croydon station on two levels and take extra rail lines underground from there to Victoria and London Bridge.

This extra cost could not be less than £10 billion. On the formula quoted by Robert Goodwill all this cost should be borne by Gatwick Airport Ltd. Perhaps not now but with a legally binding commitment to pay when the need arises.

If the Heathrow infrastructure cost is a 'black hole' this is a black canyon a few years down the road at Gatwick.

If you are preparing briefing for the Cabinet and for Parliament on the rival merits of Heathrow or Gatwick we trust that this issue will be included. If not any subsequent decision could be subject to judicial review.

As this involves potential public expenditure, I am copying this to the Chief Secretary to the Treasury.

Brendon Sewill CBE
Chairman