

Name:



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Year 12 A Level Geography Paper 2 Unit 2 – Regeneration

EQ3 – How is regeneration managed?

Readings



Article 1

HS2: When will the line open and how much will it cost?



- 11 February 2020

Prime Minister Boris Johnson has given the go-ahead to HS2, the high-speed rail link connecting London to Birmingham, Manchester, and Leeds.

The infrastructure project, currently the largest in Europe, has been delayed and faced mounting concerns over the exact route and spiralling costs.

While the whole line will be built, the government is set to review spend on the project to find savings.

So, what is the proposed route and why has the project gone over budget?

What is the HS2 route?

The new railway line running between London and the West Midlands would carry 400m-long (1,300ft) trains with as many as 1,100 seats per train.

The line would enable trains to reach speeds of up to 250mph and would run as often as 14 times an hour in each direction.

A V-shaped second phase would then run services from Birmingham to Manchester and Leeds.

The Department for Transport has said that the project will triple the capacity of trains across the entire route.



The government launched a review of the high-speed rail network in August 2019 to consider whether and how the project should proceed. In January, the BBC revealed that it "**strongly**" **advised against cancelling** the project.

On Tuesday, the prime minister said that there would be new "delivery arrangements" for the sections to Leeds and Manchester.

A new HS2 station would be built next to Manchester Piccadilly under this part of the plan. City mayors in northern England have previously urged that the project be delivered in full to help boost investment and productivity in the areas.

The programme originally began under the Labour government in 2009. It is the second High Speed rail project after High Speed 1, which links St Pancras International and the Channel Tunnel, **and opened in 2003**.

When will HS2 open?

The first phase of the railway - between London and Birmingham - was due to open at the end of 2026. But **Transport Secretary Grant Shapps said in a written statement** to Parliament in September 2019 that it could now be 2028-2031 before the first trains run on the route. The second phase to Manchester and Leeds was due to open in 2032-33, but that has been pushed back to 2035-2040.

How much will HS2 cost?

The official price tag for HS2 was set out in the 2015 Budget and came in at just under £56bn.

However, the government estimate for the project has since almost doubled, with the latest figure rising to £106bn, according to an official review leaked to the Financial Times in January.



Prime Minister Boris Johnson recently criticised how much money had been spent on the project in an interview for Sky Kids' FYI show.

He said that HS2 Ltd had "just wasted money. And the whole way it was managed was hopeless."

Why is HS2 over budget?

Management issues and unrealistic land valuations have caused the cost of HS2 to spiral.

HS2 will cut through a crowded landscape. The initial stretch from London Euston to west London will be through a giant tunnel underneath central London.

Former executive Doug Thornton previously told BBC Panorama that initial estimates for acquiring property and land were "**enormously wrong**".

A 2019 freedom of information request revealed that property costs are forecast to reach £5bn, compared to the original £1.1bn estimate. HS2 also failed to carry out extensive soil surveys, which has caused problems for digging and excavation, according to the project's current chairman, Allan Cook.

What about HS2 journey times?

The Department for Transport says the project will cut Birmingham to London journey times from one hour 21 minutes to 52 minutes. Once the second phase is complete, Manchester to London journeys would take one hour seven minutes (down from two hours seven minutes), and Birmingham to Leeds 49 minutes (down from two hours).

The government hopes it will also free up capacity on overcrowded commuter routes.

What about opposition to HS2?

Some MPs argued that the construction of HS2 would create thousands of jobs.

Others believe that it could be a catalyst for economic growth and could help rebalance the economy between the North and South.



However, HS2 will pass through about 70 parliamentary constituencies, and local groups opposed to the scheme have lobbied their MPs to vote against the plans.

There is political pressure on some Conservative MPs in particular, some of whom oppose the project as the route will pass through their constituencies.

Some recently-elected Conservative

MPs, representing seats in the north and the Midlands, are also reportedly against the project on the grounds that the money would be better spent improving local transport links.

Pressure group Stop HS2 believes that the operation of the line will cause increasing carbon emissions, as well as damage to areas of natural beauty and the ecosystems they support. They also argue that England's north and Midlands will actually lose out to London, rather than benefit, and that projections for its success do not take into account competition from conventional rail.

HS2 Action Alliance has previously argued that it believes a disproportionate number of the 30,000 jobs created around HS2 stations in phase one will be in London rather than the West Midlands.

Article 2

YouGov's recent nationally representative polling on HS2 found that 42% of the British public support and 37% oppose the plans.

We invited participants into our political Soapbox to state whether they were for, against, or on the fence, on the high speed rail development, and to argue their case. Here we look at the spectrum of argument to get a sense of what you are feeling on all sides of the debate.

For some, HS2 marks a return to Britain's world-leading engineering heyday; is the key to the UK's economic recovery; a long-needed opportunity for business investment and job creation in the Midlands and Northern England. But for others the cost is simply too high. The 'Stop HS2' campaign argues that there is "no business case; no environmental case; no money to pay for it". People are set to lose their homes and businesses, varyingly compensated – according to Transport Secretary Justine Greening's go-ahead statement – by "a package of measures"; tailored depending on the level of impact the 'rolling out' of HS2 has on the residents of affected communities. What's more, how can the Government afford it?

The debate unfolds here...?

1. IN FAVOUR OF...HS2

Argument 1 - HS2 will bring the UK into the 21st century



"It is a clear opportunity for ground-breaking technology to set up a significantly future-proof element of our transport infrastructure which can eventually spread across and connect the whole country" **Stephen Y, London**

"Existing railways are poor, inefficient and lack the capacity and technology this country requires now and will require in the future. Infrastructure is essential to keep the economy growing and moving" **Mr Singh, Solihull**

"We need to have a strategic aggressive strategy to reduce cars off our roads and ease congestion on our blocked-up roads and motorways" **Anon, North-west England**

"It's about time this country caught up with the rest of the world, our trains are a disgrace – never on time, nearly always dirty, hardly a great experience. When I look at the mode of travel by trains in Japan and such places, I feel ashamed of our trains" **Anon?**

“New routes have been long-needed for freight – rail is more efficient than road for transporting bulk goods in particular, and a frequent, fast service is good for all business sectors” Terry R, London

Argument 2 - HS2 will be good for business and rebuild Britain's economy



“Better transport links between major cities and the capital will boost business, trade and migration leading to greater development in the North and Midlands and the creation of jobs and prosperity” Chris H

“Improving transport connections in the rest of the UK will help to balance the economy away from the City [of London] and the Southeast, while helping to kick-start the economy out of recession. With funds now cheaper than inflation, unemployed engineers, and the economy in need of a boost, this is the perfect moment to start building” Euan D, East Midlands?

“In difficult times infrastructure investment is a tried and tested way of getting the company up on its feet. Jobs will be created throughout the supply chain from the start of the project and eventually the whole country can benefit from enhanced links” Gerri, Lancashire?

“The construction works will provide much needed employment in a number of industries – steel production, rolling stock, construction etc.” Chris, London?

Argument 3 - HS2 will give Europe's railways some competition



"We are already 50 years behind Europe in the development of high speed rail, which considering our pioneering position in the creation of railways is shameful" Bob H, Lincolnshire?

"Whilst most people only view it as a line between London and Birmingham, the more exciting prospect is that it will allow through trains to link up with the European hubs" David, Milton Keynes

"HS2 would help the UK maintain a competitive advantage within Europe. For far too long, the UK has been scared to invest in this type of major infrastructure" Anon?

"Our European neighbours have high speed rail and a north-south high speed rail service – it is critical to put the UK back on the map for rail quality and service" J Dean, Nottinghamshire

"I travel by train a lot and when visiting family in Marseille, I only ever hit problems on this side of the channel. HS2 should bring us up to a more acceptable standard" Viellard, Northeast?

Argument 4 - HS2 will reduce domestic air travel and carbon emissions



"High speed rail is the future for national travel. Some countryside campaigners seem oblivious to the damage unnecessary air travel does to the planet; I say this as a volunteer for the Campaign to protect rural England but a supporter of HS2" Roger, Dorset

"High speed rail provides an efficient alternative to domestic travel, particularly in a country the size of Britain" Brian P, West Midlands

"Well-designed and -constructed, train tracks are not the ugly scar that huge motorways make and most people actually enjoy riding on a train" **Nina, West London??**

"High-speed trains obviously consume a considerable amount of energy, but that seems a much more desirable way to do it than cars, motorways or short domestic flights" **Marie S, Yorkshire?**

Argument 5 - HS2 will help bridge the North-South divide



"We need to take the **focus of this country away from London**. HS2 is a start but it is 20 years too late. We need a high speed link with Europe which bypasses London" **Janet T, Northwest?**

"**We need to** enable and connect other parts of the country; to **dissipate the focus of the economy from the South East and promote other regions**" **Carol, East Midlands?**

"**Communications with the north of the country are extraordinarily poor** ... this link will be an important first step to improving travel times to anywhere north of the Midlands. **It is an absolute travesty that the only practicable way to get to Scotland on business is to fly** (since going by rail takes so bloody long)" **Richard M, Oxfordshire?**

"It should **"open up" Britain** and aid industrial development" **Anon?**

"Our population is growing fast and there is need to get people living away from the southeast" **Anon, Northeast?**

Argument 6 - HS2 will benefit ordinary people



"Shorter journey times equate to less stress!" **Peter J, East Yorkshire**

"Rail travel, apart from being **the most civilised form of transport ever devised**, is energy efficient and **does not require each member of the public to own the transport hardware**" **Bob H, Lincolnshire**

"At present fares are low if you can book well ahead, but capacity on the West Coast route is limiting traffic at many points in the day already, so we can expect restriction by price to be applied more and more. That's no problem for businessmen but for ordinary people it is yet another block on movement. **Building HS2 will free capacity for ordinary mortals on the "classic" rail system**, as well as helping promote economic growth in the UK" **Vic, Northwest**

"From a purely selfish point of view it will make travelling to London for leisure purposes (shows, gigs, exhibitions, shopping, theatre) much faster giving people more time in town. We go down about once a month so HS2 will be great" **Tony R, Sutton Coalfield**

"It will improve long distance rail travel in the country as well as freeing up capacity on the classic rail network" **Alan M, Scotland**

2. AGAINST...HS2

Argument 1 - Wait a sec, I thought Britain was bankrupt?



