



<b>Meeting</b>	<b>CORPORATE STRATEGY AND EXTERNAL AFFAIRS SELECT COMMITTEE</b>	
<b>Date</b>	<b>26 April 2006</b>	<b>agenda item number</b>

## **Report of the Chair of the Corporate Strategy and External Affairs Select Committee**

### **NOTTINGHAM EAST MIDLANDS AIRPORT MASTERPLAN CONSULTATION**

#### **Purpose of Report**

1. On 10 February 2006 Nottingham East Midlands Airport (NEMA) published a draft Master Plan – in effect a blueprint for implementing the conclusions of the Government's Air Transport White Paper (December 2003). The deadline for comments is 14 May 2006. The purpose of this report is to set out Corporate Strategy and External Affairs Select Committee's recommended response to the consultation for referral to Cabinet on 3 May 2006.
2. A Member study group was set up to investigate the issues set out in the draft NEMA Masterplan. The study group undertook a visit to the airport on 6 April, which involved a presentation about the Masterplan by John Froggatt, NEMA Director of Planning and Development, and a tour of the DSL freight hub located at the airport by Tom Harrison, DSL Operations Manager. The study group subsequently met to finalise its advice immediately before an extraordinary meeting of the Select Committee on 26 April 2006.

#### **Background**

3. NEMA has expanded rapidly over recent years. It is now the 11<sup>th</sup> biggest regional airport in the UK, and offers passenger flights to 100 destinations. It is also a major air freight airport, as both the largest "pure freight" airport (i.e. hosting flights which are 100% freight) and the leading express freight airport in the UK.
4. The Air Transport White Paper (December 2003) considered the future of all the airports in the UK. In relation to NEMA it concluded that although there was currently no case for a second runway, the airport should nevertheless be permitted to expand, albeit with stringent controls on night noise. In particular the White Paper predicted annual passenger numbers to grow from 4.5m now to 9.2m in 2016, and to between 12m and 14m by 2030. Cargo will increase from 278,000 tonnes today to 1.2 million tonnes by 2016 and 2.5 million tonnes by 2030. Air movements (take-offs and landings) will increase from

57,400 in 2005 to 110,900 in 2016 and around 180,000 by 2030. A review of the need for a second runway would only be triggered if growth is more rapid than these predictions.

- 5 The airport has brought economic benefits for the Region. The site employs 6,500 people directly, with a total including indirect employment estimated at 9,100. This latter figure is expected to rise to 26,000 jobs by 2030. Most new employment is expected to come from major conurbations to relieve local labour market pressures and assist regeneration. The airport is estimated to contribute £1.3bn per annum to GDP by improving economic performance of local businesses.
- 6 The airport claims to be widely supported by local communities, with 89% of residents within 12 miles of the airport believing it is a good thing for the local area. The Master Plan also claims that regional and local (land use) plans are generally supportive of further expansion, with suitable environmental safeguards.

### **Main proposals**

- 7 The main proposals within the Master Plan may be summarised as follows:
  - Build a small extension to the existing runway. This, it is claimed, will bring environmental benefits including reduced air pollution and noise from take off as lower acceleration is required.
  - The case for a new runway to be reconsidered towards 2030.
  - Expand and improve existing terminal facilities to accommodate growth in passenger numbers.
  - Increase car parking spaces by 84% by 2016, from 10,800 to 19,900. This is proportionately a lower increase than the predicted growth in the number of passengers and employees.
  - Expand cargo and maintenance zones.
  - Encourage development that does not need to be at the airport site instead to be located in or on the edge of urban areas.
- 8 The airport will seek to reduce the environmental impact of current business and future growth as follows:
  - Maintain current environmental management system (ISO14001) and have it independently audited every 6 months.
  - Independent monitoring of air quality around the airport, and keep air pollution within Government limits.
  - Contribute to tackling climate change by using renewably generated electricity on site, and biomass fuels to heat the airport terminal.
  - Apply stringent noise controls, working with the airline operators. There will be a particular focus on reducing night time noise, with a target of containing night noise below 1996 levels at least until 2016. There are also proposals for compensation and grants for the most affected properties.

- 9 The airport is required to produce a surface access strategy which seeks to maximise access using non-car modes. Proposals include providing funding to help provide new public transport connections. The airport has adopted a target that by 2016, 30% of employees should travel by means other than as single occupants in a car (from a current level of 26%); and 10% of passengers should travel by non-car modes (current levels described as negligible).

