



## Press Release

20 April 2016

# New cost estimates show extending the runway at Heathrow is the cheapest option for airport expansion

New detailed cost estimates have revealed that Heathrow Hub's independent proposal to extend the northern runway would cost significantly less than Heathrow Airport's plan for a third runway.

The new analysis, submitted to the Department for Transport, shows the cost of our scheme has reduced to £9.7 billion, a third less than Heathrow Airport Limited's own estimate for their third runway of £15.6 billion.<sup>1</sup>

A unique feature of our proposal is it can be phased. Phase One – extending the runway and implementing local road changes, including to the M25 – would cost just £3.8bn.

The overall cost of expansion is critically important to passengers and airlines as higher costs will mean higher passenger charges. Phase 1 of Heathrow Hub's proposal increases the airports capacity by c.70,000 aircraft movements whilst allowing average user charges to remain the same as today at approximately £20 per passenger.<sup>2</sup> This contrasts with the sharp increases that would result from both Heathrow Airport's third runway concept and from Gatwick's second runway proposal.

Our lower costs therefore would allow more for potential mitigation and compensation measures.

Jock Lowe, Director of Heathrow Hub commented: "The simplicity of Heathrow Hub's plan, which requires far less land and is much less disruptive to existing local facilities, means that costs are dramatically lower than those for a third runway. For example our

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<sup>1</sup> Heathrow Airport Limited's cost estimate as submitted to the Airport's Commission, February 2015

<sup>2</sup> User charges for Heathrow Hub phase 1 calculated as average c£20-21 for the period 2018-2050, assuming current regulatory framework and compared to average Q6 charge of c£20/passenger.



plans would not see the M25 disrupted at all while the modifications are completed, which is not the case with Heathrow Airport's own third runway proposal."

"Another major advantage of our scheme over Heathrow Airport's is that construction can be phased, meaning that costs can be spread and runway capacity released only as noise and air quality targets are met and demand requires."

Heathrow Hub's plan remains the cheapest and easiest way for the UK government to deliver additional aviation capacity where it is most needed.

#### **Contacts**

James Devas, Maitland , telephone 0207 379 5151

George Trefgarne, Boscobel & Partners 0203 642 1310

#### **Notes to editors**

Heathrow Hub is an independent proposal for an integrated air and rail facility that doubles Heathrow's capacity and creates new opportunities for noise mitigation. For more information, please visit: [www.heathrowhub.com](http://www.heathrowhub.com)