"We have other priorities in the country at the moment. Old people at home need care and support to help them stay there with dignity. **How the Government can justify all this money for a fast hunk of metal on rails to get people from Birmingham to London when so many older people are at risk at home and being left to God and good neighbours** as a result of all these cuts forced by the government, beggars belief" **Leslie S?**

"Billions of pounds to be spent just to save 40 minutes between London and Birmingham? Spend the money on the NHS if it's available" **Stuart, Yorkshire?**

"Should be shelved until we are out of financial trouble. I don't use the trains. I don't want to go to London" **Anon**

"In a time of austerity it is a wanton waste of money. This is not the only project where vast sums have been spent, which seriously makes me consider that the economic situation is not as bad as we are told. **When people's standard of living is falling, with jobs and pensions under threat, the many billions being spent on projects like this is really rubbing people's noses in it.** Government's taking us for fools" **Graham C, Nuneaton**

Argument 2 - HS2 is a bad, or wrong, investment



"If the Government could just bring its desire to 'be someone' under control and **think sensibly about job creation in areas that would benefit the whole population (getting the biggest bang for their buck)**, they would understand that the adverse effect on the environment and the local inhabitants around the planned route in NO WAY justifies this vanity project" **Lou S, St Albans**

"All that's happening is the journey time from London to Birmingham gets cut by about 20 minutes. **It's going to cost a massive £5,300 an inch.** And they're set to use trains with a top speed of only 250MPH. For nine years, Japan has had trains that can reach a top speed of 361MPH. **HS2 will be obsolete by the time it is completed:** in fact, it already is obsolete" **Jordan H, Plymouth**

"A better solution would be a high speed route linking **Leeds, York, Middlesbrough, Newcastle, Edinburgh, Glasgow, Carlisle, Liverpool, and Leeds.** Why would we spend £32.7 billion just to get to Birmingham 23 minutes faster?" **Phil H, Northeast England**

"Money should be spent in rail technology so that all trains are improved. As a start, the capacity of trains could be improved by **adding extra carriages, lengthening the platforms, and reducing First Class**, which seems almost empty most of the time. The project will go over-budget and there is no guarantee that British companies or workers will benefit" **Janice B, North Wiltshire**

Argument 3 - Bad for countryside and communities affected



"The environmental cost is unjustified. Even with the extra tunnelling, habitats are disturbed to put these in place: in at least one case, ploughing through an ancient woodland which has never been ploughed in all its history. Such sites are very rare and should be preserved untouched because they might have very important things to teach us" **Anon**

"I have family who live in an area that will be ruined by HS2. The Government has no regard for the countryside, wildlife, or people of this country. This is greenbelt land and part of the line goes through an Area of Outstanding Natural Beauty. It is not theirs to take. The Government is supposed to be a custodian of the British countryside but clearly has no regard for it" **Ruth H, Sussex**

"I live in South Kilburn which already has an overground line less than 200 feet away, a tube station less than 100 feet away, and HS2 is meant to pass in-between the two, more or less just under the area with 3 very large buildings accommodating over 400 flats. Not to mention that we already have in the same area a busy mail sorting office and also a primary school. And all that for extra 49 minutes! The proposal is a disaster for the lives of many of us!" Dragana, South Kilburn
?

Argument 4 - HS2 is a 'white elephant' with few benefits



"I do not believe the Department for Transport's figures. The line will benefit very few people and will be a gross over-provision of London-Birmingham trains of which there are already 3 per hour West Coast Main Line, 2 per hour Chiltern, and 2 per hour London Midland via Northampton.

In my view, HS2 will be extremely damaging to the existing railway. **I was a senior railway manager for 30 years and thus have some detailed knowledge of the subject**, rather more than the civil servants at the DfT I suspect" **V, Warwickshire**

"They say they will bring it to Scotland, but I doubt that very much. **It will be a repeat of the Edinburgh trams situation:** no point, as the links are already good; running way over budget and the expected construction time" **Michelle H, Scotland**

"Return on investment for HS2 is between only £1.80 to £2.60 for every pound spent, but for alternatives that return is more than £6. Improving local rail infrastructure for Birmingham, Manchester and Leeds would do far more for those cities than making them 'closer' to London" **Dan H, Gloucestershire**

"I don't think it will improve the economy in the local area – I think it will just extend the reach of the commuter zone for those working in London and that the cost of travelling on it will be prohibitive for the average person" **Anon**

Argument 5 - HS2 will not benefit the ordinary traveller



"Who will be able to **afford it by then, assuming a standard rail fair continues to increase** at 6% per year? Spend the money **patching up the existing infrastructure**, and making the existing service more reliable, and affordable. The HS service is just another image builder for the key players, not for the idiots (like me) in the country who will have to fund it" **Doug, West London**

"It will be like Concorde was, for the rich and famous, and businessmen" **BW, North Staffordshire**

"I am currently standing in the Hertfordshire Elections to the UK youth parliament, and the one thing that young people all seem to be annoyed by is the constant rise in train fares. HS2 will only serve to **increase the price of train fares** as train companies have to redistribute the costs associated with running on a line such as this. If the Government has extra cash to spare on the transport networks then they should **use it to reduce train fares** by way of a subsidiary or in a form of student discount" **Alex H, North Hertfordshire**

Article 3

Heathrow expansion: What is the third runway plan?

By Tom Edgington BBC News

- 28 February 2020

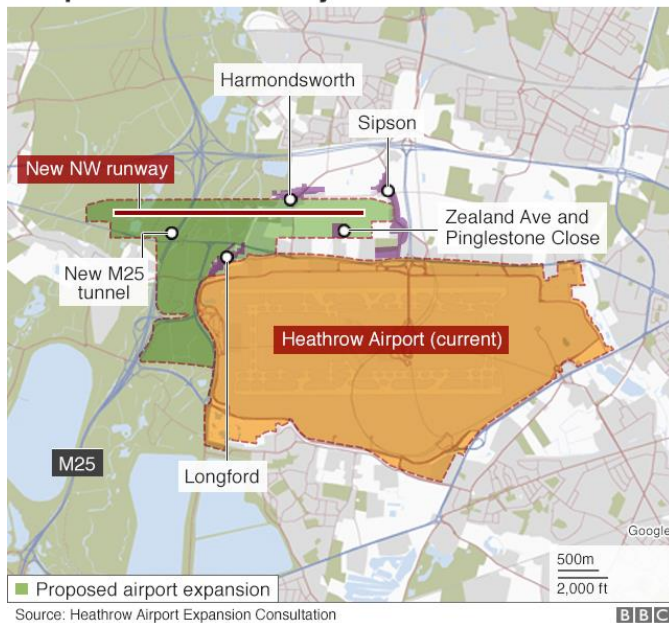
Plans for a third runway at Heathrow Airport face an uncertain future after the Court of Appeal said the government's decision to allow it was unlawful. The idea to expand Heathrow has been talked about for many years and while many businesses support it, the plan has also attracted a lot of opposition from environmentalists and local residents.

What is the Heathrow expansion plan?

Heathrow is already the UK's busiest airport, serving about 80 million passengers per year. The airport currently has four terminals and two runways.

If the plan had been given the green light, construction of a new runway was expected to be completed between 2028 and 2029.

Proposed third runway at Heathrow



Building the new runway would involve diverting rivers, moving roads, and rerouting the M25 through a tunnel under the new runway.

But that would not be the end of the project. Work was expected to continue until 2050, with extensive upgrades to the existing terminals two and five as well as plans for new car parks.

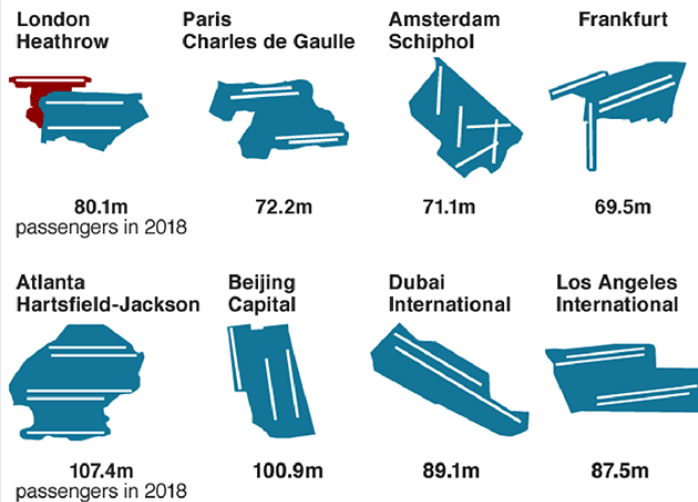
Heathrow Airport had said the project would be funded privately.

What were the arguments for a third runway?

The expansion would benefit passengers, **boost the wider economy by up to £61bn and create up to 77,000 local jobs by 2030**, according to the Department for Transport.

