

A third runway doesn't come free

This short paper spells out what a third runway at Heathrow might cost the taxpayer

It will be yet more public money being invested in London and the South East



The costs of a third runway

Heathrow will pay for the cost of the new runway – about **£17bn** – but the bulk of the cost of the road and rail infrastructure could end up being paid by the taxpayer.

Estimates of the cost of that road and rail infrastructure vary considerably. The Airports Commission put it at **£5-£6bn**. Transport for London puts it as high as **£18bn**. Transport for London argues that the Airports Commission only took into account the new infrastructure required to directly serve an expanded airport; it failed to account for the knock-on impact on other users of the rail network. Transport for London believes a lot of the network would need to be significantly upgraded if existing passengers were not to lose out.

Whatever the final cost, Heathrow told the Environmental Audit Committee it would only pay **£1.1bn** (which it argues pays for the infrastructure directly required for the new runway).

The Department for Transport has not provided clarity in its National Policy Statement (NPS) consultation document: “The Government expects the applicant to secure the upgrading or enhancing of road, rail or other transport networks or services which are physically needed to be completed to enable the Northwest Runway to operate. This includes works to the M25, local road diversions and improvements including the diversion of the A4 and A3044, and on-airport station works and safeguarding. Where a surface transport scheme is not solely required to deliver airport capacity and has a wider range of beneficiaries, the Government, along with relevant stakeholders, will consider the need for a public funding contribution alongside an appropriate contribution from the airport on a case by case basis”.

The upshot is that MPs could be voting on the NPS without knowing what the cost of the new runway could be to the taxpayer. And without a full debate on whether this public money might be better spent on infrastructure elsewhere in the country.

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