

# The Harpenden Society ("The Society")

## Summary Written Representations on the Luton Rising ("LR")

### Development Consent Order ("DCO") application

#### Climate change

- 1 An overriding concern of the Society is that the DCO fails to address the "elephant in the room" i.e. the increase in aircraft CO<sub>2</sub> emissions claiming that these are a central government responsibility. The Climate Change Committee in its report to Parliament 28 June 2023 ("CCC report") recommended that "No airport expansions should proceed until a UK-wide capacity management framework is in place to annually assess and, if required, control sector GHG emissions and non-CO<sub>2</sub> effects." The ExA should include this condition in the DCO otherwise, growth at Luton airport will compromise the UK's ability to meet its Net Zero obligations.

#### The draft DCO

- 2 LR are proposing to exclude the need for the Secretary of State's consent to the transfer of the benefit of the order post concession under 8(4)(b) of the DCO where the transfer is to an "airport operator".
- 3 If LR, or any other airport operator, appointed by LR, is to undertake the future development of the airport it is essential that the Secretary of State is satisfied that either has in place people with the relevant experience to undertake airport development and management.
- 4 LR is proposing in section 26(1) of the DCO that the time limit for the exercise of authority to acquire land compulsorily extend to 10 years, a very significant extension to the statutory time limit of 5 years. The period of exercise should be limited to the statutory period of 5 years as the reasons given for a longer period are invalid it's still the same land.

#### The Funding Statement

- 5 DCO's that propose the compulsory acquisition of land must comply with paragraph 5(2)(h) of The Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 which states:

*"...a statement of reasons and a statement to indicate how an order that contains the authorisation of compulsory acquisition is proposed to be funded;"*

- 6 The Funding Statement merely sets out, in section 4, a number of aspirational options for funding each Phase.
- 7 There is no evidence that either LR, Luton Borough Council ("LBC") or London Luton Airport Operations Limited ("LLAOL") are able or, in the case of LLAOL, willing to raise the funds. LLAOL in their letter of "support" state that their support is subject to the "commercial agreement".

- 8 In colloquial terms, LLAL is what commentators call a “zombie company”, which Wikipedia defines as “a company that needs bailouts in order to operate”.
- 9 Total debt attributable to LR in LBC’s accounts is close to £500m. According to the annual Treasury Management Report, LBC is close to its borrowing limits already. LBC is required to have regard to the CPIFA Prudential Code 2021. The Code does not allow investment primarily for yield.
- 10 Ernst & Young (“EY”), LBC’s external auditor, have produced a draft audit report for 2018/19 which refers to Phase 2 as being “*highly speculative, uncertain and likely to have a reduced net present value*”. There must be considerable uncertainty as to whether any investor will invest in Phase 2.

