

Appendix C

– Alternative growth scenarios

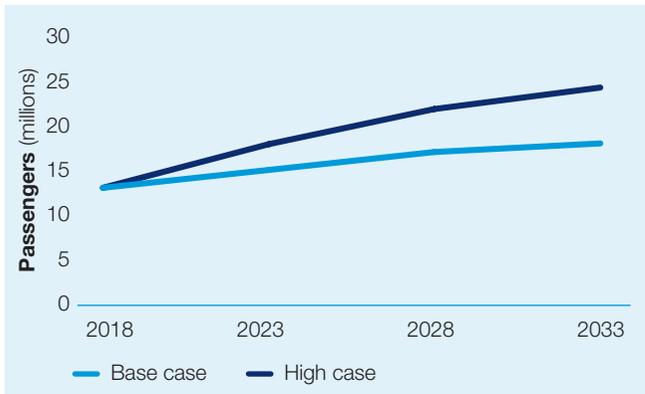
High growth scenario

This Master Plan and the requirements for the next 15 years are based on a base case passenger forecast that estimates we will be serving nearly 18mppa by 2033. Whilst this is the most likely scenario, we have also produced a forecast which assumes there is higher growth over the next 15 years of approximately 3.2% per year. This results in there being 24mppa being served by the Airport in 2033 as opposed to almost 18mppa under the base case scenario (see chart below).

Whilst it is less likely that these higher demand forecasts will arise, they nevertheless represent a plausible scenario and one that could give rise to a need for the Airport to move more quickly to implement its considerable capital investment programme. It is important, therefore, that we give due consideration to the implications of this scenario should it arise. The implications of this scenario are discussed below. The three main areas that will require significant development to facilitate this higher growth scenario are stands, terminal expansion and car parking.

Birmingham passengers forecast

Based and high case



Stands

Our forecast is that 94 narrow body equivalent stands will be required for 24 million passengers per year in the high case, which is 25 more than under the base case scenario at a similar annual utilisation of 260,000 passengers per stand. We have given careful consideration to how the apron might be expanded to accommodate this growth. The conclusion we have reached is that extending the apron southwards into the area of the car hire village, car park 4 and car park 5 represents the only practicable option if very significant disadvantages are to be avoided. The principal reasons for this are:

- That it maintains a single terminal and apron operation which is operationally efficient for airlines and keeps the Airport competitive relative to other airports.
- It results in the least environmental impact.
- It maintains the easiest and most convenient means of access between Birmingham International (and HS2) on the one hand and the terminal/aircraft on the other hand for those passengers that use public transport to get to and from the Airport – this equates to around one third of all passengers using the Airport in 2033.

From our initial studies, however, it appears that expanding the apron in this way would necessitate a significant re-design of the road access system between the Clock roundabout and the terminal forecourt. It would also require the development of land in the area known as NEC Car Park West (see plan on the next page) to be developed principally for airport-related car parking and the relocation of the main access road to the Airport. This land is almost entirely owned by Birmingham City Council. Part of the land is currently leased by the Airport for staff car parking, with the whole area being used for parking by the NEC for major events. The site is classified in the Solihull Local Plan as protected for its important transport interchange purposes.

We understand that this land could be developed for other purposes. However, we consider that the benefits to the region would be considerably greater if it could be used to support further Airport growth. If this land cannot be developed for airport purposes it appears inevitable that the Airport's contribution to regional growth may become capped.

