



In a momentous political year which witnessed the Brexit vote followed by the appointment of an almost completely new Government ministerial team, there was widespread speculation that the prolonged period of political indecision on the location of London's next runway might continue until 2017. Against that backdrop SSE continued to maintain a low profile, our main objective being to keep Stansted off the radar screens pending that Government decision. Finally, on 25 October 2016, after more than four years of deliberation and prevarication, the Government announced that Heathrow was its preferred location for a new runway, to add to its two existing runways. The choice of Heathrow was in line with the recommendation of the independent Airports Commission, in July 2015, made after three years of studying the options.

It was obviously a great relief to our own local community that Stansted had not been chosen but there was no sense of jubilation. The local communities around Heathrow now have a fight on their hands and there will doubtless be many legal challenges along the way. There are many who believe that a third Heathrow runway will never be built. It is also important to remember that there is still a great deal of scope for Stansted to expand on the existing runway, and with Heathrow and Gatwick virtually full, there will be real pressure to utilise Stansted's available capacity over the next ten years, which is the time it will take to build a new runway at Heathrow.

Apart from shadowing Government airports policy throughout 2016 and working quietly to try to keep Stansted out of the frame, SSE also continued to pursue a number of local issues, including the change in flight paths, the long outstanding issue of homeowner compensation arising from past expansion of the airport, the sale of airport-owned houses and airport planning applications. We had mixed success on these issues, as follows:

Changes in Departure Routes

During the latter part of 2014, and throughout 2015, SSE had sought to persuade NATS, and then the CAA and finally the Department for Transport (DfT), not to proceed with proposals first announced by NATS in the summer of 2014 to transfer all southerly daytime departures from Stansted (the 'Detling' route) to the easterly departure route ('Clacton'). Despite all SSE's objections and a consultation exercise which showed overwhelming local opposition, NATS implemented the changes in February 2016. Unsurprisingly, there has been an explosive increase in the number of noise complaints from communities to the east of the airport who have been most adversely affected by the changes to Stansted departure routes.

The CAA will commence a four month Post-Implementation Review of the Stansted departure route changes in February 2017. SSE will use this opportunity to seek to reverse the changes and, if that is not possible, to propose alternative solutions to mitigate the adverse noise impacts.

Homeowner Compensation

For almost 15 years, Stansted Airport Ltd (STAL) had been refusing to entertain homeowner compensation claims arising from the expansion of the airport above 8 million passengers per annum (mppa). STAL argued that it had no statutory obligation to pay compensation until all the works listed in its 1999 'Phase 2' planning consent had been completed. The last small part of these works had been repeatedly postponed and was thus described as the 'golden rivet' loophole.

Following a Lands Tribunal ruling on a similar case in late 2015, and a further Lands Tribunal hearing on a Stansted local resident's case in March 2016, SSE concluded that STAL had no legal justification for refusing to start dealing with homeowner compensation claims. SSE notified STAL to this effect but STAL refused to alter its stance. It was only when SSE

instructed barristers to commence legal proceedings that STAL capitulated and agreed to introduce compensation arrangements. At time of writing it remains to be seen whether STAL will now finally act fairly towards local homeowners whose properties have been devalued as a result of the historic expansion of the airport.

Airport-Owned Houses

At the start of 2016, STAL owned some 270 houses, mostly purchased in connection with its plans for a second runway. When STAL abandoned its second runway planning application in May 2010 SSE immediately began pressing STAL to start selling these houses back into private ownership. We argued that the sale of the houses should take place gradually so as not to flood the market and we argued for the houses to be sold as and when they became vacant. All this fell on deaf ears. STAL continued to re-let properties which became vacant and it continued to spurn any tenant who expressed an interest in buying.

Suddenly and inexplicably, in October 2016, STAL reversed its position and seemed in a great rush to sell all 270 houses. Tenants were written to and asked if they wanted to buy, and where the tenant either did not want to buy, or could not afford to buy, or would not agree to pay STAL's asking price, letters threatening eviction started to appear in the post. STAL's approach was thoughtless and insensitive and, inevitably, it attracted immediate media attention, causing STAL considerable embarrassment and reputational damage. It also led to the establishment of an Airport Tenants Action Group (ATAG). STAL was forced to retreat and to re-think its approach to selling the houses. There is now regular dialogue with the ATAG with a view to dealing with the sale of the houses in a more sensitive and flexible manner.

Planning

In late December 2016, STAL submitted a planning application for a new arrivals building to be built between the main airport terminal and the Radisson Hotel. This is as a replacement for a planning approval already in place for an extension to the existing terminal of two new bays. Having reviewed the application, SSE decided not to object in principle, but to seek assurances relating to the transfer of planning conditions and convenience of access to public transport.

Airport Expansion

In 2016 Stansted handled more passengers than ever before, catering for 24.3m passengers, which surpasses the previous record of 23.8m set in 2007. Significantly, it required 191,500 air transport movements (ATMs) to accommodate the 2007 passenger throughput whereas a much lower number of ATMs - 166,200 - accommodated the higher passenger throughput in 2016. With oil prices still at relatively low levels, and with Heathrow and Gatwick close to full capacity, it is likely that Stansted will see a further increase in passengers and ATMs in 2017. Stansted currently has planning consent to handle 35mppa and 264,000 ATMs and so there is still a great deal of spare capacity. Even so, it is understood that in the course of 2017 STAL intends to submit a planning application to increase the present 35mppa limit to 43-45mppa.

Night Flights

Government proposals for the regulation of night flights at Stansted over the next five years had been expected towards the end of 2016 but publication was delayed until 12 January 2017. At time of writing SSE is in the midst of preparing its response to this consultation and providing guidance to local district, parish and town councils, as well as individual local residents, on how to respond. With another major Government consultation expected shortly on its statutory requirement to produce a National Policy Statement for UK airports, and yet another due later this year on UK the Government's Airspace and Noise Policy, it is already clear there will be no shortage of work for SSE to do in the year ahead.

Stop Stansted Expansion
January 2017