Major global airports

Runway layout and total passengers in 2018



Source: ACI World, preliminary data for 2018 published in March 2019

BBC

More than 40% of the UK's exports to non-EU countries now go through Heathrow, according to its chief executive John Holland-Kaye. He said a third runway was vital in order to strengthen international trade links.

"If we don't expand our only hub airport, then we're going to be flying through Paris to get to global markets."

Heathrow Airport had also said it would introduce legally-binding environmental targets - including on noise, air quality and carbon emissions.

What are the arguments against?

Local and environmental groups have dismissed Heathrow Airport's assurances and have argued that a new runway would mean unacceptable levels of noise and pollution, as well as adding to the UK's carbon emissions from the increased number of flights. The proposal also **"makes a mockery"** of the government's 2050 carbon neutral strategy, according to Green MP Caroline Lucas.

Rupa Huq - the Labour MP for neighbouring Ealing Central and Acton - had labelled the plan "completely nuts" and said: "Heathrow is the biggest emitter of carbon dioxide in Europe."



Campaign groups have also voiced opposition.

"The impact on local people could be severe for many years to come" said John Stewart, who chairs the Hacan group.

"Disruption from construction, the demolition of homes, the reality of more than 700 extra planes a day."

In all, 761 homes are expected to go, **including the entire village of Longford.**

Heathrow had said it would pay the full market value plus 25% for properties in its compulsory purchase zone, as well as for some houses in the surrounding areas.

When was a third runway first proposed?

The third runway plan has been talked about for many years.

The issue had put Prime Minister Boris Johnson in an awkward position - especially as his Uxbridge and South Ruislip seat is next to Heathrow.

In 2015, he said: "I will lie down with you in front of those bulldozers and stop the construction of that third runway."

However, when **MPs voted in favour of the third runway** in 2018, Mr Johnson - who was foreign secretary at the time - missed the vote as he was travelling to Afghanistan.

The Labour government approved a third runway in 2009, with former Prime Minister Gordon Brown saying it was needed for economic reasons.

But the plan was later scrapped by the Conservative-Liberal Democrat coalition government in 2010. David Cameron, who became prime minister after Mr Brown, ruled out a Heathrow expansion **"no ifs, no buts"**.



A few years later an **Airports Commission** was set up to look at how to deal with London's airport capacity problems. In 2015, it **recommended Heathrow as the preferred site for a new runway**. A year after the commission's report was published, **the government approved the plan** under Theresa May's leadership.

However, the decision caused some disquiet within the Conservative Party. Zac Goldsmith - the MP for Richmond Park - resigned his seat in protest.

The Conservatives' 2019 election manifesto says that while the third runway is a private project, Heathrow must demonstrate it can meet its air quality and noise obligations.

What happens next?

On 27 February 2020, the Court of Appeal ruled the decision to allow the expansion was unlawful because it did not take climate commitments into account.

The judges said that in future, a third runway could go ahead, as long as it fits with the UK's climate policy. Not surprisingly, Heathrow bosses want to keep alive the plans for the redevelopment and believe that they can. A spokesman said they were confident an appeal to the Supreme Court "will be successful" and added they would work with the government in overcoming obstacles to the plans.

However, local politicians said they hoped it would prove to be the end for the scheme. Mayor of London Sadiq Khan said the right choice for the government was to abandon the plan. In response, the government said it was "for Heathrow and the courts to decide" whether the expansion should go ahead.

Article 4

Future of Airports | The battle to extend Heathrow

11 MAY 2020 BY ROB HORGAN

Heathrow Airport Ltd and Heathrow West will go toe-to-toe in their quest to build Heathrow's third runway. But first, both must overcome legal hurdles blocking the airport's expansion.

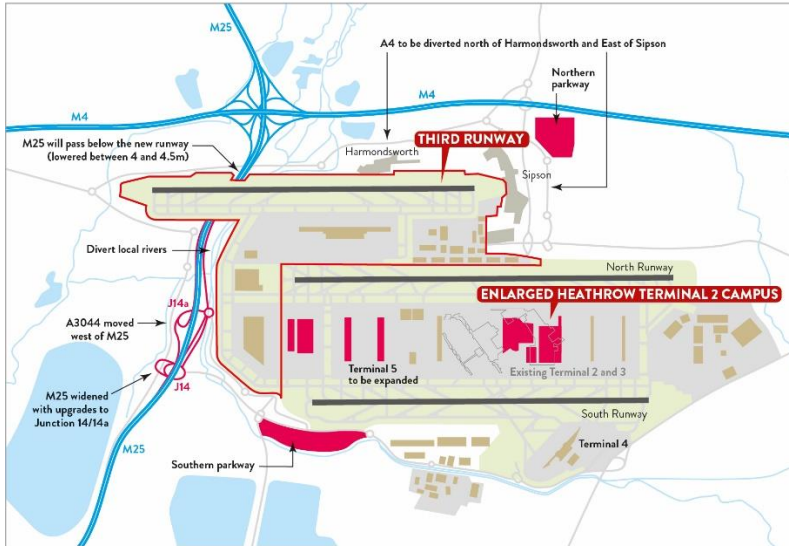
The battle over Heathrow Airport's third runway is as protracted as it is political. Proposals for expanding the West London hub have been repeatedly knocked back since the early noughties. But in 2018 when the then transport Secretary Chris Grayling convinced his fellow MPs to vote in favour of expansion, it looked like the third runway proposal could finally get off the ground.

Since then, a string of legal disputes, political flip-flopping – led by our current prime minister – and environmental challenges have continually threatened to ground the proposal once and for all.

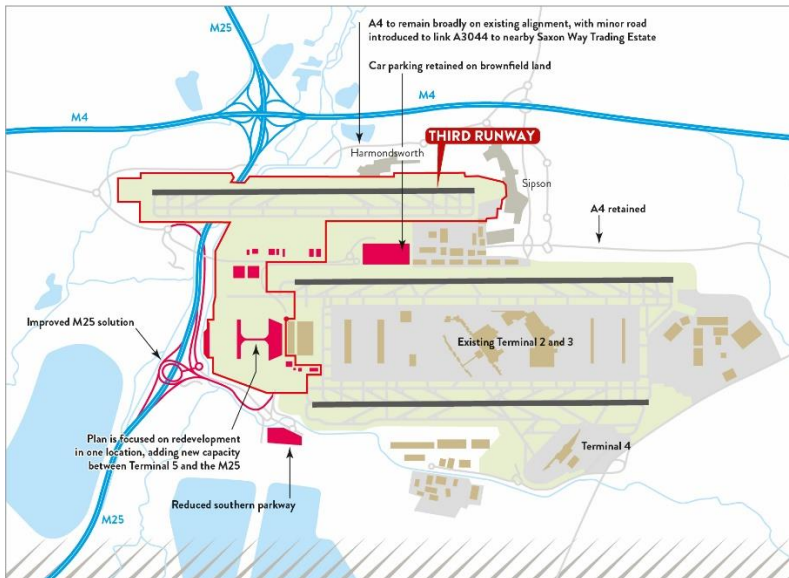
The latest hurdle to overcome is perhaps the greatest of them all. In February, Lord Justice Lindblom ruled that the government's Airports National Policy Statement – which backed the third runway – failed to consider Britain's commitment to cut carbon emissions under the 2016 Paris Agreement. Consequently, the Court of Appeal ruled that the third runway proposal cannot proceed because the policy statement is unlawful as it breaks net zero carbon emission laws implemented by prime minister Theresa May's government before last year's General Election.

HEATHROW'S THIRD RUNWAY

HAL's PROPOSAL



HEATHROW WEST'S PROPOSAL



The coronavirus lockdown has only strengthened opponents' arguments against expansion. The estimated fall in global carbon emissions is estimated to have been between 5% and 25% since most of the world's flights were grounded, drawing attention to the amount of pollution generated by airports like Heathrow.

Airport operator Heathrow Airport Ltd (HAL) says it will challenge the ruling in the Supreme Court, but for the time being its plans are in limbo.

And if that was not enough, there is also a battle about how to best carry out the expansion programme. For the first time ever, the Planning Inspectorate is considering two separate submissions for permission to carry out the same job.

Competing bids

In one corner there is HAL – the airport operator, with an annual revenue of nearly £4bn and a track record of having overseen expansion of the airport including the £4.2bn delivery of Terminal 5 in 2008.

In the other corner is Heathrow West, a subsidiary of the Arora Group, which owns £1.6bn in assets and which turns over around £300M a year.

But before the two contestants can go toe-to-toe, they are united in their aim to overturn the Court of Appeal decision to block expansion. Both have appealed to the Supreme Court, and both are confident that the decision will once again be overturned. However, final development consent order applications from both parties have been suspended and look unlikely to be submitted later this year as originally planned.

Although united on overturning the court's decision, the two parties are divided about how to expand the airport. HAL's proposal includes detailed plans to lower the M25 by between 4m and 5m, taking it beneath the proposed third runway. It also wants to divert rivers and enhance surface access infrastructure.

In its new alignment, the M25 will pass below the new runway and taxiways. The HAL masterplan also proposes that the M25 be widened with upgrades to junctions 14 and 14a to accommodate future traffic requirements.

The coronavirus lockdown has only strengthened opponents' arguments against expansion

In addition, HAL has put forward plans for the A4 along the north side of the airport to be moved further north, to avoid the new runway. And the A3044 east of the M25 would be moved to the west of the motorway.

The masterplan also sets out HAL's intention to divert local rivers around the new western boundary of the expanded airport. This includes creating a river corridor that passes beneath the new runway.