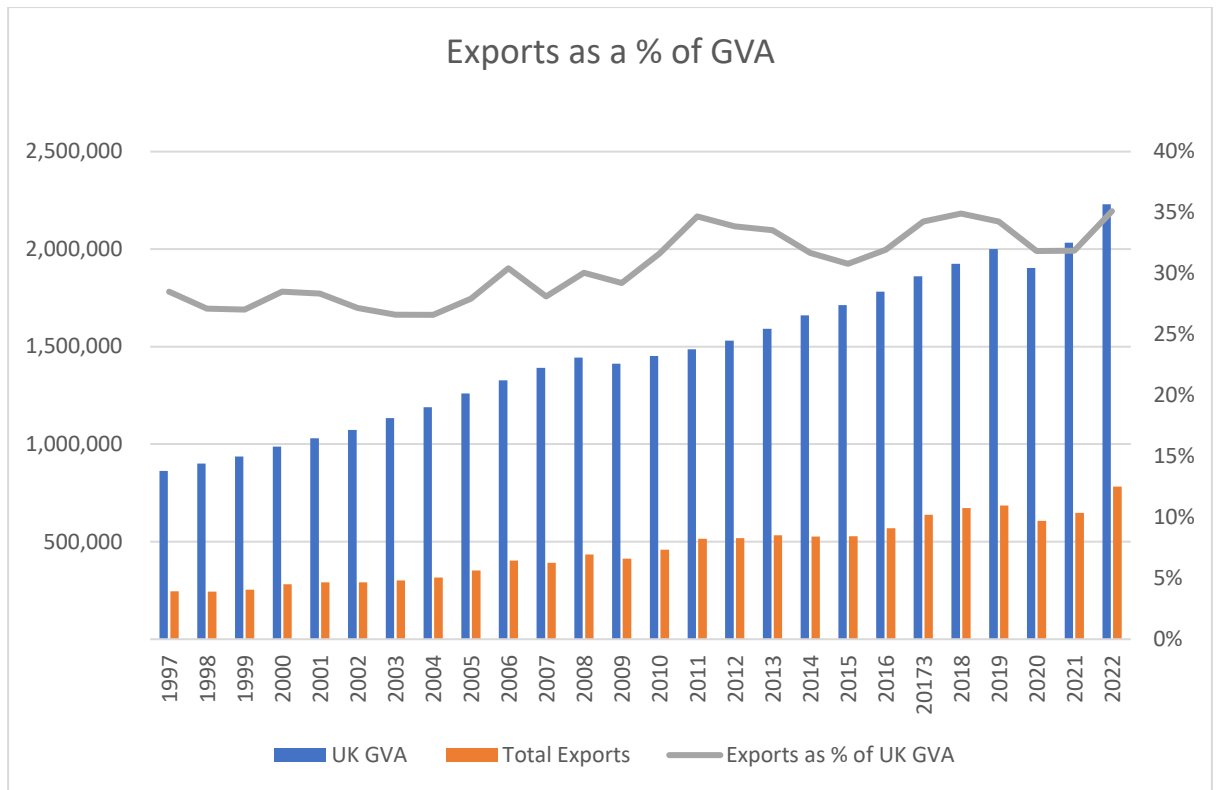
## The Need Case

### Economic Context

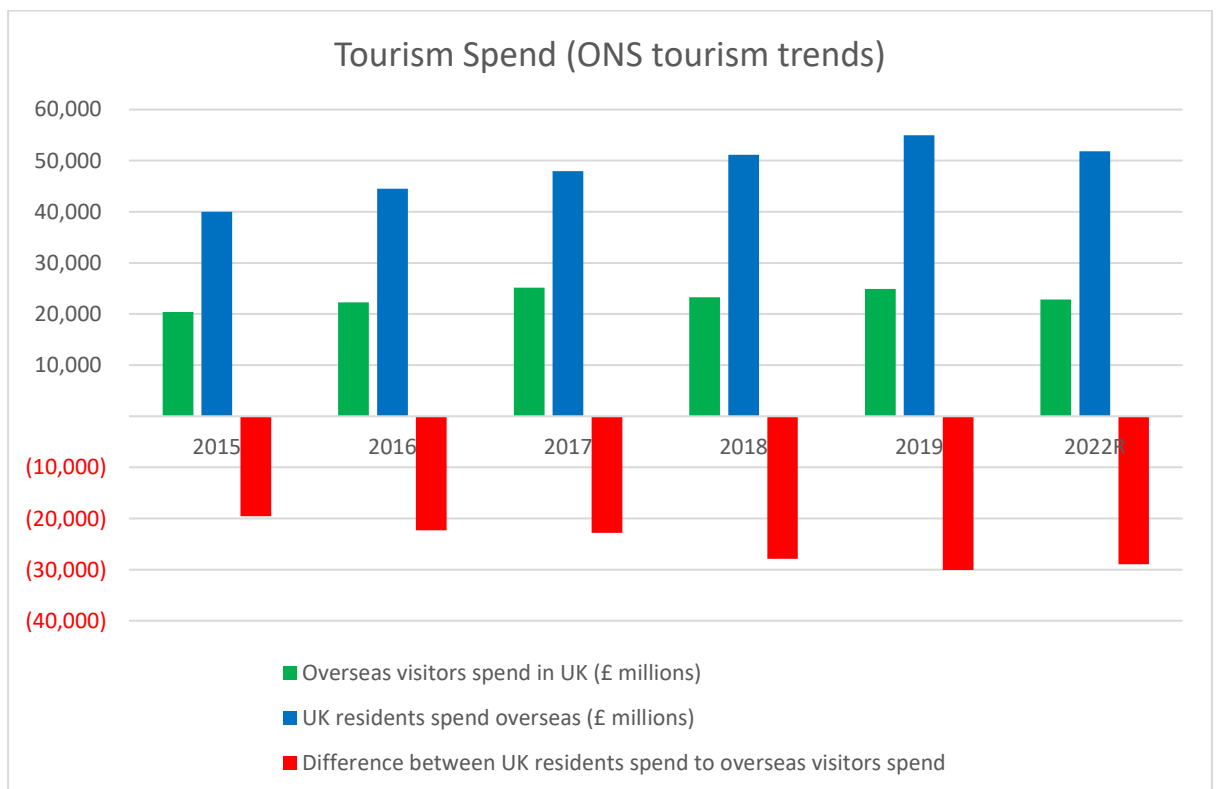
- 11 LR claim that Luton airport’s growth is supported by the clustering of air intensive and air sensitive sectors in Luton, the Three Counties and the Six Counties.
- 12 Our analysis of the same Office for National Statistics (“ONS”) Supply and Use Tables 1997 to 2019 and 2019 Employment data suggests a different story.
- 13 Furthermore, employment in these industries in the three areas is little different to the Great Britain (“GB”) position.
- 14 LR claims that there is evidence of clustering of key scientific, technology and high technology manufacturing around the airport.
- 15 Our analysis shows that the evidence of clustering of key scientific, technology and high technology manufacturing employment around the airport is limited, as illustrated by in the table below.

