

NO 3rd RUNWAY COALITION

PRESS RELEASE

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HEATHROW REPORTS YET MORE LOSSES AS DEBT GROWS TO £19BN

Heathrow Airport is in £19bn of debt, with £12bn of that due to be paid by 2030, leaving the airport as the most indebted piece of infrastructure in the United Kingdom, the company's accounts for 2022, released today, show (1). This raises crucial questions as to the viability of the airport's plans for a third runway, which they say is under "internal review".

Heathrow continue to blame "insufficient regulatory charges" for their losses, despite the airport's charges being the highest of any major airport in the world. This revealing attitude of their airport's shareholders to investing in their asset shows that they are content to use debt or make passengers pay for their corporate profligacy.

Instead, Heathrow should focus on delivering plans for the next regulatory period (H7) efficiently rather than continuing to seek to increase the costs to passengers to make up for their poor track record of investment. The Civil Aviation Authority (CAA) should not allow any further increase to the interim tariff in their final proposals next month: to do so would only further dissuade shareholders from actually investing their own capital.

The Airports National Policy Statement, the legislation that enables Heathrow to put forward a planning application for a third runway is now 5 years old and the Government needs to update their policy framework.

Campaigners believe that the only recommendation that Heathrow's "internal review" of the third runway should be making is to cancel their expansion plans once and for all, believing that it is incompatible with our climate change commitments, will cost the economy more than it can deliver in benefits, will breach legal air quality limits and will suck demand away from regions around the UK. Moreover, because the CAA sets the level of passenger charges according to the size of the airport's asset base, they believe this increasingly underpins Heathrow's motivation to expand, despite already being the world's most disruptive airport by dint of geographical location.

Paul McGuinness, Chair of the No 3rd Runway Coalition, said:

"These accounts reveal Heathrow to be the UK's most indebted piece of infrastructure. Their profligacy has left it with £19bn of debt with £12bn due to be repaid in 2030.

So, it's disingenuous for these accounts to blame "insufficient regulatory charges" for ongoing losses. Those passenger charges are already the world's highest, putting the airport at loggerheads with its airline customers and the CAA, its regulator.

In government, the need to review the policy framework must be becoming obvious. The Airports National Policy Statement is now 5 years out of date, and Heathrow's expansion plans remain incompatible with our carbon reduction commitments. The time has come for a National Aviation Strategy, to kibosh once and for all the prospect of regional economic opportunity being overlooked by Heathrow's narrow economic self-interest."

ENDS.

Notes:

- 1) Heathrow Airport Annual Accounts 2022
[https://www.heathrow.com/content/dam/heathrow/web/common/documents/company/investor/reports-and-presentations/financial-results/2022/Heathrow \(SP\) Limited Q4 2022 Results Release.pdf](https://www.heathrow.com/content/dam/heathrow/web/common/documents/company/investor/reports-and-presentations/financial-results/2022/Heathrow%20(SP)%20Limited%20Q4%202022%20Results%20Release.pdf)

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