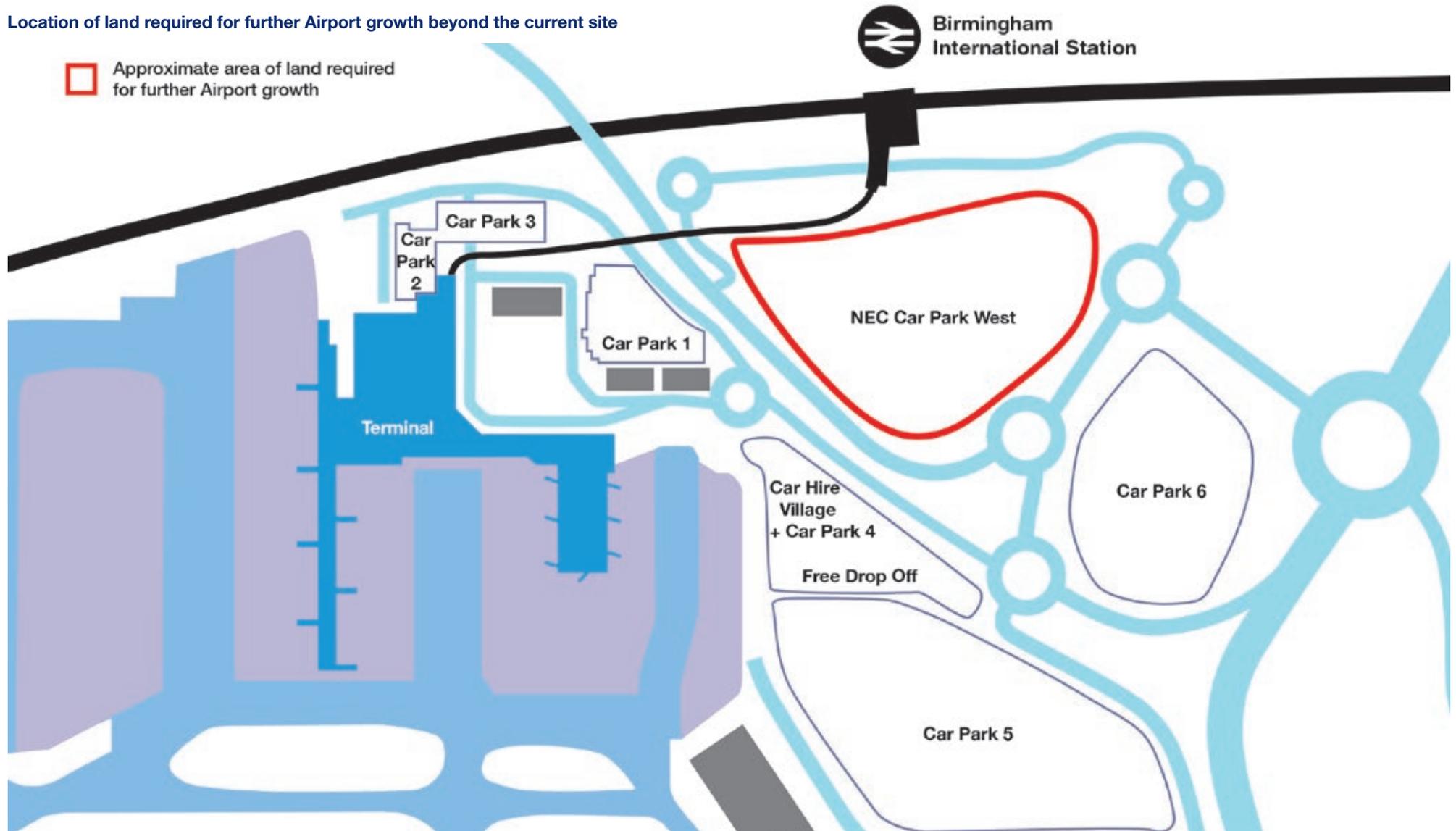
Terminal

Terminal facilities such as check-in, security, departure lounge and bussing gates will all need to be increased in size to cater for the increased demand. A significant extension to the North terminal would therefore be required. It is currently proposed that it would be a three-storey extension and provide the following facilities:

- Increased check-in hall
- Increased baggage handling area
- Increased departure lounge
- Additional space for security screening
- Increased airline lounges
- Additional gates space
- Accommodation for ancillary plant

Location of land required for further Airport growth beyond the current site

 Approximate area of land required for further Airport growth



Car parking

We currently provide in the region of 1,000 parking spaces per million passengers and would need to provide a similar proportion of parking spaces to cater for the increase to 24mppa. Furthermore, as a result of extending the site to provide more stands, existing parking is lost. For this reason, such a significant requirement for parking will not be able to be met on the site, therefore the Airport is investigating the most sustainable way of providing this parking off-site should high growth be experienced over the coming years.

The need for additional land

If faster growth is experienced, further aircraft parking stands will be needed sooner than under the base case. This will result in the displacement of existing airport facilities and additional land will be required for the further development of the airport even sooner than required in the base case.

Two areas of land have been identified as being required for Airport use beyond the 15-year horizon. The first is the current NEC West Car Park, as already described in relation to stand requirements. The second is land to the south of the A45, either the land already owned by the Airport or part of the area between the Elmdon site and the Jaguar Land Rover factory around Damson Parkway, which is currently classified as green belt but identified in the 2016 draft Solihull Local Plan as a proposed employment site (see plan on page 76). The Airport may need to invoke its compulsory purchase powers to acquire suitable land which is not already in its ownership.

