

LONDON ASSEMBLY

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CC. Rt Hon George Osborne MP, Chancellor of the Exchequer

Surface transport access to Heathrow Airport

Following the publication of the final report from the Airports Commission recommending a third runway at Heathrow Airport, the London Assembly Transport Committee has been considering the surface transport implications of the report. This has been informed both by Sir Howard Davies' appearance at an Assembly plenary meeting in September, and a subsequent discussion with Transport for London at the Transport Committee.

In summary, the Committee is concerned that the Airports Commission's report does not fully take into account the implications for London's transport system, should a decision be made to expand Heathrow. If the Government decides to support the third runway proposals, we believe a further commitment to funding a range of surface access upgrades would need to accompany this decision.

Demand increase

The Airports Commission has projected a rise in the number of passengers using Heathrow from 73 million per year, to 148 million per year by 2050 if a third runway is delivered. This doubling of passenger numbers, in addition to the growth in freight traffic and the airport workforce, will mean that there needs to be a corresponding increase in the capacity of the transport network.

The Commission's report, however, does not attempt to model necessary capacity upgrades beyond 2030, long before the runway would be fully utilised. It projects that 125 million passengers will use the airport annually by this date, and sets out the transport schemes required to meet this level of demand.

The Transport Committee understands that the Commission did not feel able to make predictions about what transport schemes may be brought forward beyond 2030. Although we appreciate the difficulty of making long-term predictions, we believe it is dangerous to ignore the reality that the transport upgrades proposed for the 2030 scenario will fall well short of what will be required assuming the airport is fully utilised in 2050.

Other assumptions made by the Airports Commission in its analysis of surface transport access might also under-estimate the future level of demand:

- A large amount of surface transport to Heathrow is generated by airport staff. The Commission has projected that an expanded Heathrow would have 115,000 staff in 2030. This is a significant increase on today's staff numbers, but represents a fall in the number of staff *per passenger*. While technology such as self check-in machines may reduce the number of staff required at the airport, the scale of this change is not known and it is not clear how the Commission has made its judgment.
- Demand for surface transport is affected by the proportion of passengers that are transferring between flights, as opposed to those beginning or ending their journey at Heathrow. The Commission has projected that 33 per cent of passengers would be transfer passengers in 2030, compared to 37 per cent currently. Bearing in mind that the short-haul leisure market is seen as the key growth area in the industry, we are not convinced by the Commission's assessment that transfer passengers will represent such a high proportion in the future.
- An expanded Heathrow would generate a significant amount of additional freight traffic, and other economic activity in the local areas around Heathrow. The Commission has included freight in its analysis, but we are not convinced that the full potential increase in traffic has been taken into account. In particular, traffic associated with new business activity and development around the airport, which we would expect to increase significantly if the airport is expanded.

A further complication is the Commission's support for a road charging scheme for access to Heathrow. The Commission has set out an ambitious projection that 53 per cent of passengers travelling to the airport will use public transport after a third runway is built, compared to 40 per cent today. The Transport Committee would welcome this level of modal shift among Heathrow passengers. The full impact of road charging, however, has not been analysed by the Airports Commission. If it is presumed that road charging would create an even greater modal shift toward public transport, this would of course have environmental benefits but would not be cost-free. In particular, the capacity of public transport routes to Heathrow would likely need to be increased further, but the Commission does not appear to have considered this outcome in any depth. Further clarity on this issue is required.

Funding capacity upgrades

The transport schemes identified as being required, if a decision is made to expand Heathrow, include upgrading of the M4, M25 and other local roads, upgrading the London Underground's Piccadilly Line, Crossrail, High Speed 2 and the 'Southern Rail Access' scheme connecting Heathrow to Waterloo. It is likely that further schemes would be required to support a 'full utilisation' scenario by 2050, as set out above. This would represent a highly ambitious and costly programme of upgrades.

We understand that the Airports Commission has estimated that the cost of upgrading surface transport upgrades for an expanded Heathrow – for the 2030 scenario – is around £5.7 billion. This represents only a part of the total cost of the required upgrades, because the Commission has only cited the costs supposedly 'directly' attributable to Heathrow. The total cost of the identified upgrades is likely to be around £15-20 billion, as estimated by Transport for London.

Even if the Commission is correct that just £5.7 billion of the required funding is directly attributable to Heathrow expansion, it is misleading to create the impression that the necessary surface transport upgrades can be delivered for this cost. The required schemes will be varied, complex, and fully integrated with the wider London transport system. There is no option to fund them partially, or to deliver some but not others.

We understand the Commission's position that its remit was to focus on the costs of airport expansion, but we expect the Government to take a broader view and make a more realistic assessment of the costs of upgrading surface transport to Heathrow.

If the Government does give the go-ahead for a third runway without ensuring that the necessary investment in the transport system is delivered, the consequences for London's transport system will be severe. Overcrowding on public transport is likely to escalate beyond acceptable levels, and additional road congestion will cause significant increases in journey times and air pollution.

We recommend that the Government gives full consideration to the surface transport implications, should the Government decide to support airport expansion. A costed plan to deliver the required capacity upgrades needs to accompany its final decision and be published alongside the Government's proposals.

Yours sincerely,

A handwritten signature in black ink, reading 'Valerie Shawcross'.

Valerie Shawcross CBE AM
Chair, Transport Committee