To improve surface access, two car parks have been proposed to the north and south of the airport to accommodate much of the airport's future parking capacity. It is planned that both parkways be constructed and brought into operation in a phased manner as the airport is expanded over time.

The proposed northern car park would be capable of accommodating up to 24,000 cars, have access from the M4 and be connected directly to the airport's central terminal area by a shuttle system.

Meanwhile, HAL's planned southern car park would provide up to 22,000 car parking spaces, be served by an upgraded road connection to Junction 14a of the M25 and be directly connected to the Terminal 5 campus by a light rail shuttle system.

Enlarged Terminal 2

In addition to the third runway, the masterplan highlights HAL's plan to develop an enlarged Heathrow Terminal 2 Campus, to replace Terminals 1 and 3. Terminal 5 will also be expanded, with additional capacity to the west forming what is dubbed the T5X building.

HAL claims it has prepared its masterplan to accommodate up to 756,000 flights and 142M passengers per annum with annual cargo handling capacity of approximately 3M.t.

But Heathrow West backer, Arora Group chairman and founder Surinder Arora says he is unimpressed.

“We are not impressed with HAL’s plan. We fail to see how they can stay within their £14bn budget or deliver it on time. It is too elaborate, almost like they want to build an entire city at the airport rather than focus on the passenger,” he says.

“We will do it for less money, quicker, and, for the first time ever, we will set a benchmark for HAL to be measured against.”

We have an efficient design in one location compared to HAL’s proposal which is spread out over three locations

Heathrow West claims it can increase capacity to 130M passengers per year for £14.4bn, with less disruption to the airport and the local community. Heathrow West will focus on adding new terminal capacity west of the airport between Terminal 5 and the M25, avoiding the need to redevelop existing terminals. The plans assume that HAL will build the third runway.

During his appearance on *NCE’s The Engineers Collective* podcast in March, Heathrow West chief executive Carlton Brown explained that “the fundamental difference” between Heathrow West and HAL’s plans centres around terminal expansion.

“We are focused on the terminal, HAL is doing the runway, terminal and supporting infrastructure. Our plans focus purely on the terminal side,” Brown explained.

“Whereas HAL has gone for an option of expanding the terminals in three areas, we have gone for a much more focused design, working with the airlines, and we’ve centred our terminal expansion in the west, adjacent to Terminal 5.

“By having a really efficient design and having all the extra passengers in one location, you can create a central hub which is great for the passengers arriving, as you have less transfers.

Efficient design

“In a nutshell, we have an efficient design in one location compared to HAL’s proposal which is spread out over three locations.”

Under Heathrow West’s plans all the current infrastructure used for Terminal 5 would also be reused for its proposed Terminal 6 which it claims would provide sufficient capacity to cater for a third runway.

HAL’s plans require development to the north of the airport site and in the centre. But Heathrow West claims that the northern site is “simply not needed” and the central terminal expansion is “very costly”.

Brown adds that by building new terminal capacity in just one location, Heathrow West’s plans are more aligned with the government’s environmental requirements, as they will have a shorter construction period and a smaller carbon footprint.

Heathrow West’s parent company Arora has previously raised concerns about HAL’s “monopoly position in relation to the provision of airport operation services and related services at Heathrow Airport” and about the “undesirability of Heathrow expansion

exacerbating the anti-competitive effects of that monopoly and leading to increased costs to both airlines and consumers”.

HAL will be fined if its expansion costs rise above what has been agreed

In a boost for Heathrow West, *NCE* revealed in December that airports regulator the Civil Aviation Authority (CAA) had hired an independent assessor to determine whether Heathrow's terminals could be operated by different companies.

The regulator has already tightened the screw on HAL's proposal. The CAA revealed last December that HAL will be fined if its expansion costs rise above what has been agreed. This comes after it emerged that pre-construction costs in relation to HAL's planning application rose to £2.9bn in July last year.

HAL has also announced that it has pushed back the scheduled completion of the third runway from 2026 to “early 2028 or late 2029”, after the CAA ruled that Heathrow's timeline should be adjusted to allow for the Planning Inspectorate to rule on its development consent order application.

Delivery schedules

HAL also submitted two possible delivery schedules to the CAA to demonstrate that it was willing to work on its costs. One focuses on cost savings and the other prioritises services, such as surface access and retail units, and would require additional investment. The first plan would allow Heathrow's third runway to open in 2028. The second would bring the runway into service in 2029.

HAL claims the first delivery schedule can still be completed within the original £14bn budget announced in 2014.

The second, more expensive, schedule involves spending an additional £3bn over the first 15 years including investing £750M each in western and southern rail links and an additional £500M every five years on passenger service, such as upgraded passenger lounges and faster delivery of digital services such as 5G upgrades.

Under this proposal a western rail link would be completed in the mid-2020s before the third runway opens, with a southern link scheduled for completion in the mid-2030s.

To date, Heathrow West's plans have come under little scrutiny from the CAA, however *NCE* understands that will change in the coming months.

Article 5

Plans to build 1,800 new homes in Ponteland are met with anger. Councillor Peter Jackson, the leader of the Conservative group, and Hexham MP Guy Opperman have both hit out at the proposals.

Councillors and an MP have launched a blistering attack on council bosses for supporting plans to build 1,800 new homes on the outskirts of Ponteland.

Developer Lugano Property Group wants to build a "garden village" on land at The Dissington Estate, north of Darras Hall.

The company claims the project could create around 500 affordable houses, support the Ponteland Relief Road scheme, and enhance the town's infrastructure.

But critics have accused Northumberland County Council of being "two-faced" after it opposed plans for 280 new homes in the town last year.

The council's cabinet has been recommended to support an 'expression of interest' by the developer which would be submitted to the government.

Coun Peter Jackson, the leader of the Conservative group, said: "It is no less than two-faced for the council to absolutely oppose Lugano's plans just a year ago.

"At last year's inquiry into the Birney Hill plans, the inspector threw out all of Lugano's overblown claims as they had little substance.

"To bring this report forward without going through any proper democratic process is indication that the council is increasingly acting like a dictatorship imposing its will on all areas.

"Once again this is just further proof that Northumberland is now nothing more than a developer's paradise."

Ponteland councillors Veronica Jones, Eileen Armstrong and Richard Dodd have also objected against the plans.

Hexham MP Guy Opperman said: "The county council's plans to support the building of 1,800 houses on the outskirts of Ponteland have understandably come as a real shock to local residents.

"This is the first indication we have had that it plans to support this proposal, despite the fact we have been through years of consultation regarding housing plans and the green belt.

"Given the huge impact on the greenbelt and the pressure on public services, I simply could not support these proposals."

Earlier this year, the government published a report seeking expressions of interest from local authorities to create new garden villages.

The report said proposals must be between 1,500 and 10,000 homes and help to tackle housing shortages.

Richard Robson, chairman of The Dissington Estate, said they want to involve the community in the plans and hope to announce details of a comprehensive engagement programme in the autumn.

He added: "We believe that part of the estate would be perfect for a new garden village and the kind of community facilities you might expect will be a primary school and local shops."

The report to cabinet members states the development would deliver "significant benefits" to the town.

Coun Allan Hepple, the council's cabinet member for economic growth, said the plans would create more jobs and a greater choice for people in the housing market.

He added: "The government requires us to deliver significant numbers of new houses towards its national target of one million new homes by 2020 and this would form part of our contribution."

If the plans were selected as one of the 12 garden village projects the government supports, the council would then work with them to progress the scheme.

The cabinet is also being asked to approve further modifications to the Northumberland Local Plan Core Strategy at a meeting on Tuesday to allow the garden village proposal to go ahead.

Article 6

1. Is it true there are “Serious health concerns”?

Last month New York State banned fracking altogether after the Public Health Commissioner there found “serious health risks”. Breast Cancer UK has concerns about the potentially adverse health effects of increased exposure to harmful chemicals that may occur as a result of fracking. In Britain, the Public Health England report that gave fracking the green light was published before much of the evidence was available.

2. But it creates new jobs and boosts the economy, right?

Everyone agrees that Britain needs more long-term, skilled jobs. But despite early promises from the fracking industry of new manufacturing jobs in the tens of thousands, experience from one of the biggest shale fields in the US shows that job creation is limited to four jobs per well on average. Fracking company Cuadrilla has since admitted that the 6 year fracking project proposed in Lancashire would lead to just 11 jobs at each of the two sites, including those induced by the extra economic activity. A separate study has found that a programme of home insulation would create 10,000 jobs by 2020 in the North West alone.

3. Will it reduce bills?

Another early promise from fracking companies is that it would reduce our energy bills, a line that is now used less and less by the industry. However, Cuadrilla admitted that any impact on bills would be “basically insignificant” and claims from Breitling Energy, a US shale company that fracking would “lower energy bills for millions” in the UK were found to be “misleading” by the Advertising Standards Authority.

4. What's happened where fracking has taken place already?

Denton, Texas, is known as the “birthplace of fracking”, where the community has been living side by side with the industry since the late 2000s. However, the town has now banned fracking following a referendum. In this solidly Republican town gas and oil companies reportedly spent \$700,000 trying to defeat the ban. And still lost. Denton joins a long list of places with bans and moratoriums including Scotland, France, the Netherlands, and large parts of Canada and the US. Anti-fracking campaigners outside Parliament this week.

5. Will it pollute water?

Lord Smith, former Chair Environment Agency, has said “groundwater contamination is the biggest environmental risk in this activity”. Contamination of groundwater can occur from a fault in the production well, and surface water contamination could result from spillages associated with waste storage, handling, and disposal. As a consequence, the Labour Party had proposed that fracking be banned in “groundwater source protection areas” that feed into aquifers used for drinking water. The Government had accepted this proposal in Monday's fracking debate, but now appears to be backpedalling by trying to instead rule out fracking in only part of the water protection zone.