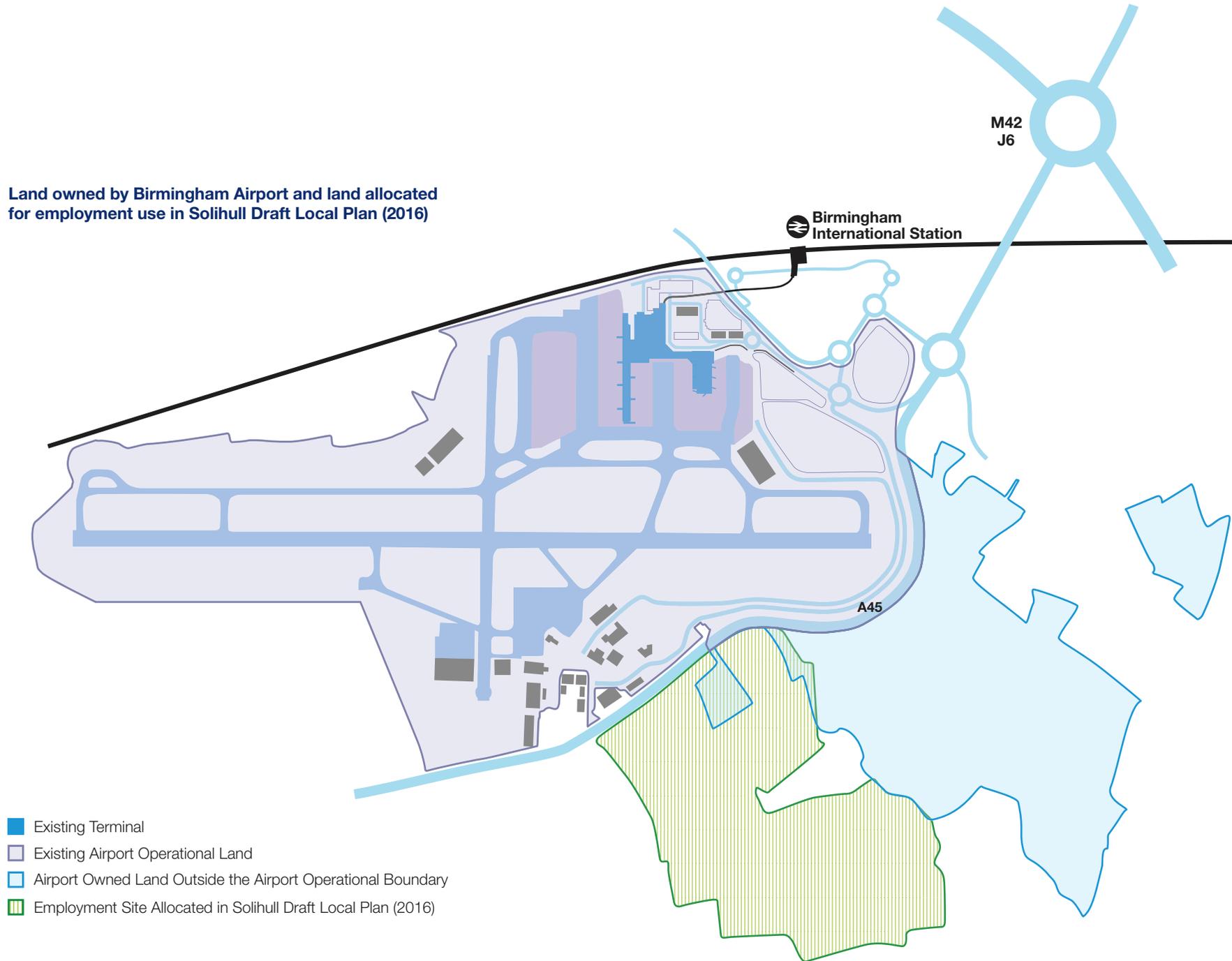
Although we have discussed in this Appendix the implications of stronger growth within the time horizon of this Master Plan, the same issue of the need for additional land arises immediately beyond our 15-year plan period. Given the lead-time involved in delivering the next phase of Airport expansion beyond 2033, work may need to commence before the period of this plan expires. Land represents the most limiting factor to the long-term growth of the Airport and it will require more land if we are to make the most effective use of our single runway (in accordance with national and local policy) and if we are to maximise the Airport's contribution to regional economic growth and prosperity.

Low growth scenario

Just as it is possible that there may be higher growth than in the base case forecast, there may be lower growth than forecast. The demand for air travel has historically shown a strong correlation with the performance of the UK economy, so an economic downturn at any point over the 15-year forecast period would be expected to lead to lower passenger volume growth or even passenger volume decline.

If growth is lower than forecast, the Airport will defer its capital investment plans accordingly, with capacity expansion only brought into operation when it is needed to service the passenger volumes.

Land owned by Birmingham Airport and land allocated for employment use in Solihull Draft Local Plan (2016)



- Existing Terminal
- Existing Airport Operational Land
- Airport Owned Land Outside the Airport Operational Boundary
- Employment Site Allocated in Solihull Draft Local Plan (2016)