



# Report – Policy and Resources Committee

## City of London Corporation Aviation Policy

*To be presented on Thursday, 15<sup>th</sup> October 2015*

*To the Right Honourable The Lord Mayor, Aldermen and Commons  
of the City of London in Common Council assembled.*

### **SUMMARY**

The City of London Corporation has consistently supported expansion in aviation capacity. In light of the recommendations of the recent Airports Commission, your Policy and Resources Committee recommends that the aviation policy position set out below be endorsed in order to inform, as far as possible, the Government's response to those recommendations, which is expected by the end of 2015.

### **RECOMMENDATION**

We **recommend** that the Court of Common Council endorse the following policy position:

*The City of London Corporation is clear that the lack of airport capacity in the South East of England has been needed to be addressed for a number of years. Not only because it is integral in maintaining the City of London's preeminent position as a leading financial centre, but it is also essential for the creation of jobs and growth across wider London and the rest of the UK.*

*Our own research backs this up showing that airport capacity remains one of the key factors necessary to achieve the forecast of 145,000 jobs being created in Central London in the next ten years. Furthermore, additional reports we published on the issue of aviation capacity in both 2002 and 2008 highlight its potential impact on the wider economic performance of the City. The latter found that 82 per cent of businesses regarded Heathrow as 'critical' or 'very important' to their organisations.*

*Following the publication of the Final Report of the independent Airports Commission, led by Howard Davies, in July 2015, the City of London Corporation supports the main recommendation for the expansion of Heathrow through the building of a third runway.*

*If the City is to continue to compete on the global stage then the financial and professional services firms based in the UK need to be able to do business globally. They especially need to be easily able to travel to emerging markets where economic opportunity is abundant. As the Commission made clear, Heathrow can provide that capacity most efficiently and effectively.*

*The City of London Corporation also agrees that expansion should not come at a cost which ignores the measures that the Airports Commission highlighted, in their entirety, which help address the negative impact on the local environment, air quality and communities.*

*As with the Commission's view, we urge the Government to make a quick decision on the Commission recommendations and keep to their commitment on an announcement before the end of the year.*

## **MAIN REPORT**

### **Background**

1. The City of London Corporation has engaged in the debate regarding UK national aviation policy since the 1930s when it purchased land for a City of London Corporation airport at Fairlop in Essex. More recently, engagement since the late 1990s has consisted of consultation responses and the commissioning of research to establish the requirements for UK aviation policy in the context of maintaining London as the world's leading international financial and business centre.
2. Since 1996 the City of London Corporation has consistently supported and endorsed proposals that have sought to increase aviation capacity in the south east of England, provided they are accompanied by the requisite surface transport infrastructure and appropriate environmental safeguards.

### **Current position**

3. The Airports Commission was established in September 2012 with the remit to examine the need for additional UK airport capacity and recommend how that need could be met in the short, medium and long term. The Commission (often referred to as the Davies Commission, after its Chairman) produced its final report in July 2015. It concluded that a new northwest runway at Heathrow airport, a westerly extension to the existing northern runway at Heathrow, and a new runway at Gatwick, all presented credible options for expansion, but nevertheless concluded emphatically that a new northwest runway at Heathrow Airport, allied with a package of measures to mitigate its environmental and community impacts, presented the strongest case for increased airport capacity in the south east of England. Should the Government choose to expand capacity at Heathrow, the City of London Corporation would seek to ensure that

appropriate environmental measures were put in place to protect City managed open spaces.

4. The Airports Commission noted that London airport capacity has been a UK public policy issue for over 50 years. For the last 20 of those, the City of London Corporation has consistently supported expansion of some kind or other at a variety of existing London airports. Now that the Commission has reported to government with an emphatic recommendation for increasing London's airport capacity through a new runway at Heathrow, and in anticipation of the government's final decision on airport capacity, which is expected by the end of 2015, the City of London Corporation has the opportunity to endorse the Commission's recommendation and reflect the needs of the City's business community and London's role as the world's leading international financial and business centre.
5. Therefore it is proposed that the City of London Corporation adopt the policy position outlined in the recommendation above. The statement reflects the positioning adopted by the City Corporation to date, the evidence it has gathered through its commissioning of research, the needs and requirements of City businesses, and the evidence-led recommendations of the Airports Commission.

#### **Conclusion**

6. The City of London Corporation has been engaging consistently with the issue of UK aviation capacity since 1996. Now that the Airports Commission has reached a comprehensive recommendation for expansion and expansion at Heathrow in particular, members are recommended to adopt a policy position so that the case for increased aviation capacity can be made as strongly as possible ahead of the Government's decision on expansion at the end of this year.

All of which we submit to the judgement of this Honourable Court.

DATED this 24<sup>th</sup> day of September 2015.

SIGNED on behalf of the Board.

**Mark John Boleat**  
Chairman, Policy and Resources Committee