6. Will it cause climate change?

The only way to stop climate change is to stop burning fossil fuels, not dig up more. Especially when we know only one fifth of the fossil fuels already discovered and owned can be burnt without causing runaway temperature rises and extreme weather. As former special envoy on climate change John Ashton has said: "You can be in favour of fracking, and you can be in favour of tackling climate change, but you can't be in favour of both."

7. Will we have fracking everywhere in the UK?

The Government was planning on announcing licenses for fracking companies in up to 60 per cent of Britain in the next few months. But just today the Scottish Government has announced its moratorium on fracking. While on Tuesday the First Minister of Wales tweeted that "we should consider a moratorium on fracking". This would leave only England and Northern Ireland as the potential guinea pigs.

8. Isn't it just hippies that oppose fracking?

Not so. Of the 200-plus anti-fracking groups that have sprung up over the past couple of years, very few are run by people that have never campaigned about anything before. Grandmothers Against Fracking are a case in point. A group of grandmothers, also known as the 'Nanas' have got together to oppose fracking in Lancashire, and recently occupied a proposed fracking site.

9. Why is the Government so keen for it to go ahead?

No one quite knows the answer to this. Fingers have been pointed at the influence of George Osborne's father-in-law, Lord Howell, who has large interests in fracking. And, earlier this week, a crucial letter was leaked setting out Osborne's plans to try to push fracking through even if local councils turn it down. David Cameron claims it will reduce dependence on foreign gas imports, but studies show that a similar focus on measures that reduce energy demand, like energy efficiency, could do the same thing with less disruption and pollution.

10. What do the public think?

Support for fracking is low and dropping. A new poll today shows support is at 25 per cent, while opposition continues to rise and now stands at 40 per cent. Most opposition to fracking is concentrated in areas where it is proposed. Only 10 per cent of people would be happy to see it in their area, while around two thirds of people would prefer to live next to a wind farm than a fracking site. If the Government does open up more of England and Wales to fracking, expect opposition to grow. The future is not looking bright for the fracking industry. Lancashire's decision today is likely just delaying the inevitable demise of the fracking dream. But with promises of jobs and lower bills already gone, and growing concerns over water contamination, health impacts, 24 hour drilling, flaring and traffic, it was looking more like a nightmare anyway. Perhaps soon Britain can get back to building a green economy that could deliver skilled jobs and lower bills, as well tackling the urgent threat from climate change.

Friends of the Earth

Article 7

North Yorkshire council backs first UK fracking tests for five years

This article is more than 5 years old

Council approves shale gas tests in village of Kirby Misperton despite receiving 4,375 objections to the plans



Anti-fracking protesters in the grounds of the County Hall building in Northallerton. Photograph: Ian Forsyth/Getty Images

Josh Halliday *North of England correspondent*

Fracking is set to take place in Britain for the first time in five years after councillors approved tests in North Yorkshire, sweeping aside thousands of objections from residents and campaigners.



'Riding roughshod over democracy': residents on fracking in North Yorkshire

Tests for shale gas can now take place in the village of Kirby Misperton, in the Ryedale district, after councillors gave the green light to UK firm Third Energy.

The decision was greeted with boos, jeers and honking horns from crowds of anti-fracking campaigners outside County Hall in Northallerton, where residents raised fears of catastrophic seismic activity, health problems and pollution during a rancorous two-day hearing.

It paves the way for the first fracking test in Britain since 2011, when tests on the Fylde coast were found to have been the probable cause of minor earthquakes in the area.

Since then, two high-profile applications to frack in Lancashire have been rejected by councillors and are the subject of appeals.

Opponents fear fracking – in which chemical-filled liquid is pumped deep underground at high pressure to fracture rock and release gas – can cause problems including water contamination, earthquakes and noise and traffic pollution.

Environmentalists warn that pursuing new sources of gas – a fossil fuel – is not compatible with efforts to tackle climate change.

North Yorkshire county council received 4,375 objections and just 36 letters in support of Third Energy's plans to frack for shale gas at its existing well in Kirby Misperton, known as KM8.

The council's own officials backed the proposal earlier this month and the Tory-dominated planning committee formally gave it the go-ahead by a majority of seven votes to four on Monday night.

David Cameron and his ministers will welcome the development. The prime minister said in 2014 that the government was "going all out for shale" and the energy secretary, Amber Rudd, said after the general election that she would "deliver shale".

In August, ministers said they would intervene in planning applications following industry frustrations that local authorities were not moving quickly enough.

Tensions ran high during the hearing in Northallerton, where the festival-like atmosphere among demonstrators turned sour when pro-fracking experts addressed councillors on Monday.

Tory councillor Peter Sowray, leader of the planning committee, conceded after the vote that the process had caused deep wounds within the local community that would take time to heal. "People are going to be angry. It will take time to calm down – for some people it never will," he said.

Sowray, who voted in favour of the proposal, said there was not going to be "hundreds of wells" and stressed that his committee's approval was limited to work at one site. "There may be more applications," he said. "This application will prejudice future applications."

Outside the County Hall, there were chants of "We say no" and "You will be held accountable" as protesters vowed to continue to fight the plans.

Christopher Pickles, a 78-year-old resident of Hovingham, a village 10 miles from the frack site, said the vote would make campaigners "redouble our efforts" and consider a legal challenge.



In the timeless Yorkshire moors of my childhood, the frackers are poised to start drilling

Councillors heard at the meeting on Monday that North Yorkshire police were investigating allegations that anti-fracking activists hacked the email accounts of five parish councils to send bogus emails objecting to Third Energy's bid.

The murky development came amid growing acrimony in the rolling North Yorkshire countryside, with Third Energy bosses accusing its opponents of misleading counsellors by using underhand tactics, scaremongering, and dramatic performances.

One pro-fracking B&B owner was jeered with chants of "Shame on you!" by demonstrators as she spoke in favour of the plans.

Third Energy rolled out a series of executives and experts to counter concerns surrounding noise, water pollution and even potential earthquakes.

The firm argued there would be "no significant disturbance from noise" and that the risks to water contamination were "virtually zero" in spite of "an awful lot of scaremongering".

One expert produced a graphic showing the scale of the 37-metre gas drilling rig compared with the 55-metre Cliff Hanger ride at the theme park Flamingo Land, which is less than a mile away from the fracking well.

Third Energy's commercial director, Ian Gair, said he had not been planning to speak but felt compelled to counter the "what I can only call performances" from anti-fracking campaigners.

"Do not be cowed by cries of foul play or precedent setting," he told councillors, adding: "Would you stifle a child at birth for fear of what it would grow into?"

Shaun Zablocki, the company's operations support manager and a self-described "Scarborough lad", attacked the "outrageous statements" and "glaring inaccuracy" of some of the anti-fracking objectors. "It is hard to understand their motives as being anything other than disingenuous and attempts to mislead the committee," he said.

Speaking before the decision was announced, Third Energy's chief executive, Rasik Valand, implored the councillors to judge the application on its merits.

He denied that fracking would deal a blow to tourism in the region, suggesting that the "negative publicity" brought about by its objectors would have a more detrimental effect.

"It is important to take a step back and focus on what is the issue: hydraulic fracturing, two to three kilometres in the ground on an existing well that has been operating for a long time ... for two months," he said.

"This application like every other application can only be considered on its merits. I urge you to please consider this application in line with the approval from your planning officer."

In a press conference after the vote, Valand said his "overwhelming reaction" was relief. "It's been a long journey for us. We started this journey when we drilled a well two years ago," he said.

Valand said he did not see the decision as setting a precedent that could open the door for fracking across Britain but said further tests would now need to be carried out.

Earlier, independent councillor John Blackie prompted jubilant cheers from the crowds outside when he said the "highly damaging" fracking plans fell "well short" of convincing him.

Local tourism and agriculture would be put in peril by approving the plan, he claimed. He said it could lead to fracking in Ryedale "for ever and ever and ever" and that other gas firms would follow Third Energy's lead.

"As sure as God made little apples, others will follow and that has not escaped the attention of the objectors who fear that our tourism and agriculture is doomed if this application goes ahead," he said.

"This is a shot in the dark and I see no compelling reason why North Yorkshire should be the guinea pig when those impacted have so much to lose."

Article 8

UK Migration Policy since the 2010 General Election

28 APRIL 2015

Update: The figures in this piece referring to recent net migration have been updated following new figures published on 21 May.

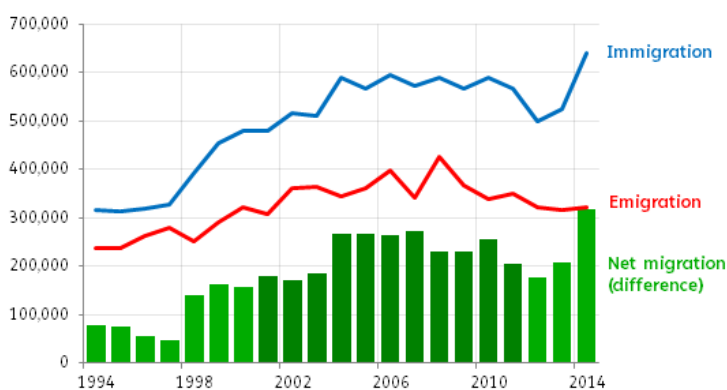
- The Conservative party target to reduce net migration from the 'hundreds of thousands' to the 'tens of thousands' has been reflected in stricter policies for admitting non-EU students, family members and workers.
- Eligibility criteria for work visas have become more selective but overall numbers remain similar to 2010 levels.
- British citizens and settled residents must now earn at least £18,600 if they want to bring their spouse to the UK, up from a post-tax income of £5,500 before July 2012. The exact number of family visa applications this policy has prevented is not known.
- Student work rights have been reduced and more scrutiny introduced over colleges sponsoring international students. Over 800 colleges either had their license to sponsor non-EU students revoked or failed to reapply for sponsor status under the new rules. Visas issued to international students fell by more than 50,000 from 2010 to 2014.
- Net migration was almost 200,000 above the 100,000 target when the last official statistics were released before the election and are now even higher. Failure to meet the target was driven by both EU and non-EU migration. If EU net migration had remained at 2010 levels, the level would still have been more than double the target.

