

PROPOSAL TITLE:	Walland Marsh	Short Term	<input type="checkbox"/>
SUBMITTED BY:	Private individual	Medium/Long Term	<input checked="" type="checkbox"/>

PROPOSAL

To develop a modular four runway airport on Walland Marsh on the southern Kent coast as a replacement for either Heathrow, Gatwick or Stansted airport. This is essentially the location of the existing Lydd Airport.

INITIAL ASSESSMENT COMMENT

Very high level, 3 page submission, setting out the idea of developing an airport effectively at the location of Lydd Airport.

The site presents significant operational challenges and it is not clear that the scheme would be commercially viable in competition with Heathrow. Alternatively, should Heathrow be closed, it is not clear that the location offers significant benefits over other potential locations for new capacity.

OVERVIEW

Proposal	To develop a modular four runway airport on Walland Marsh on the southern Kent coast as a replacement for either Heathrow, Gatwick or Stansted airport. This is essentially the location of the existing Lydd Airport.		
Approach	No details provided. Following enabling legislation an appropriate Special Purpose Vehicle could be established to construct and operate the airport and manage the, State led, closure of Heathrow, Gatwick or Stansted Airport.	Assumed Capital Cost	£50 bn+
Potential Benefits	<ul style="list-style-type: none"> Higher capacity hub could improve resilience, reducing delays and travel times for passengers and cargo, reducing airline operating and capital costs and long-run fares. Additional hub capacity could support growth in range of flight destinations, frequencies and airlines. Potential for enhanced connectivity internationally, and between regional UK location and the rest of the world. Low additional population affected by noise compared with Heathrow. 	Additional Capacity (mppa)	40
		Additional Capacity (ATM)	275,000
Key Issues & Risks			
Strategic Fit	<ul style="list-style-type: none"> The proposal increases the net capacity of the London system, and although it is at the expense of current capacity at Heathrow, it would be assumed to be provided in a configuration that would add efficiency and reliance to the London system. Therefore, the scheme may be seen as aligned with the Commission's remit. 		
Economy	<ul style="list-style-type: none"> Adverse impact to businesses and workforce around Heathrow, Gatwick or Stansted should they be required to close. 		
Surface Transport	<ul style="list-style-type: none"> Location is 60 miles from London, 73 miles by road and currently has poor transport links. Substantial investment required for new surface transport to serve greenfield location. 		
Environment	<ul style="list-style-type: none"> Significantly impacts on sites of environmental designation. 		
Cost	<ul style="list-style-type: none"> No details provided. Large construction costs can be assumed given the scale of the development, in addition to substantial road and rail infrastructure investment. In addition, costs would be incurred through the probable closure of Heathrow. 		
Operations	<ul style="list-style-type: none"> The location of Dungeness nuclear power station and associated restricted area of airspace likely to cause operational and capacity constraints. 		
Delivery	<ul style="list-style-type: none"> Should private finance be required, it is probable that a range of support measures would be required including government support / commitment and supportive regulatory framework and planning environment. Additional capacity presented above assumes that Heathrow would be closed to render the new hub airport commercially viable. The scale of private financing involved is large and deliverability is not certain despite significant government funding and underwriting of risk. The required government support also raises fundamental value for money and government accounting questions. Legality of this support (e.g. State Aid) uncertain. Should it be assumed that Heathrow would remain in operation, this may raise certain risks (e.g. re level of demand) that could render the scheme commercially unviable. 		