### **Proposed response**

- 10 The airport has sought views on all aspects of the Masterplan, but in particular on the following areas:

- Growth and development
- Managing the impact of growth
- Development strategy
- Community relations

Having considered the issues in detail, and based on the findings of the study group, the Committee's recommended response is set out in Appendix 1.

- 11 In summary, the response set out in Appendix 1:

- broadly endorses the main proposals in the Masterplan, but subject to a number of caveats
- raises specific concerns over the management of night noise, air quality, and the traffic impacts of growth
- raises the wider issue of climate change caused by growth in air travel, which is not specifically covered by the Masterplan, and which needs to be tackled at national and international rather than at local level

### **Recommendation**

- 12 **The Select Committee is asked to recommend that Cabinet:**

- a) adopts the proposed response to the NEMA Masterplan consultation set out in Appendix 1 as the County Council response; and**
- b) writes to the Department for Transport with a copy of this response, but raising additionally the need for action at the national and international level to address the impact of air transport on climate change, since this cannot be effectively addressed at the local level**

## **Background papers available for inspection**

- 1 Nottingham East Midlands Airport Draft Masterplan consultation document (NEMA - February 2006)
- 2 The Future of Air Transport White Paper (Department for Transport - December 2003)
- 3 Review of the UK Climate Change Programme Consultation Paper (HM Government – December 2004)

## **Electoral Division(s) affected**

All

## **Councillor E Llewellyn-Jones Chair of the Corporate Strategy and External Affairs Select Committee**

### Director of Resources' Financial Comments

There are no specific financial implications arising from this report (NS 27/4/06)

### Legal Comments (PDH260406)

It is within the terms of reference of this scrutiny committee to consider issues external to the County Council which impact on the lives of the residents of Nottinghamshire and to make recommendations to Cabinet.

### Professional/technical comments (NB 25/4/06)

This report has been prepared with significant input from technical officers, who accompanied the study group to the airport, and also attended both study group and Select Committee meetings. It takes account of the relevant technical and professional knowledge and advice supplied to Members.

It should also be noted that a separate joint response to the NEMA Masterplan consultation is being prepared by the Six Principal Authorities (the "6 C's") in the East Midlands – namely Nottinghamshire, Leicestershire and Derbyshire County Councils, and Nottingham, Leicester and Derby City Councils, through the meetings of their respective Leaders. Although not finalised, officers from Nottinghamshire County Council have made a contribution to the draft 6 C's response, and have sought consistency between that and the comments in Appendix 1 of this report.

## **APPENDIX 1 - RECOMMENDED RESPONSE TO NEMA MASTERPLAN CONSULTATION**

### **Growth and development**

- It is acknowledged that overall the airport makes a significant contribution to the economy of Nottinghamshire and the East Midlands, both in terms of wealth and jobs, and to this extent its expansion will provide additional benefits. However, whilst highlighting the economic benefits of inward tourism, the Masterplan does not provide information on the proportion of passenger flights which cater for outward tourism (UK residents holidaying overseas) which are likely to have a negative impact on the UK economy, particularly as the airport specialises in low-cost flights to European holiday destinations.
- The economic benefits come with local and global environmental impacts which must be recognised and addressed. In particular there are serious concerns over the climate change impacts of the aircraft movements that will use the airport in the future. The UK government recently predicted 97% of emissions from UK aviation will come from international flights by 2030, and that this could represent 25% of total UK's emissions. There is no doubt that national and international plans to tackle climate change will need to address with some urgency the contribution made by air transport. However it is also the case that any one airport which seeks to limit growth in flights in isolation will simply displace some or all flights to competitors. The issue of air transport and its impact on climate change (and the depletion of finite fossil fuel resources) needs to be tackled nationally and internationally, and it would be unreasonable to expect NEMA to operate unilaterally in this regard.
- The proposed runway extension would appear to bring significant environmental benefits, particularly related to noise and air pollution. Its early implementation is supported, subject to normal planning considerations and procedures. Extension to the west is preferred, in accordance with NEMA's current planning application, since this will allow noise impacts in sensitive areas of Nottinghamshire to the east of the airport to be reduced.
- Proposed new terminal buildings will help ensure passenger comfort and minimise delays, given the projected increases in numbers, and should be supported, again subject to normal planning considerations and procedures.
- The air freight element of the airport's business clearly brings economic benefits to the region and is efficiently managed. The expansion of air freight is also to be supported, subject to planning considerations including controls over night noise (see comments below).
- Expansion of the maintenance capacity at the airport will bring jobs and contribute to air safety and is to be supported, subject to the normal planning process.
- The Masterplan adopts a target for 2016 that 30% of journeys to the airport undertaken by staff should be by means other than single car occupancy; and