Policies governing inflows of students, workers, and family members from outside the EU have become stricter over the course of the parliament

During the 2010 General Election campaign, the Conservative Party pledged to bring 'net migration' down to the 'tens of thousands' by the end of Parliament in 2015. Net migration is the difference between the number of people leaving the UK to live abroad and the number entering to live here. This number stood at 263,000 in the year ending June 2011, covering the first year since the last election.

Migration to and from the UK

Long-term international migration in the UK



*Revised figures: 2001-2011

Source: ONS long-term international migration, 2013, table 2.01a and migration statistics quarterly report, May 2015, table 1

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Full Fact

The entry numbers of European Economic Area (EEA) nationals cannot be restricted using immigration policy. Several immigration policy changes were introduced to make it more difficult for non-EU nationals to come to live in the UK in one of the three main categories: work, study, and family.

Eligibility criteria for work have become more selective but overall numbers remain similar to 2010 levels

A cap of 20,700 on employer-sponsored skilled migration (Tier 2 general) was introduced in April 2011 and has so far not been a binding constraint on work-based migration because the number of applications has been less than the limit. Minimum skill and language requirements were increased.

Two routes (Tier 1 — general and post study work) allowing skilled migrants and former international students to work in the UK without a specific job offer were closed, while new visas were introduced to admit smaller numbers of graduate entrepreneurs and people with 'exceptional talent'.

In 2010, approximately 15,500 new visas had been granted to main applicants coming from overseas in the two closed routes, post-study work and the points-based Tier 1 (general) route. Also in these routes in 2010, 54,000 extensions were granted to people already in the UK; this includes people who already held one of the two visas, as well as those switching into these categories from another type of visa.

By 2014 no new applicants could apply from overseas and numbers had fallen close to zero. Extension data are not yet available for 2014, but by 2013 post-study work extensions had fallen to under 600. There were still just under 20,400 Tier 1 (general) extensions in 2014, the vast majority of whom already held a Tier 1 (general) visa; from April 2015 the category will be closed to these applicants too.

However, declines in the number of visas granted in these two categories were offset by increases in others. In particular, the number of employer-sponsored skilled workers and people transferring within companies issued entry visas rose by approximately 12,800 from 2010 to 2014, from 39,100 to 51,900 main applicants.

British citizens and settled residents must now earn at least £18,600 if they want to bring their spouse to the UK. It is not possible to know the exact number of family visa applications this policy has prevented.

From 9 July 2012, British nationals applying to bring a non-EEA national partner to the UK are required to have a minimum annual income of £18,600, up from a post-tax income of £5,500 before July 2012. The required amount increases to £22,400 if they want to bring one child, and each extra child adds a further £2,400 to the requirement.

We do not know exactly how many spouses or children have been unable to come to the UK due to the income requirement. Between July 2013 and July 2014, the Home Office put on hold applications that would be refused solely on the basis of the income requirement pending a judicial decision about the lawfulness of the new rules.

The government reported that 4,000 individuals' applications were affected during this period of approximately one year. However, an unknown number of additional applicants will not have applied, knowing that they were ineligible.

Migration Observatory analysis of 2014 data found that 43% of British nationals who are employees do not earn enough to sponsor a non-EEA spouse. This share is higher for groups that tend to have lower incomes, such as women (57% not eligible), young people in their twenties (60%) and ethnic minorities (51%).

EEA citizens living in the UK do not have to meet the income requirement if they want to bring in their non-EEA spouse. In 2013, approximately 17,600 residence permits were issued for non-EEA spouses of EEA citizens. The top nationalities of non-EEA spouses receiving the permits were India (12% of the total), Pakistan (10%), Nigeria (9%) and Brazil (9%).

Student work rights have been reduced and more scrutiny introduced over colleges sponsoring international students

The government promised in its original programme to address 'abuse of the immigration system' via student routes, particularly where non-EEA migrants were suspected of coming for work rather than study. New measures reduced the permitted working hours and raised language requirements for students at further education colleges.

In addition, all education providers sponsoring non-EEA students to come to the UK were required to apply for "highly trusted sponsor" status; to gain this status, providers must meet criteria that include a high rate of students completing courses and low rates of students having their visas refused.

Between 1 May 2010 and 7 October 2014, 836 education providers lost their licences, preventing them from bringing non-EEA students to the UK. Interpreting this number is not entirely straightforward. First, some licenses were revoked because institutions did not apply for highly trusted status.

This may be because institutions knew they did not meet the new criteria, but it could also be for other reasons—for example, because they stopped operating or went bankrupt. Second, some providers on the list of organizations that had their license revoked during this period reapplied and had their license reinstated. Third, not all the colleges that lost their licenses will have closed. They can no longer sponsor non-EEA students but are not prevented from operating for domestic or EEA students.

Specific data on each of these categories are not available, but management data provided by the Home Office suggest that:

- 223 licenses were revoked because the sponsor did not apply for highly trusted status by October 2011 (this does not include colleges that had not yet been licensed for at least 12 months at that point, and who therefore faced a later deadline).
- A further 237 colleges either failed to meet a later deadline to apply for HTS or applied and were refused.

By March 2015, 70 colleges with previously revoked licenses were currently licensed again under the same name (this does not include any who may have applied under a new name).

The number of student visas issued to non-EU nationals fell from just under 254,000 in 2010 to 193,000 in 2012, before rebounding slightly to 200,000 in 2014. A decline in applications for study was driven by lower applications to further education colleges (a decrease of

46,000 applications from 2010 to 2014) and English language schools (a 15,900 decrease). Applications to UK-based higher education institutions, by contrast, increased (by 25,400 over the same period).

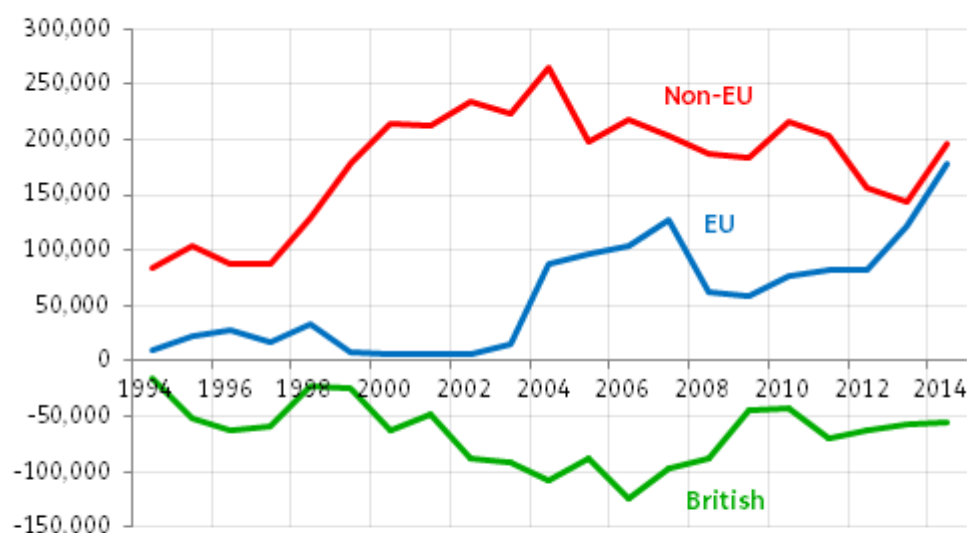
Net migration was more than 200,000 above the 100,000 target when the last official statistics were released

According to the most recent available data, net migration was an estimated 318,000 people in 2014. This compares to 244,000 in the year ending June 2010. In particular:

- Net migration of EU citizens more than doubled, from 72,000 in the year ending June 2010 to 178,000 in 2014.
- Net migration of non-EU citizens was estimated at 196,000 in the year ending June 2010. It fell sharply in 2012 and 2013 but rebounded to 197,000 by the year ending September 2014. The initial decline was driven by lower numbers of students, and the rebound in 2014 was driven by higher levels of family and work-related migration.

Migration by nationality

Long-term international net migration in the UK by nationality



*Figures from 2001-2011 no longer accurate due to revisions, but no alternative available

Source: ONS long-term international migration, 2013, table 2.01a and migration statistics quarterly report, May 2015, table 1

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Emigration of non-British citizens remained broadly stable over the course of the parliament, fluctuating between 175,000 and 210,000 in the four years to 2014.

