

**ENVIRONMENT, PLANNING & TRANSPORT CABINET PANEL
MONDAY, 5 FEBRUARY 2018, AT 10.00AM**

**PRESENTATION BY LONDON LUTON AIRPORT LIMITED REGARDING
RECENT, ONGOING AND PROPOSED DEVELOPMENT/GROWTH AT LONDON
LUTON AIRPORT**

Report of the Chief Executive and Director of Environment

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1. Purpose of report

- 1.1 To update the Panel on the work of London Luton Airport Limited (LLAL).
- 1.2 To introduce a presentation from Robin Porter, Deputy Chief Executive & Corporate Director Customer and Commercial, Luton Borough Council and Laura Church, Corporate Director Place and Infrastructure Luton Borough Council

2. Summary

- 2.1 This report is a short briefing by way of introduction to a presentation to Panel by London Luton Airport Limited (LLAL) on recent, ongoing and proposed development/growth at London Luton Airport (the 'Airport'), and in particular the recent publication by LLAL of its Vision for Sustainable Growth 2020-2050 for London Luton Airport. The presentation and this report do not deal with ongoing live issues relating to aircraft noise impacts, flightpaths and potential flightpath changes.

3 Recommendations

- 3.1 That the Environment, Planning and Transport Panel note the content of this report and subsequent presentation from Luton Borough Council.

4. Background

London Stansted Airport - Background

The Airport is owned by LLAL, a company wholly owned by Luton Borough Council. Since 1998 it has been operated by London Luton Operations Ltd (LLAOL), which is owned by a consortium (including Aena and Ardian), on a concession until 2031. It is the only major UK airport remaining wholly publicly owned. It has a single runway, running roughly east to west, with a length of 2,160 m (7,087 ft).

4.1 History

- 4.1.2 The Airport was officially opened on 16 July 1938 by the Right Honourable Kingsley Wood, Secretary of State for Air as one of a series of municipal airports being developed at that time. It was thought of as the northern terminal for London. During the war, the airport was a base for 264 Fighter Squadron as well as a manufacturing site where both civil and military aircraft were designed and built. In 1952 civil use of the airport resumed and a new control tower was opened and during the 1950s and 60s it started to play an important role in the development of the affordable 'package holiday' business in the UK. By 1969, a fifth of all holiday flights from the UK departed from the Airport.
- 4.1.3 The Government 'Airports Policy' White Paper published in 1978 recognised the Airport as an integral part of the London airports system which led to its continued growth, with support for *'improvements to the terminal at Luton to increase capacity to 5 million passengers a year, but no development beyond that point'*. In 1985 a new international terminal building was opened by HRH The Prince of Wales and in 1990 the Airport was renamed 'London Luton Airport' to reflect its standing in the London airport network. During the late 1980s, Ryanair was pioneering low cost or 'no frills' flying to Europe from the Airport. In 1995, the Airport helped to expand this new concept by becoming the first UK base for easyJet.
- 4.1.4 Between 1992 and 1996, the Airport's infrastructure was enhanced through the provision of a new air traffic control tower, new cargo centre, the extension and refurbishment of the passenger terminal, new access road, extension of car parking and the installation of a new instrument landing system.
- 4.1.5 Planning permission was granted in 1998 for the construction of alterations and extensions to the terminal building, aircraft stands, first phase of a parallel taxiway and remodelling of car park and drop off area. In 1999 a revamped £40-million terminal was opened by HM the Queen and HRH the Duke of Edinburgh. At that time, a new £23 million Luton Airport Parkway Station (LAPS) opened by Railtrack. In 2003 and 2004 planning permission was granted for the erection of a single storey extension to the terminal building, to form immigration hall and of a two storey link building required by the security services to allow for the separation of arriving and departing passengers.

- 4.1.6 A new departure hall opened in July 2005 in response to a new and significant proposal by Ryanair to add an additional 1.5 million passengers per annum (mppa). This development featured construction of a new pier and related stands, a new retail area, a new immigration hall, new central search area, new link building and expanded the number of boarding gates from 19 to 26. Also in 2005, two new aircraft parking stands, with a docking guidance system were created. Since then a wide range of improvements has been made involving construction of taxiways.
- 4.1.7 In 2003, at a time when the Airport was handling about 7 mppa, forecasts suggested there would be sufficient demand to justify expansion to 30 mppa and 240,000 Air Traffic Movements (ATMs). At that time Government expressed (The Future of Air Transport, 2003) its support for the growth of the Airport up to the maximum use of a single full-length runway - involving either an extension to the existing runway or a replacement runway, based broadly on the current alignment, lengthening it from 2,160 m (7,087 ft) to 3,000 m (9,843 ft). This support was on condition that the overall environmental impacts would be carefully controlled and adequate mitigation provided. Proposals by the Airport for a second, close parallel runway to provide a total capacity of about 62 mppa were not supported by Government. Options for maximum use of a single full-length runway were not progressed.

4.2 More recently

- 4.2.1 In 2013 new Government policy came into force in the form of the Aviation Policy Framework (APF). This replaced the 2003 Government policy and removed any support national support for a full length single runway at the Airport. In the APF the Government supports best use of existing airport capacity:

'The Government wants to see the best use of existing airport capacity.'

'1.60 In the short term, to around 2020.....'

- *making best use of existing capacity to improve performance, resilience and the passenger experience;.....'*

- 4.2.2 In 2012, the Government announced the creation of an independent Airports Commission to identify and recommend to Government options for maintaining the UK's status as an international hub for aviation. An invitation to submit outline proposals for adding new airport capacity in the longer-term generated fifty-two proposals, including a four runway proposal for the Airport. This did not have the support of LLAL. The proposal was not taken forward by the Commission.
- 4.2.3 In July 2017 Government published its 'Aviation Strategy Call for Evidence' which represented the start of a fundamental review of Government Aviation policy. In it Government *'agrees with the Airports Commission's recommendation that there is a requirement for more intensive use of existing airport capacity and is minded to be supportive of all airports who wish to make best use of their existing runways including those in the South East'*.