10% of passenger journeys should be by non-car modes. The latter is considered to be sufficiently ambitious, given that current non-car access by passengers is negligible, and given the growth in overall passenger numbers. However the staff travel target is only 4% above current levels and could be more stretching.

- NEMA plans to increase numbers of car parking spaces by 84% by 2016, and although less than predicted passenger and staff growth, there will nevertheless be large increases in car-related traffic. The congestion and air quality impacts of this additional traffic are a matter of considerable concern, and any future planning application for car park extensions or other development should be subject to rigorous transport impact assessment, which should assess predicted origins or journeys and identify public transport alternatives. Any s.106 financial contributions to address related transport impacts will need to consider transport issues in Nottinghamshire as well as in North West Leicestershire, the local planning authority.

### **Managing the impact of growth**

- The Masterplan consultation indicates that the airport is prepared to provide financial support for public transport, and this is to be welcomed. NEMA should continue to work in partnership with the County Council and other relevant Authorities to provide and market high quality public transport links to and from the airport. In particular, the proposal that the strategy will capitalise on initiatives such as the opening of the East Midlands Parkway station is welcomed. There is also a need to consider how existing services can be marketed more effectively, for example when air tickets are sold, and whether integrated ticketing schemes can be developed which allow through ticketing by rail and bus to the airport.
- Displacing airport-related development where possible to nearby urban areas will potentially support local regeneration and provide jobs closer to the homes of employees. This is to be supported subject to the normal provisions of the land use planning process.
- The commitment to use employment growth at the airport to relieve local labour market pressures and support urban regeneration is to be welcomed, although the area of search should extend beyond the urban centres of Nottingham, Derby and Leicester. Other areas of deprivation should also be included such as those north of Nottingham. This emphasises the importance of good public transport links with such areas to ensure jobs at the airport are accessible.
- The Masterplan commits to restricting night noise below 1996 levels at least until 2016. Noise, particularly at night, is an issue of significant concern to local residents, and every effort should be made both to reduce noise levels (rather than restrict them to 1996 levels), and to do so beyond 2016. As the airport is not a “designated” airport for noise pollution, there are no external restrictions on its noise impacts. It is therefore particularly important that NEMA takes a responsible and stringent line in its regulation of the air operators that use the airport, taking all action possible to ensure this pledge is met and if possible exceeded.

- The commitment to reducing airport-related air pollution is to be supported, although it is unclear in practice how this will be achieved given that most of this pollution derives from road traffic to and from the site, which is expected to grow. The airport should continue to monitor air pollution levels closely, and particularly to assess off-site levels in partnership with local District Councils.
- The proposal to increase the use of renewable electricity and biomass on site is to be welcomed.

### **Development strategy**

- In assessing strategic options for the airport, as part of the sustainability appraisal, the Masterplan takes as its starting point the recommendations within the Air Transport White Paper, which endorse the expansion of the airport within the existing site to keep pace with demand. It does not consider the containment of the airport's business at current levels as an option. Moreover the sustainability appraisal set out in Appendix 3 does not explicitly consider impacts of the airport on climate change. In both these respects the appraisal falls short of the acceptable standards for strategic assessments of the environmental and sustainability impacts of major development proposals. Although consideration of a "do-nothing" option would not be in accordance with the plans set out in the White Paper, it should legitimately be part of a sustainability appraisal of the Masterplan.

### **Community relations**

- The County Council welcomes the fact that the consultation over the Masterplan is taking place, and commends the airport for the efforts they have made to involve both stakeholder organisations and the general public. This includes the visit of the study group hosted by the airport, but also the series of exhibitions held during the consultation period for the wider community.

### **Review of Masterplan**

- The proposal to review the Masterplan on a five year cycle is welcomed.