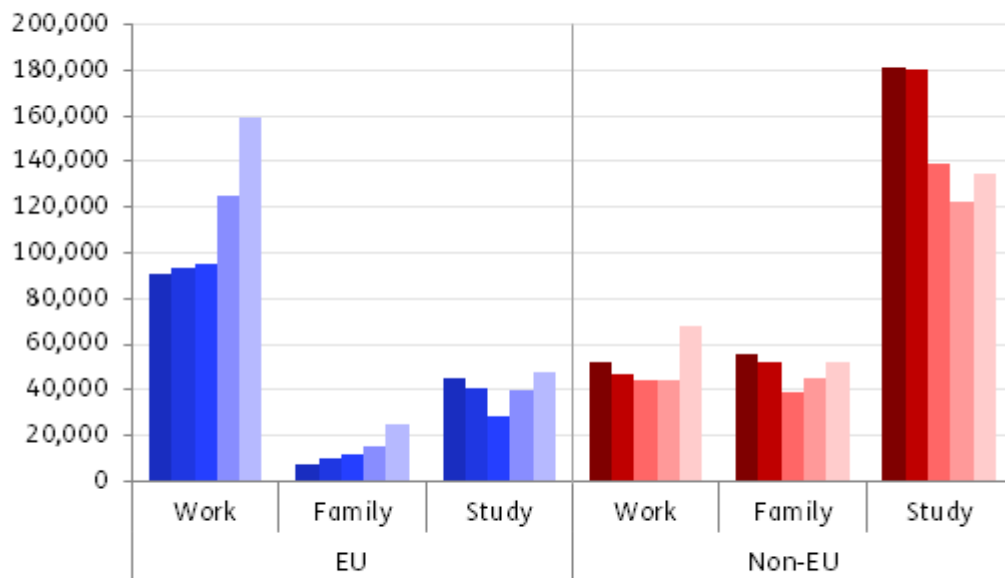
If EU net migration had remained at 2010 levels, the level would still have been more than double the target

EU law does not allow the UK to restrict the numbers of EU citizens entering the UK. The 90,000 increase in EU net migration over the course of the parliament made it more difficult to meet the target of net immigration below 100,000 but was not the only reason.

If EU net migration had not increased above the June 2010 level, total net migration would still have exceeded 200,000.

Who's coming in to the UK and why

Estimated inflows by reason for entry from 2010 (darkest) to 2014 (lightest)



Source: Migration statistics quarterly report, May 2015, table 3b

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Migration Observatory analysis shows that in 2010 the number of recently arrived non-EEA migrant workers in the UK with high levels of education stood at 109,000. In 2013, that figure had decreased to 94,000.

Article 9

What would Brexit mean for the City of London?

Patrick Jenkins and **Harriet Agnew** February 23, 2016

Jamie Dimon, the outspoken JPMorgan chief executive, could not be clearer about the upheaval he thinks the City of London would suffer outside the EU.

Speaking to the Financial Times, Mr Dimon warns of a “massive dislocation” to the financial hub that would reverse decades of growth for international banks in London and scatter them across Europe and the rest of the world.

He fears that UK-based banks would no longer be able to sell services throughout the bloc if Britain left the EU. His own bank would scale down its London operations and set up elsewhere: “If we can’t passport out of London, we’ll have to set up different operations in Europe.”

This is far from the first time that the City has heard such prophecies. For veterans such as André Villeneuve, former chairman of the London International Financial Futures and Options Exchange, the debate about whether Brexit would spell riches or ruin brings back memories of late-1990s warnings that ultimately proved groundless. “They said the City would die because the UK wasn’t part of the euro,” Mr Villeneuve recalls. “They said Frankfurt would be king. But none of that happened.” Instead, the City prospered, weathering not just life outside the euro but also the global financial crisis.

The question ahead of the UK’s June 23 In/Out EU referendum is whether the warnings today are as unfounded as those a decade and a half ago. It is an issue that splits the City — and sometimes individual groups — into two, pitting brokers and hedge fund executives aghast at the wave of post-crisis EU regulation against investment bankers keen to commandeer European markets from a London base. Smaller groups and the people who have spent their lives working in them are much more likely to want to leave; bigger, international institutions overwhelmingly favour remaining in the bloc.

“A significant amount of financial trade currently booked in London would leave if the UK left the EU,” says Alex Wilmot-Sitwell, head of the European arm of Bank of America Merrill Lynch. “It wouldn’t happen overnight but, steadily, it would fragment throughout the EU.” Backers of Brexit counter that the City would continue to thrive if it was unshackled from Brussels bureaucracy. “Outside of Europe, we wouldn’t suffer European regulation,” says Howard Shore, executive chairman of Shore Capital Group, a broker specialising in smaller companies. “We would be able to liberalise our economy, set our framework and rules to suit us.”

Since financial services represent up to a tenth of the UK’s gross domestic product, the outcome is of vital importance to the country as a whole. Rivals and competitors are hungry to take business from the City. Prominent among them are New York, long vying with London to be the world’s leading financial centre; Frankfurt and Dublin, with eyes for European business; and Singapore, Hong Kong, and Tokyo, which have made big advances on western financial centres.

Some financial professionals worry that Brexit would weaken not just the City but the EU financial sector as a whole. No other European financial centre comes close to London. The fear is that if banks and other financial groups moved services elsewhere in the continent it would lead to fragmentation rather than consolidation, ultimately strengthening the City’s Asian rivals. “Everyone loses if the UK leaves the EU,” says Gunter Dunkel, chief executive of German bank Nord LB. “Frankfurt might win some business from London, but a more fragmented Europe would be a weaker Europe in the world.”

It is impossible to calculate the precise impact of Brexit on the market access that the City prizes or on the regulations it loathes. No clarity exists over the terms of Auk exit from the EU.

Brexit? In or Out

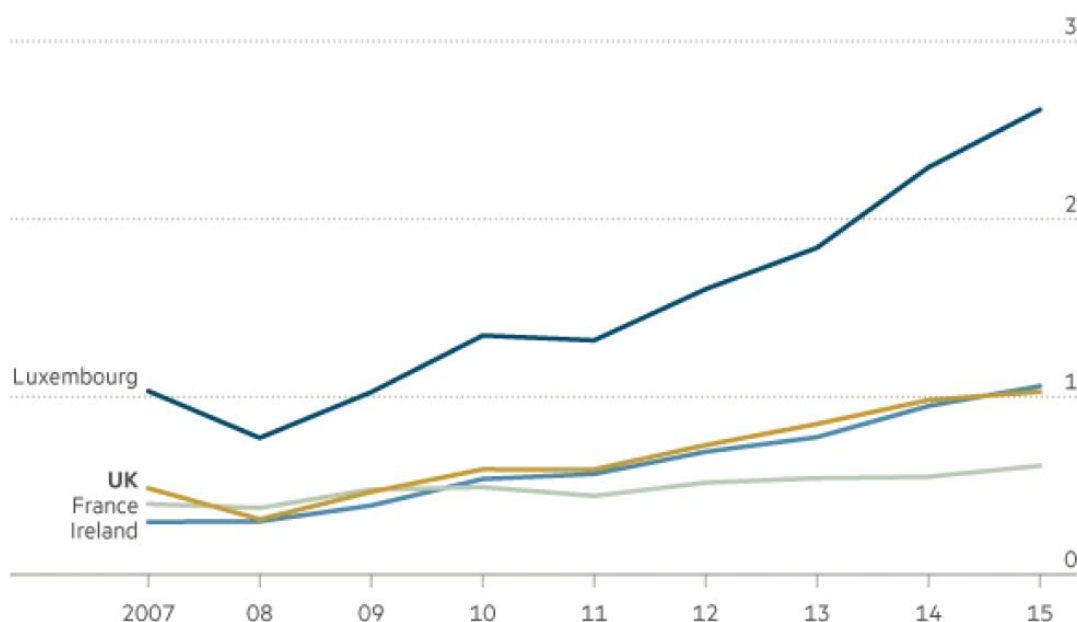
What the City stands to lose and gain from Brexit Sectors such as foreign exchange trading have boomed during the EU years despite regulation worries. [Read more](#)

But it is relatively straightforward to identify industry sector that have prospered at least in part because of access to the EU single market. The City has built on its traditional strength in foreign currency trading to become the biggest centre for trading the euro. Global investment banks have in tandem boosted their operations in London. Insurance, another longstanding speciality, has also thrived, with many insurers using London as their base for the EU as a whole. New markets have opened up: the UK manages €1tn of net assets in cross-border funds, or Ucits—double the figure of five or six years ago.

Meanwhile, the contours of the debate reflect the changes in the financial sector itself. As the City has become more international, increasingly dominated by foreign investment banks and with more foreign employees, its focus has shifted from the UK economy to Europe and beyond. Today, 11 per cent of City employees—more than 38,000 people—come from EU countries other than the UK. US banks have built up £999.6bn of assets in the country, often to serve the single market.

