

Date: 22 Aug 2019
Ref: WP CAP1819

Sent by email to:
economicregulation@caa.co.uk

Dear Sir/Madam

CAP1819: Economic regulation of capacity expansion at Heathrow airport: consultation on early costs and regulatory timetable.

Buckinghamshire County Council (BCC) welcomes the opportunity to respond to the Civil Aviation Authorities (CAA) latest policy update and consultation (**CAP1819**). Heathrow has confirmed that Buckinghamshire will be a host authority for the Heathrow expansion, principally as a location for mitigation.

In April 2017, County Council members passed a Motion of support to the Government's preferred option of a third runway at Heathrow. This support was conditional upon adequate measures to mitigate the impact on residents in the south of the county, particularly our communities in the Ivers.

As the strategic authority in Buckinghamshire, BCC is keen to ensure that Heathrow Airport Limited efficiently and effectively fund and deliver expansion. Given the significant rise in costs published within this consultation, BCC would also want to reiterate four areas which are paramount for Heathrow expansion to address through design, mitigation, construction and operations. These are:

- Local surface access improvements within and through Buckinghamshire, in particular in the heavily pressurised Iver's area for example the Iver Relief Road.
- Green and Blue infrastructure mitigation
- Delivery and phasing of mitigation measures
- A phased increase in air traffic movements in parallel with transport and environmental improvements

Main Comments

BCC welcome's the proposed improved scrutiny and assessment of HAL's costs to ensure efficiency, affordability, and financeability of expansion. We are also encouraged by the strengthening of governance and incentives to improve the affordability of financeability of the project.

However, as a result of the reporting of the significant increase in Cat B and early Cat C costs, we are concerned about the available funding for infrastructure and mitigation measures which may be considered as 'non-essential'; we want to ensure that all appropriate mitigation is delivered in timely manner. Where CAP1782 states the CAA would expect HAL to 'defer non-essential capital expenditure' should the project encounter financeability issues, BCC is keen to clarify what may be at risk. In particular, we would be keen to ensure that green and blue infrastructure mitigation is not something which may be considered 'non-essential', given there is an opportunity from expansion to leave a significant sustainable gateway legacy into Buckinghamshire and the Colne Valley Regional Park. The County Council would also like to ensure that long term sustainable funding mechanisms are agreed to ensure the future operating costs do not fall on the local authorities.

Our concerns regarding future funding shortfalls extends to all the proposals that may come as a result of Heathrow expansion. We consider that HAL, funding partners, and central Government should protect local authorities from these potential costs and put a mechanism in place to enable funding to come forward to deliver all requisite mitigation. Given that HAL have reworked the package of infrastructure delivery by 2026 in order to keep to the £14 billion estimation, we would be looking for confirmation that essential mitigation has not slipped from the initial phasing; HAL needs to ensure that they are truly mitigating the impacts of expansion prior to having an expanded capacity in place.

Further to this, we consider that there must be a principle condition, across all regulatory regimes for expansion, which links a phased increase in air traffic movements with the delivery of transport and environmental goals. As a condition of approvals, and to meet the Airports National Policy Statement to improve air quality and environmental conditions through the expansion, we believe that the increase in air traffic movements should only come when sustainable traffic methods and schemes are shown to be in place and effective. Otherwise we are concerned that increased air traffic and the associated increase in surface access traffic will lead to emissions contributing to the air quality and quality of life in an area subject to a number of national infrastructure projects, particularly the Iver's.

We welcome the progression of regulatory policy on the Heathrow expansion and look forward to continuing to ensure that the project can be delivered efficiently.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Bill Chapple', with a stylized, sweeping flourish at the end.

Cllr Bill Chapple OBE
Cabinet Member for Planning and Environment

County Council



Notices of Motion

One motion has been received.

The Expansion of Heathrow Airport

Proposer: Martin Tett
Seconder: Mark Shaw

Resolution

This Council notes the Department for Transport's consultation on a National Policy Statement for runway capacity in the south east of England.

As a result of the economic benefits that could be achieved for Buckinghamshire, this Council supports the Government's preferred option of a third runway at Heathrow. This support is conditional upon the provision of appropriate mitigation for areas impacted in the south of the county, particularly the Greater Iwer area. With this in mind this Council resolves to enter into discussions with both the Department for Transport and Heathrow Airport Limited to ensure Buckinghamshire benefits from the proposed development.