

**Town & Country Planning Act 1990 - Section 77
Town & Country Planning (Inquiries Procedure)
(England) Rules 2000**

Lydd Airport Action Group (LAAG)

Summary of Rebuttal of SDC/3/A

Socio -Economic Case

Applicant: London Ashford Airport Limited (LAAL)

Location: London Ashford Airport Limited, Lydd,
Romney Marsh, TN29 9QL

Applications: Y06/1647/SH and Y06/1648/SH

Proposals: 294m runway extension and a 150m starter
extension plus a new terminal to
accommodate up to 500,000ppa

Inspectorate APP/L2250/V/10/2131934
References: APP/L2250/V/10/2131936

Document
Reference: LAAG/8/G

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1.0 Introduction

1.1: In this summary rebuttal I address issues relating to socio economic factors raised in the evidence given by Jeremy Whittaker (LAA/3/A).

1.2: References to the main proof of evidence are given in square brackets.

2.0 General Comments

2.1 Much of Mr Whittaker's analysis in [4.0] mirrors that of Ms Congdon's - failure to assess Romney Marsh in the context of its rural environment, to acknowledge its reasonable economic performance as well as its strengths and weaknesses.

2.2 Despite the author's analysis of the employment "rule of thumb" being geared to 600 jobs per million passengers, Mr Whittaker concludes by agreeing with the LAAG assessment that the most appropriate guide to direct employment at Lydd Airport is a figure of 350 jobs per million passenger throughput. This compares to the figure of 500 concluded by Ms Congdon, demonstrating that even people on the same side of the fence have different beliefs about the employment prospects.

2.3 Mr Whittaker's analysis demonstrates Shepway District Council's lack of impartiality in its assessment of this planning application. There is a failure to acknowledge that new employment sources have been established to offset the loss of companies in the Romney Marsh area, a failure to critique the employment prospects of the established industries other than the nuclear industry, and a failure to assess the adverse impact the airport would have on employment in these established industries. This is despite acknowledging that the airport's development would negatively impact on the most immediate tourism-related businesses.

3.0 Local Economic Performance [4.0]

3.1 Mr Whittaker focuses his "local economic performance" assessment on Shepway rather than Romney Marsh. He fails to highlight that the unemployment rate on Romney Marsh is 3.1% - better than the national average rate of 3.5%, and a stark contrast to Folkestone where the average is 6.8% - approximately twice the national average. The higher unemployment rate at Lydd is acknowledged (4.3%) but must be viewed in the context of the other five wards on Romney Marsh which have lower unemployment rates, including New Romney Coast with one of the lowest unemployment rates in Shepway at 1.3%.

- 3.2 Mr Whittaker is too negative about the employment prospects at Dungeness. EDF/British Energy are working for a life extension for Dungeness B (5 years would extend the reactor life to 2023). The decommissioning process provides a long tail of employment although it will be erratic and Dungeness C remains a new build proposition. He also fails to appreciate that the establishment of a regional airport at Lydd, or the prospect of one once the infrastructure is in place, could scupper Dungeness C's development.
- 3.3 The author highlights the job losses at Smiths Medical (~ 500 jobs) and the Romney Marsh Potato Company (>100 jobs) but fails to recognise that there have been significant offsetting increases in retail employment in the affected areas. The new Sainsbury's supermarket in New Romney employs a base of 100 full and part time people with seasonal Christmas/summer peaks increasing the numbers to 130, while a large Sainsbury's supermarket is currently being constructed on Smiths Medical site which will employ 300 full time and part time people, thus helping to offset the jobs losses. A new Tesco Metro at Dymchurch has also been introduced, and outside the retail area, the Saga Group recently announced its intention to create 1000 additional healthcare jobs in Folkestone, Hythe and Thanet.
- 3.4 There has been no attempt to assess the health of the leisure industry on Romney Marsh. The traditional annual beach holiday industry has declined but there has been a rise in the number of day trippers both to the beach locations and to areas such as Dungeness, helped by better road access and the rise in the population of Ashford. Similarly, no assessment of home working or the prospect of it, given improved broadband links and the relatively high supply of lower cost large houses compared to other areas.
- 3.5 The author highlights the low proportion of people aged 18-44 years on Romney Marsh and that this suggests that younger residents are not retained or attracted to the area because of a lack of employment opportunities. Mr Whittaker should not be surprised that the proportion of young people is below the national and South East average since this is a rural area with a seasonal beach holiday market which is unable to support full time jobs for its entire young people. It is not the only explanation. It could equally be the case that all children born on Romney Marsh are retained in the area for life (employed or unemployed) and that inward migration of older age groups reduces the proportion of the 18-44 age groups.
- 3.6 The evidence shows a higher proportion of retired people (65+) on Romney Marsh than Shepway and that this proportion has grown over the last 8 years (LAAG/8/D, 3.10) with inward migration. Grey power should be seen as positive as many people have the financial resources to spend on local services,

particularly when they have supplemented their pensions with equity release from larger houses in more expensive areas.

