

## **Lydd Airport Update**

### **Progress – London Ashford Airport (Lydd Airport) Expansion**

There has been very little progress. As we reported at the end of 2016, the airport has implemented sufficient work (in 2016) to ensure it can claim the runway has been extended from a planning perspective, but it has not been extended physically.

During 2018 purpose built facilities were completed on site for the HM Coastguard search and rescue helicopter service but this is completely separate from the airport's proposed development

Natural England (NE) has made further comments concerning the air quality management strategy (AQMS) for the proposed development although it not clear whether this strategy has been signed off by NE or Shepway (now termed Folkestone & Hythe).

### **What does Lydd Airport say?**

Again Lydd Airport trotted out its annual mantra about starting next year – during 2017 it stated that work would start in 2018 and be completed in 2019. In 2018 the starting date was kicked into 2019. Setbacks concerning the purchase of necessary land were cited as the reason. In our opinion this issue would have been solved long ago had there been demand for Lydd Airport's new services

### **Progress - Financial**

The airport remains loss making although losses have declined, presumably as a result of the additional revenue from the new helicopter search and rescue service. Losses have declined from £1.4m in 2015 to £1.1m in 2016 and £0.8m in 2017 (year end December). Accumulated losses to December 31, 2017 stood at £23m - clearly the company is only rated as a going concern due to the backing from its parent company, FAL Holding Ltd, based in Saudi Arabia.

### **Activity**

Passenger activity is almost non existent. There were 865 passengers in 2017 and although the full year figures for 2018 are not available, based on the 11 months to November and assuming December 2017 passenger numbers for December 2018, the numbers have fallen to 251.

Activity at the airport remains dominated by light aircraft and helicopter movements from the HM Coastguard search and rescue (SAR) operation which is now based at Lydd.

### **Gifts for Councillors**

The police investigation into gifts given to councillors ahead of Shepway District Council's decision to approve Lydd Airport's planning application in 2010 was brought to a close in 2018. A formal complaint regarding the handling of the case was made earlier in the year and the process continues.

There were many aspects of the case that were unsatisfactory but the most concerning was the total lack of any initiative to secure evidence while it was still available (financial institutions are only required to hold customer information for a required

period). The evidence should have been secured promptly, whether or not there was a delay in the investigation.

To recap, the case in question arose from a 2011 High Court judgment (Neutral Citation Number: [2011] EWHC 354 (QB) - Case No: HQ09X00332) involving litigation between the former Managing Director of London Ashford Airport Ltd (Lydd Airport), Zaher Nicola Jeries Deir (Mr Deir) and Fahad Bin Saleh Mohammed Al Athel (Sheikh Fahad al Athel) - the owner of Lydd Airport and associated companies.

There were a number of claims and counter claims by the respective parties in relation to Mr Deir seeking payment of unpaid directorship fees. The substance of the claims against Mr Deir included that he misused his company credit card and incurred excessive expenditure. Some of the items challenged were items that Mr Deir said constituted gifts to councillors. The judgment made clear that there was evidence available and that the sums involved were material.

This evidence was brought to the attention of the police by LAAG in early 2012 (before the government's decision to approve Lydd Airport's development in April 2013). The case was accepted as important and warranting investigation and a case officer assigned, but then, kicked into the long grass until 2014 when another party took the same evidence to the police and pressed for action.

### **What to look out for in 2019**

- (a) Manston Airport might be resuscitated as a freight airport but the decision is subject to a public inquiry. This will be competition for Lydd Airport should it have aspirations in the freight area.
- (b) A Brexit no deal could lead to alternative freight arrangements to and from the UK and as a result Lydd Airport might be used as a conduit for cargo. Boeing 737s with sub critical payloads can land and take off from Lydd Airport on the existing runway, although the effectiveness of any such service would depend critically on the weather.

Happy New Year!

[www.lyddairportaction.co.uk](http://www.lyddairportaction.co.uk)

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