

## The Mayor of London's response to the Airports Commission consultation on shortlisted options

# Delivery

## Supplementary Note 16

February 2015

---

### Key findings

- All three of the Commission's shortlisted options entail risks to their delivery, comparable to those for the options previously discarded. Further assessment is required to fully understand their importance.
- The Commission deems all risks to be capable of mitigation in the time available, with little consideration of cost or the degree of opposition that might have to be overcome.
- There has been no consideration of the extent to which declared levels of capacity might not be achieved because of possible constraints during construction and full operations. For example, the Commission state that Heathrow northwest runway could enable a total capacity of 149 million passengers per annum (mppa), but do not take a view on how likely this is to be achieved.
- The delivery risks associated with a second new runway – following either a third runway at Heathrow or a second runway at Gatwick – have not been assessed. This is despite the Commission stating in their interim report that it is 'likely' that further runway capacity serving London and the South East will be needed.

### Key recommendations for further work

- The Commission should evaluate the delivery risks associated with options for a second new runway, now.
- The Commission should assess the shortlisted schemes in light of potential operating constraints that may result from the planning process.
- The Commission should consider the impact of construction activity on the transport network and local communities.

## A: Key observations

1. All three of the Commission's shortlisted options entail risks to their delivery, comparable to those for the options that the Commission has previously discarded; further assessment is required to fully understand their importance
  - 1.1. The report does not distinguish between the three schemes in terms of overall scale of their respective delivery risks. The Commission has assumed all required mitigations can be delivered in the appropriate timeframe, yet insufficient evidence is presented as to either their effectiveness or the costs of the requisite mitigations.
  - 1.2. The Commission acknowledges that achieving the relevant approvals for the Heathrow extended northern runway option (ENR) will require significant work and take a prolonged period of time. The CAA in its Preliminary Safety Assessment (CAP 1215) states that sometimes new concepts have to be trialled to gather the evidence to prove the safety case. This delivery risk is treated equally to all other delivery risks and no consideration is given to it impacting the declared capacity of the current two runways.
  - 1.3. The Commission discusses a number of items that may affect the commercial viability of the shortlisted options but makes only very limited and unsubstantiated suggestions at mitigations. The limited nature of mitigations considered is evidenced by the fact that no mitigation which reduces the infrastructure costs are proposed at all.
  - 1.4. Further assessment is also required as 3 important risks have not been considered:
    - The extent to which the identified levels of capacity may or may not be achieved.
    - The implications for airport operations, if Heathrow and Gatwick need to be further expanded to meet our long term demand needs.
    - The ability of the shortlisted schemes to achieve planning permission and all the necessary consent approvals in a timely manner.
  - 1.5. The Commission also needs to consider the impact of construction activity on the transport network and the local community. This is expected to vary according to the option chosen.
2. The Commission do not consider the delivery risks associated with the long-term airport capacity growth that we need
  - 2.1. The Commission have failed to appraise a long term strategy by limiting their delivery objectives to the equivalent overall capacity of one new runway by 2030. The

Commission identifies the need for a second additional runway by 2050 so it needs to understand the delivery and integration risks now to be able to make an informed recommendation on the first additional runway.

- 2.2. The Commission has looked to scenarios to 2030. It is entirely reasonable for the Commission to also assess scenarios beyond 2030, prior to the Commission's recommendation, so that the options, risks, and mitigations can be understood. This assessment should cover both the necessary airport infrastructure and site/s, as well as the supporting infrastructure required.

### 3. The Commission deem that identified risks are capable of mitigation

- 3.1. The Commission has made the ambitious claim that the cost of any delivery mitigation will not impact the commercial viability or sustainability of any of the three shortlisted options.
- 3.2. While it is possible for each of these schemes to be delivered within the next 15 years with adequate mitigations and with political and stakeholder support, guaranteeing delivery to this timescale this could come at an extra cost.
- 3.3. By concluding that all risks can be mitigated successfully with no impact to the delivery of any of the shortlisted schemes, the Airport Commission have effectively removed delivery risk as a distinguishing assessment criteria.

### 4. The Commission's assessment of airspace capacity is overly optimistic

- 4.1. The Commission conclude that airspace can be redesigned to accommodate the additional demand from a new runway and that there will be no reduction in airspace capacity available to other airports. It should be noted that National Air Traffic Services (NATS) have not made this assertion in their evidence. It is worth recalling that, in its Interim Report, the Commission noted that: *"Given the proximity of London's airports and the current volumes of traffic, it is likely that building additional capacity at one airport may mean that it is not possible to utilise fully the runway of another."* Until an airspace design can be developed and tested through robust modelling, it would seem highly optimistic to make the explicit assumption that there will be no reduction in capacity.
- 4.2. The Commission appear to deem the future airspace design to be straightforward without evaluating the likely impacts on other airports or the potential public opposition to changes. The impact of redesigned airspace on quality of life or quality of community is not addressed in the Commission's work.

## B: Does the Commission’s assessment constitute a robust approach?

To be robust, the option appraisal must entail a complete assessment. It must also be consistent across all the options, with the Commission’s previous analysis, with best practice in the appraisal of large infrastructure projects – including principles of HM Treasury Green Book – as well being aligned with the Commission’s own Appraisal Framework. The table below sets out a summary of the extent to which the Commission’s assessment meets these requirements.

Table 1: Does the Airports Commission’s assessment constitute a robust approach

Criteria	Met?	Comments/examples
<b>Approach to Assessment</b>		
Aligned with Airports Commission Appraisal Framework?	Partial	Many risks not evaluated; there is no consideration of the transition period, for example – the point at which where the Commission’s Appraisal Framework says ‘arguably some of the biggest risks can arise’.
Consistent approach to assessment: <ul style="list-style-type: none"> <li>Between options?</li> <li>With previously considered options?</li> <li>With best practice/Green Book?</li> </ul>	Partial	The approach adopted by the Commission was not a formal risk assessment which is appropriate at this stage of design. However the basic practice of defining a risk, identifying the causes, impacts and likelihood were ignored completely; this is seen as a weakness in their assessment methodology.  Significantly different treatment of several risks compared to options discarded earlier in the process. i.e. airspace conflicts, surface access demand and costs assessment.
Assessment complete (evidence gaps addressed, suitable geographic/temporal scope)?	No	Delivery risks beyond 2030 not considered. No evaluation of cost or effectiveness of mitigations.
<b>Assumptions</b>		
When multiple scenario or assumption sets used, has the most appropriate been identified – or worst case scenario tested?	n/a	
<b>Analysis: impacts and conclusions</b>		
Risks fully stated and impact reflected in conclusions?	No	Risks and mitigations not defined or evaluated correctly. Conclusions at this stage are therefore unsubstantiated.
Understanding of net/cumulative impacts?	n/a	