4.0 Investment and Job Creation [5.0]

- 4.1 The author points out [5.2] that “*the majority of positive consultation responses from the general public, local community groups and regional and local organisations are because of the socio-economic benefits of the area, and especially the prospect of investment and jobs*”. The majority of responses to this planning application were objections. Of the record 14,000 pieces of correspondence received by the Government Office of the South East, over 98% were opposed to Lydd Airport’s planning application.
- 4.2 In support of Lydd Airport’s proposal that a “rule of thumb” of 600 direct jobs created per million passengers would be consistent with comparable airports the author refers to a table (Table 5 [5.13]) which shows airports with differing employment intensities. However, he fails to point out that these figures are out of date, that airports are forecasting future productivity gains leading to a trend of declining employment intensities and that there are airports, such as Prestwick, with lower labour requirements which are not included (see LAAG/8/E, 3.2).
- 4.3 There has been a failure to analyse the nature of the sources of labour on site and appreciate that some of the airports cited such as Exter and Cardiff cannot be used as templates for employment at Lydd (see LAAG/8/E, 3.3 and 3.4).
- 4.4 Despite the author’s analysis being geared to supporting Lydd Airport’s “rule of thumb” of 600 jobs per million passengers [5.14], the author summarises his analysis by supporting LAAG’s view that a figure of 350 jobs per million (250-450) is more appropriate [5.32 (1)].
- 4.5 The author states that Shepway’s own Employment Land Review considers that the majority of spin-offs will be accommodated within the airport site. However, the “hurdles” to development on site, dictated by the Habitat’s Regulations, will reduce the attraction of the airport to potential customers (see LAAG/8/A, 5.5.3, page 15)

5.0 The wider impact on sub region

The KCC assessment [6.7] focuses on the operational aspects and acknowledges that the two airports will compete at some levels and complement each other in others - the implication being that the two airports could happily co-exist and provide wealth for the area. Airports can successfully coexist provided that there is a large catchment area and /or the two airports are completely distinctive. This is not the situation here. Access

and the catchment area are poor relative to the situation at for example, Southampton and Bournemouth.

- 5.1 Both airports are heavily loss making. Should Infratil, Sheikh Fahad al Athel or a new owner of Lydd seek finance from capital markets - these airports would be seen as competing entities and their respective capacities to raise capital reduced accordingly (see detail LAAG/8/E, 3.1-3.2.).

6.0 Tourism Impact

- 6.1 Shepway District Council has failed to be impartial in its assessment of the net impact of this development by pursuing every argument it can muster to increase the airport's labour contribution but failing to address the impact the airport will have on established local industries. This is despite the author acknowledging that adverse impacts on local industries are possible. The author regards this assessment [8.4] to be "beyond the scope of this proof".
- 6.2 The largest concentration of caravan parks is centred on the seaward side of the airport and on the Instrument Landing System (ILS) flight path along the coast. Caravan parks along this flight path will experience most of the incoming flights by large aircraft and be most affected by noise. The inevitable urbanisation of the area will also reduce this industry's attraction. Further, it is not the actual aircraft activity at any one time that will drive caravan customers away but the anticipation that the situation will get worse.
- 6.3 The caravan industry on Romney Marsh is a large employer (estimated to be 215 FTE (see LAAG/8/E, 4.3), and the thousands of people who rent or own caravans during the summer have a large multiplier impact on the local economy.
- 6.4 Dymchurch, a traditional beach holiday destination, popular with day trippers is under the ILS flight path, as is Littlestone Golf Club - a major championship course which is highly dependant on country (outside) members.
- 6.5 The author focuses entirely on inbound tourism [8.5-8.9]and fails to acknowledge the tourist deficit and the resultant export of leisure jobs to overseas holiday destinations (see LAAG/8/D -9.4-9.9)..