<b>Key industry</b>	<b>Luton</b>	<b>Three Counties</b>	<b>Six Counties</b>	<b>GB</b>
Life Sciences & Healthcare	10%	6%	7%	8%
Digital Technologies	2%	4%	4%	3%
Other scientific/technological services	6%	4%	5%	4%
Publishing & Broadcasting	1%	3%	4%	3%
Other scientific/technological manufacture	4%	2%	2%	3%
<b>Total</b>	<b>24%</b>	<b>19%</b>	<b>22%</b>	<b>21%</b>

- 16 LR shows the percentage of GVA (30%) that exports of goods and services comprise in the East of England. LR claim this demonstrates the “strong international focus which drives an ever-growing need for international connectivity”. It doesn’t. As the graph below illustrates the UK as a whole has exported, on average, 33% of its annual GVA for decades.

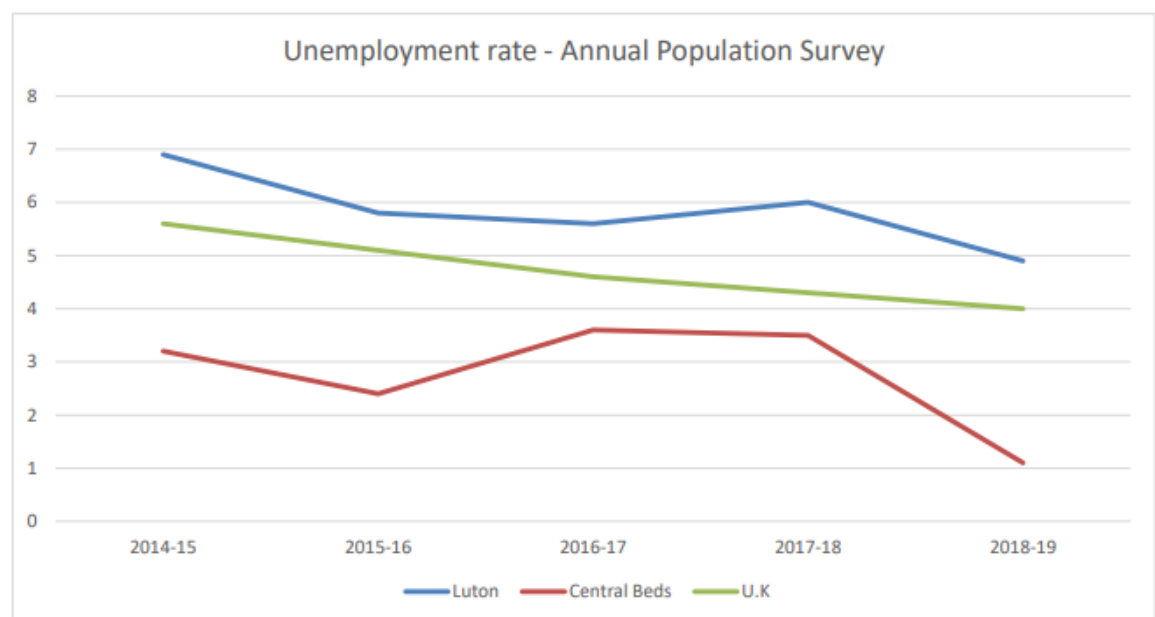


- 17 LR takes into account inbound tourism but doesn't account for outbound tourism. Data available from ONS Travel Trends reports for travel spend where the mode of travel is air shows that the negative economic effects of outbound travel significantly outweigh the positive economic effects of inbound travel.



