

## **Airport Masterplan 2035**

### **Policy Context**

1. Newcastle International Airport published a Masterplan 2035 on the 10<sup>th</sup> May 2018. The Masterplan sets out the Airports vision, objectives and goals up to 2035.

### **Background**

2. Airports are required to produce a masterplan by the Aviation Policy Framework (2013) to set out their strategic growth plans. The Masterplan will be used for –
  - Guidance for land use and investment priorities for the Airport, as well as assurances to airlines that the Airport will continue to invest in the infrastructure they use.
  - A clear statement of intent for future development needs, to be given due weight in the local planning process.
  - On-site land and airside infrastructure the Airport will likely need to develop to accommodate the type and quantum of growth indicated in the growth forecast.
  - Forecasting the economic and social benefits of this growth, both for the individuals and businesses associated directly with the Airport, and the wider economy.
  - Planning how the transport system serving the Airport can be improved and how travel choices can change to provide for forecast growth. The Surface Access Strategy seeks to get passengers and staff to the Airport efficiently and sustainably.
  - Informing how growth can be accommodated sustainably and with sensitivity to the community. The plan details how growth can be sustainable in terms of noise levels, environmental impact, and energy consumption.
3. This is the fourth Masterplan to be produced by Newcastle Airport. The last Masterplan was released in 2013. It is recommended in the Aviation Policy Framework (2013) that they should be reviewed every 5 years. The Masterplan will help safeguard the future growth and development of the Airport, particularly in respect of the increasing number of housing proposals in the local area and their potential impact on existing and future runway operations.

4. The last Masterplan was informed by growth forecasts based by what airlines, aircraft, and route network. Since then the airports operations have shifted: different airlines are driving growth, offering new route possibilities, and changing aircraft fleets will likely alter the range of destinations, as well as the capacity on existing and new routes. Therefore long range growth forecasts have been updated looking at the network, passenger numbers and aircraft movements (including aircraft type) could change up to 2035.
5. Alongside this, the macro-economic environment has improved significantly. The post-recession growth uncertainty and prolonged lull in consumer spending has gradually subsided, with largely consistent growth in GDP and GVA in the North East since 2012. Consequently the growth rate of the Airport has notably improved.
6. There are a number of opportunities for the growth of the Airport –
  - The Airport's catchment overlaps with that of other airports but also some passengers from within the core catchment travel to other airports for a variety of reasons. There is therefore a great deal of opportunity for clawback of passengers through a broader choice of airlines and destinations.
  - The above can be aided significantly by major investment in the national and regional transport infrastructure. Major schemes are in progress or planned which would augment passenger surface access. We will need to work closely with relevant external partners to ensure delivery of such improvements.
  - Current operations indicate capacity to grow in terms of both non-peak hours during each day, and extension of our season outside of the summer peak. The popularity of city breaks and other non-sun destinations offers potential for this.
  - The Airport is currently well connected to global hubs. However there are notable omissions. New connections would add capacity and choice, whilst current routes have the potential to add additional capacity.
  - There is opportunity and drive from the business community and transport plans, notably from Transport for the North, to expand long haul offer, both for business and leisure routes.
  - A trend of low cost long haul carriers has emerged in recent years, which are operating more point to point services from regional airports.
7. The Airport sees inbound tourism as a particularly important driver of future growth. We are committed to the Airport's role in promoting the region and providing the international links to allow for the region's tourism offer to fulfil its potential.

8. Over 37m international tourists visited the UK in 2016, which is over 4% growth from the previous year. The North East welcomed 560,000 international visitors in the same year, with a further 288,000 visiting Cumbria. Although this was a slight fall from the previous year, growth in 2015 and 2014 was 22% and 11% respectively, which was higher than any other region. The North East's tourism sector is still comparably underdeveloped, so there is significant potential for growth. This has begun to be realised over the past 3 years, with the region growing faster than the rest of the UK in nearly every measure of tourism industry performance. It has seen more people visiting, staying longer, and spending more.
9. The Airport's catchment area has internationally renowned attractions including 3 World Heritage Sites, 4 National Parks, the richest concentration of castles in the country, and numerous historic towns. Research by Visit Britain indicates that aside from visiting London, historic towns and remote parts of Britain are strong tourist draws. The region's sporting events and nightlife are also big attractors.
10. Route development at the Airport has significant potential to further increase visitor numbers from the region's established international inbound markets, predominantly Europe and North America. However, as indicated by Transport for the North's International Connectivity Report, to deliver transformational economic growth for the North, new transcontinental direct air links will be needed to key destinations like India and China. Combined with our existing routes, particularly our Dubai connection, there is perhaps even greater potential for a step change in the number of international visitors to the region from emerging and fast growing outbound tourism markets.
11. Over the Masterplan period we will strive to deliver improved onward ground connections and tourist assistance facilities at the Airport to welcome visitors and ensure their first impression of our region is positive. In addition we will utilise our marketing function and digital communication platforms, and work with our airlines, to promote the region and our connections to our destination markets.
12. In addition to commercial opportunities for growth, the Airport will also be serving a larger population base. Government projections indicate that the population of the North East could grow by about 5%7 from 2017-2035, as result of natural population change and in-migration. However, some local development plans in our catchment are supporting development levels based on projected population growth in excess of this, aimed at increasing projected levels of in-migration. As a result, sizeable housing allocations are planned within the Airport's core catchment area, including Gateshead.