4.3 New Masterplan and Planning Permission for development to grow the airport to a throughput of 18mppa

4.3.1 In 2012 LLAL and LLAOL published a masterplan for the Airport to grow it from a throughput of around 9.5 mppa at that time to 18 mppa by 2026/7. A planning application was subsequently submitted in 2012 and approved in 2014 for:

- dualling of the road from the Holiday Inn Roundabout to the Central Terminal Area
- improvements of public transport hub adjacent to the terminal
- construction of a multi-storey car park and pedestrian link to the western side of the existing short-term car park
- extension to the mid-term car park and long-term car park
- improvements to the terminal building involving internal reorganisation and minor extensions and building works
- construction of a new pier (Pier B)
- construction of a new taxiway parallel to Taxiway Delta
- taxiway extensions and rationalisation of aircraft parking area with new stands replacing and improving existing stands

4.3.2 Since the grant of planning permission, growth in passenger numbers has been such that it is expected that a throughput of 18 mppa will be achieved by 2020.

4.4. Luton DART

4.4.1 In June 2017 planning permission was granted for Luton DART (Direct Air to Rail Transit) to transform public transport access to the Airport from the national rail network. Work is expected to start in early 2018 and scheduled to be operational by 2021. The system will be capable of handling over 2,000 passengers each way per hour and help ensure a target journey time of 30 mins from central London to the terminal is achieved.

London Luton Airport Vision for Sustainable Growth

4.4.2 On Monday 11 December 2017, LLAL published its Vision for Sustainable Growth 2020-2050 (<https://www.llal.org.uk/vision2050.html>) for the Airport ‘to make best use of the existing runway at LTN to provide the maximum benefit to the local and sub-regional economy; to deliver good levels of service; and to actively manage environmental impacts at the local and wider levels in line with our wider commitment to responsible and sustainable development’. A copy of the Vision document is available in the Members’ Room.

4.4.3 The Vision states that the full potential of the Airport’s existing runway is 36-38 mppa, or in the region of 240,000 aircraft movements per year (not involving either an extended or a second runway).

4.5 Throughput

4.5.1 In recent decades, growth in throughput at the Airport has been due mainly to the growth in demand for low-cost carriers. The gradual introduction of new routes by easyJet (which has its UK headquarters at the airport) in particular saw passenger numbers rise from 1.9 mppa in 1995/6 to 3.4 mppa in 1997/8. Since LLAOL took over the airport in 1998 the number of passengers has gradually risen, reaching 10 mppa in 2008, before falling to 8.7 mppa in 2010, a fall largely attributable to the global recession. Passenger numbers increased again in 2011 to 9.6 mppa and since then have risen to 15.8 mppa in 2017, making 2017 the Airport's busiest year on record. It now serves more than 140 destinations across Europe, Asia and Africa.

4.6 Consultative Committee

4.6.1 The Airport has a Consultative Committee (the London Luton Airport Consultative Committee) operating as an advisory body constituted in respect of London Luton Airport (the "Airport") in accordance with section 35 of the Civil Aviation Act 1982. The terms of reference and purpose of the Committee are as follows:

- to enable aerodrome operators, communities in the vicinity of the aerodrome, local authorities, local business representatives, aerodrome users and other interested parties to exchange information and ideas;
- to allow the concerns of interested parties to be raised and taken into account by the aerodrome operators with a genuine desire on all sides to resolve any issues that may emerge; and
- to complement the legal framework within which the aerodrome operates.

4.6.2 The County Council is represented on the Committee by Cllrs David Williams and David Barnard.

5. County Council position on London Luton Airport

5.1.1 The County Council's position on aviation and the Airport is set out within the current Local Transport Plan and 'Hertfordshire County of Opportunity Corporate Plan 2017-2021', as follows:

Hertfordshire County of Opportunity Corporate Plan 2017-2021

'Opportunity to thrive - across Hertfordshire, we want to see:

.....

- *Our natural environment and diverse habitats protected from excessive or inappropriate growth, including the negative effects of airport expansion.'*

Local Transport Plan

'3.2 Airports

The Air Transport White Paper published in December 2003 set out the government's then policy for airport development. The intention was that full use would be made of the capacity of existing runways and in addition a second widespaced runway was proposed at Stansted and a full-length runway at Luton. The county council's position remains strongly against these proposals. A new National Policy Statement on Airports due to be published in 2011 will set out a different policy to that of the White Paper.'

A) The county council is opposed to new runway development at Luton and Stansted Airports.

B) Should any future development and growth in passenger numbers at either Stansted and Luton Airports be promoted, the county council will seek the provision in Hertfordshire of adequate supporting surface access infrastructure and services to meet the needs of airport users while minimising the impact on local and other travellers. The county council will seek assurance that the funding of such improvements will be in place before growth occurs.

C) The county council will promote and where possible facilitate a modal shift of both airport passengers and employees towards sustainable modes.'

6. Presentation by LLAL

6.1.1 Panel are to receive a presentation by LLAL on recent and ongoing developments at LLA, and in particular the Vision for Sustainable Growth 2020-2050.

7. Financial Implications

7.1 There are no financial implications as a result of this report.

8. EQIA

8.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equality implications of the decision that they are making.

8.2 Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty.

8.3 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and

persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

8.4 No EQIA was carried out as there are no decisions are being made.