- 18 LR claims that outbound tourism delivers mental health benefits and uses that as a reason to justify ignoring its economic cost. However, 50% of the UK population does not travel abroad and a further 15% take 70% of all flights and this has been a consistent trend according to the ONS which implies that regular fliers are taking more flights rather than more people availing themselves to foreign travel for mental health benefits.
- 19 LR's claim that Luton airport's growth is beneficial for tourism only by reference to inbound tourism benefits is a completely one-sided and wholly inaccurate position.
- 20 LBC's own analysis of the change in deprivation between 2015 and 2019 shows hardly any change<sup>1</sup>. Airport growth has had little impact on deprivation. This is not surprising as the jobs on offer, as a result of expansion, in Luton are most likely to be seasonal, low pay, low job security and low skill.
- 21 Furthermore, as LR note, Covid had a greater impact on Luton than elsewhere BECAUSE of Luton's reliance on the airport.
- 22 Employment data for the period 2014-15 to 2018-19<sup>2</sup> show that the unemployment rate in Luton and Central Bedfordshire fell at a rate consistent with the fall in UK:

**Figure 5: Unemployment rate – Annual population survey**



Latest data: Annual Population Survey Q3 2019  
Next Update: Published quarterly  
Source: Office for National Statistics via NOMIS

- 23 The same is true for the rate of economic activity across all age groups which grew by less than 1% in Luton and Central Bedfordshire but by more than 1% across the UK.

<sup>1</sup> [Indicies of Multiple Deprivation insert \(luton.gov.uk\)](https://www.luton.gov.uk/indicies-of-multiple-deprivation-insert)

<sup>2</sup> [Economic and demographic report \(luton.gov.uk\)](https://www.luton.gov.uk/economic-and-demographic-report)

- 24 It is unlikely that growing the airport will alleviate Luton's higher than average unemployment rate – the workforce needs to be skilled up and higher value employers encouraged to locate in Luton.
- 25 The proportion of the whole area GDP that the airport comprised (per OE) in Luton, the Three Counties and Six Counties (compared to ONS data for regional GDP) in 2019 was as follows:

<b>Area</b>	<b>Airport GDP impact (£ millions)</b>	<b>Area total GDP (£ millions)</b>	<b>% impact the airport has</b>
Luton	831	6,131	13.6%
Three Counties	1,091	74,131	1.4%
Six Counties	1,267	183,205	0.7%

- 26 The economic contribution of Luton airport is only material to Luton.
- 27 In Halcrow's report for the 2014 planning permission the total income projection for Luton was assessed at £789 million in 2011. On the face of it very little additional (local) GDP has been generated by the airport growth from 2014 to 2019 if that figure is only £831 million in 2019 (per OE).
- 28 A future concessionaire will drive a hard bargain reflecting the airport's overdependence on the airport and the high risks attached to Phase 2. The LR proposal that £1 from every passenger above 18 million will go to a new Community Fund should be treated with the utmost caution.

## Noise and vibration

- 29 LR makes no effort to share the benefits of improved technology between communities and the aviation industry as required by aviation policy. This is illustrated in the table below which shows how the "do minimum" noise contours (which would represent a 100% community share of technology developments) are largely absorbed by the aviation industry as the Proposed Development progresses:

	2019	2027	2039	2043
<b>54dB Leq 16hr</b>				
Do minimum (dB)	35.4	26.3	22.1	21.8
Full community benefit (dB) over time		9.1	13.3	13.6
GCG limits (Note 1) (dB)		33.6	32.6	32.6
Proposed community benefit (dB) over time		1.8	2.8	2.8
Share attributable to communities		20%	21%	21%
Share attributable to industry		80%	79%	79%
<b>48dB Leq 8 hr</b>				
Do minimum (dB)	45.3	32.4	28.4	21.8
Full community benefit (dB) over time		12.9	16.9	23.5
GCG limits (Note 1) (dB)		44.8	43.2	43.2
Proposed community benefit (dB) over time		0.5	2.1	2.1
Share attributable to communities		4%	12%	9%
Share attributable to industry		96%	88%	91%

#### Note 1

The GCG limits which represent faster growth apply for five years so the noise contours for each assessment phase are for the year that falls within the five year period

- 30 LR's long term noise goals are incompatible with the long term noise limits set in the 2014 planning permission. For the 57dB Leq 16 hr daytime contour LR's 2042 Faster Growth target is 17.4km<sup>2</sup> whereas the 2014 consented limit for 2031 and beyond was 15.2km<sup>2</sup>. For the 48dB Leq 8 hour night-time contour and this shows LR's 2042 Faster Growth target of 43.2km<sup>2</sup> compared to the 2014 consented limit of 37.2km<sup>2</sup>.
- 31 The upshot of this is that, effectively, no noise improvements will have been made as a result of the 2014 planning consent.
- 32 We do not believe that the fleet mix used in the noise modelling is representative of the likely fleet mix.

## Green Controlled Growth

- 33 We have no confidence that the noise limits set in the GCG proposals properly reflect national aviation policy.
- 34 We have no confidence in any proposal that leaves LBC as the decision maker so far as enforcement action related to planning limits is concerned due to its conflict of interest.