13. **The following objectives frame the Masterplan and will be pursued to deliver the strategy.**

Enable the provision of facilities and infrastructure to –

1. Ensure the demand for air travel and the growth aspirations of the Airport can be met;
2. Be the number one choice for air travel for the region to and from an exceptional range of destinations;
3. Be the most welcoming airport and embrace innovative new technology to deliver a memorable experience to our customers;
4. Become a greater contributor to the regional economy through added jobs, gross value added (GVA), and a facilitator of inbound tourism;

And ensure that: -

5. The Airport can grow sustainably and will appropriately mitigate our impact on the environment and our neighbours;
6. We work closely with partners to deliver improved surface access infrastructure to support growth.

14. The Council's draft response to the consultation proposals is generally in support of the Masterplan with some specific comments relating to transport and is set out in the attached annex.
15. The Airports deadline for consultation responses is 13 September 2018.
16. Following the outcome of this consultation, the Airport aim to publish an updated Masterplan.

**Consultation**

17. The Leader and Cabinet Members for Environment and Transport have been consulted.

**Alternative Options**

18. The options have been considered as part of preparing the proposed response. Alternatively Gateshead Council could make no response to this consultation.

## **Implications of Recommended Option**

19. **Resources:**
  - a) **Financial Implications** – No financial implications directly arise from this report
  - b) **Human Resources Implications** – No human resources implications.
  - c) **Property Implications** - No property implications.
20. **Risk Management Implication** - No risks associated with the consultation.
21. **Equality and Diversity Implications** – No implications for equality and diversity
22. **Crime and Disorder Implications** – No crime implications.
23. **Health Implications** – No health implications.
24. **Sustainability Implications** – No sustainability implications
25. **Human Rights Implications** - No human rights implications.
26. **Area and Ward Implications** – No area or ward implications

## **Annex**

In response to the consultation of the Airport Masterplan 2035, Gateshead Council have the following observations;

Gateshead Council is in general support for the growth of the Airport and in particular how this will have a positive impact on the development of the Quays and the Conference Centre and Arena. Future plans for the airport, including a potential runway extension, employment uses and hotels may require development to occur on the Green Belt. Any such development would need to be in accordance with the Core Strategy and Urban Core Plan for Gateshead and Newcastle and the National Planning Policy Framework.

Gateshead Council would like to see reference to any potential impact of Heathrow Airports 3<sup>rd</sup> runway to be included in the Masterplan including any potential impact this might have for the North East more generally.

### Transport

The Masterplan forecasts a significant increase in passengers (c5.4 to 9.4 million), however it is unclear where these passengers will come from. Assuming that a proportion of the additional passengers will be abstraction from other airports, these relatively long distance trips need to be considered in relation to car trips and particularly rail trips. There is anecdotal evidence of regular rail traffic from destinations such as Northallerton to/from the Airport and these types of links need to be examined and strengthened.

The Development Plan section of the Masterplan makes reference to managing car parking for the Airport, however there is no further clarification on how this will be achieved, which need to be included.

It should be noted that Gateshead Council has plans to develop a station in East Gateshead serving the Quays area and will seek to investigate potential rail links with the Airport as this progresses.

### Surface Access Strategy

The modal split section of the Masterplan omits taxi's from the public transport sector, however, arguably taxis form part of the public transport offer, and should be referenced as such.

### *Metro*

The goal of earlier Metro services is welcomed by Gateshead Council, however there is no mention of the potential value of later services, which should be explored.

s9.27 of the Masterplan mentioned the 'upgrading of the electric rating of the Metro system infrastructure'. This isn't part of fleet replacement, it relates to a concept

solution in terms of allowing heavy rail to access the Metro line to the Airport and is more correctly included at s9.39.

Gateshead Council support the notion of signage highlighting Metro's onward links to the national rail network and is welcomed.

### *Rail*

Gateshead Council support continued working with NECA and the North East Rail Management Unit to investigate the potential to strengthen existing metro/rail links and the provision of a direct heavy rail link. The concept of through ticketing from Metro to the national rail network is also welcome.

### *Bus & Coach*

Gateshead Council would like to see a broader commitment to the improvement of bus services to/from the airport, including direct links to areas of Tyne & wear that are distant from Metro, particularly Western Gateshead. This could potentially come through contribution from development at the airport as well as through the highlighted housing developments.

### *Traffic Forecasts*

The Strategic Road Improvements section is need to be re-worded. The second bullet point of s9.67 indicates that there is no widening proposed for Allerdene Bridge, however this is part of the A1 Birtley to Coalhouse scheme mentioned in s9.66 (item 1).

### *Mode split*

Within this section, table 4 is unclear. It could be read as suggesting that 30% of passengers will be arriving by bike in 2035 with only 20% by car, therefore amendments to provide more clarity are needed.