The UK's position in the Ucits market would be vulnerable to Brexit

Undertakings for collective investments in transferable securities, net assets of EU-domiciled funds (€tn)



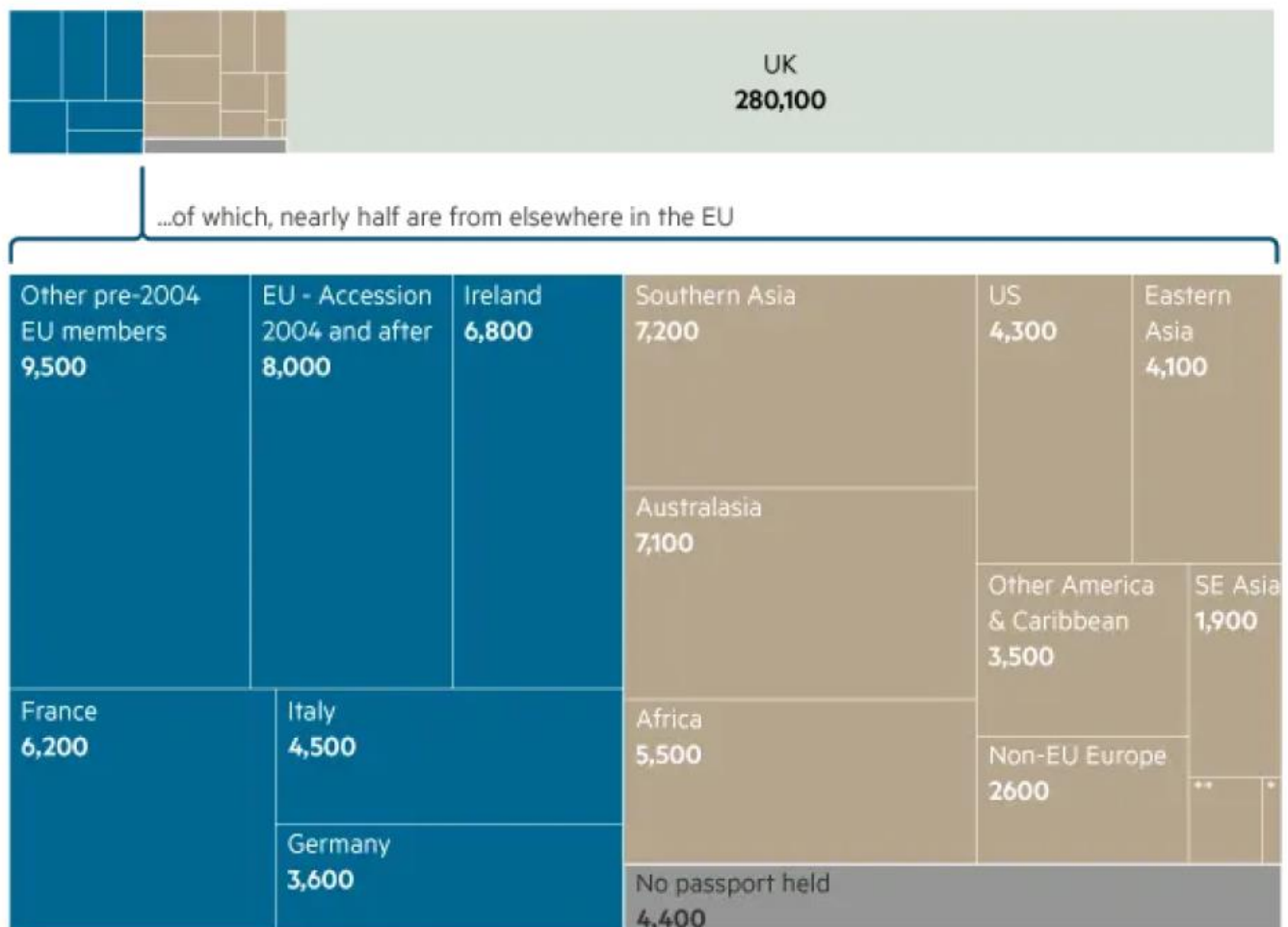
For virtually all of the big banks, insurers, asset managers and ancillary professionals who together account for most of the City's workers, the financial centre's role as a bridge to continental European business is vital. A large majority in the City backs the view that Brexit would be a huge own goal; bankers, in particular, tend to be ardently pro-EU. Goldman Sachs has paid \$500,000 to the campaign to stay in the bloc, with other big US banks following its lead.

But there is another City tribe, smaller but more vocal, fighting passionately against EU membership. Much of the hedge fund industry and the brokers who service the UK share Mr Shore's conviction that Brexit would make them, and the broader economy, better off. "Europe doesn't have a great love for the City — the French and Germans have always been jealous of its success," says Crispin Odey, founder of hedge fund Odey Asset Management. "Europe turns us into a colony, and we are used to an empire. We are not used to obeying rules we haven't set."

Many hedge funds are relatively small and are focused on money raised both domestically and from outside the EU, making easy access to the bloc of limited value. Top of their hate list is the Alternative Investment Fund Managers Directive, which establishes new regulations that many complain are costly, onerous, and bureaucratic.

Employment in the City of London

22% of the City's 360,000 employees are non-UK...



**Non-EU Middle East 600 *Non-EU - Central Asia 200

Brokers complain about Mifid 2, a sweeping new European regulation intended to make financial markets more transparent by "unbundling" the research and trading fees that brokers charge their asset management clients. Such grievances tap into a more general resentment of the EU's limit on bonuses, which is so overwhelmingly unpopular in the City that it could trump more general worried about stability.

"Brexit would be a risk factor", says Michael Spencer, chief executive of interdealer broker Icap, who has not yet decided how to vote. "But it could also free us from the ridiculous bonus caps and other new legislation." Others point out that the City would retain many benefits: the UK time zone, English law, and education. "You can't replicate the skillsets that you have in London," says Neil Woodford, the star fund manager who has set up his own firm, Woodford Investment Management.

EU supporters reply the UK would need to be governed by the bloc's rules if it wanted to retain access to its market. They add, that at present Britain is able to police many such rules itself; David Cameron, prime minister, obtained a level of reassurance at last week's summit that such autonomy would remain.

Article 10

Looking for a place to grow your business?

What are Enterprise Zones?

Enterprise Zones are designated areas across England that provide tax breaks and Government support. They are great places to do business especially for both new and expanding firms.



Enterprise Zones are part of the Government's wider Industrial Strategy to support businesses and enable local economic growth. The first 24 Zones were launched in 2012 and 24 new Zones were created in 2016 and 2017.

What benefits do Enterprise Zones offer businesses?

Businesses that locate on an Enterprise Zone can access a number of benefits:

- Up to 100% business rate discount worth up to £275,000 per business over a 5-year period

OR:

- 100% enhanced capital allowances (tax relief) to businesses making large investments in plant and machinery on 8 Zones in Assisted Areas

AND:

- Simplified local authority planning, for example, through Local Development Orders that grant automatic planning permission for certain development (such as new industrial buildings or changing how existing buildings are used) within specified areas.

For new Zones starting in April 2016 or April 2017, businesses need to have located onto the Zone before March 2021 or March 2022 in order to qualify for a Government backed business rates discount.

Businesses locating onto one of the original 2012 Enterprise Zones may still be able to benefit from a local business rates discount. Existing businesses can continue to benefit from a Government backed rates discount for up to five years after they first located on the Zone.

On EZ sites where enhanced capital allowances are available (assisted areas), businesses now have up to eight years from the launch of the EZ to make their investment. Businesses thinking about locating to an Enterprise Zone can also find more information about investment opportunities at the Invest in GREAT Britain and Northern Ireland website.

What benefits do Enterprise Zones offer local communities?

Enterprise Zones have established themselves as the driving force of local economies as they unlock key development sites, consolidate infrastructure, attract business and create jobs.

All business rates growth generated by the Enterprise Zone is kept by the relevant local enterprise partnership and local authorities in the areas for 25 years to reinvest in local economic growth. This reflects the Government's commitment to long-term economic growth and enables Local Enterprise Partnerships to reinvest in site development and other local initiatives, such as workforce skills development.

In addition, the Government is working actively with Enterprise Zones to help to unblock any barriers to delivery, such as Department for Transport support with transport infrastructure, Department for Environment, Food and Rural Affairs support in promptly addressing environmental issues and advice on marketing Zones to international investors from the Department for International Trade.

What benefits do Enterprise Zones offer for UK economy?

Enterprise Zones are helping to attract more foreign investment into the country, and are bringing jobs and businesses across England. They are about delivering long-term, sustainable growth based on cutting-edge technology and enterprise. Businesses are clustering around centres of excellence in key sectors such as financial services, bio-sciences, digital and creative industries, advanced engineering, automotive, and renewable energy.

Article 11

Evaluate the statement that 'local government is frequently more important than national government in bringing about economic and social changes to places.' (20 marks)

Link – the candidate introduces the answer well, using the wording of the question, and defines both key terms as well as setting out the context

Changes to places include modifications which arise from a wish to encourage economic growth, or to improve quality of life. Both local and national government decision-makers are important in the regeneration of urban areas. The private sector often plays a role, e.g. banks or property developers, and architects often breathe new thinking and re-uses of land. But their work is difficult without either national or local government approval. This essay will assess the role of local and national government in order to consider which is more important.

Point – the candidate refers to role of national government in infrastructure

Explanation – the candidate explains the impact of investment and the multiplier effect

National governments bring significant economic change by investing in infrastructure. At the moment, this includes HS2 and Heathrow Airport's third runway. Both are expensive and a profitable return is unlikely in the short-term, so attracting private sector investment is difficult. National government argues that improvements such as these are essential to economic growth by improving accessibility, and that these in turn encourage further investment and spur regeneration through the economic multiplier effect. Once built, local government may benefit and drive further change. But national government is the initial driver.

Evidence – gives examples of infrastructure changes

Link – the candidate links the point to the question, an example of ongoing evaluation

Point – the candidate refers to situation when national government takes control

National governments also see a broader picture from a national perspective, rather than becoming bound up with regional or local issues. Sometimes, greater funding is needed for events which are considered to be in the national interest, and where local interests have failed to bring about change. For example, London's 2012 Games were supported by the London Mayor, and born out of wishes to reduce the wealth gap between London's wealthiest and poorest parts (e.g. east London). The barrier was costly – £9 billion – and it is here that national government supplied greater funding with the will to implement it. The Games were considered to be of national benefit, whilst locally east London gained from the 'spirit' of the Games, the subsequent investment in Stratford and environmental improvement in the Olympic Park.

Evidence – uses the example of the 2012 Games

Explanation – the candidate extends the impacts of the 2012 Games investment

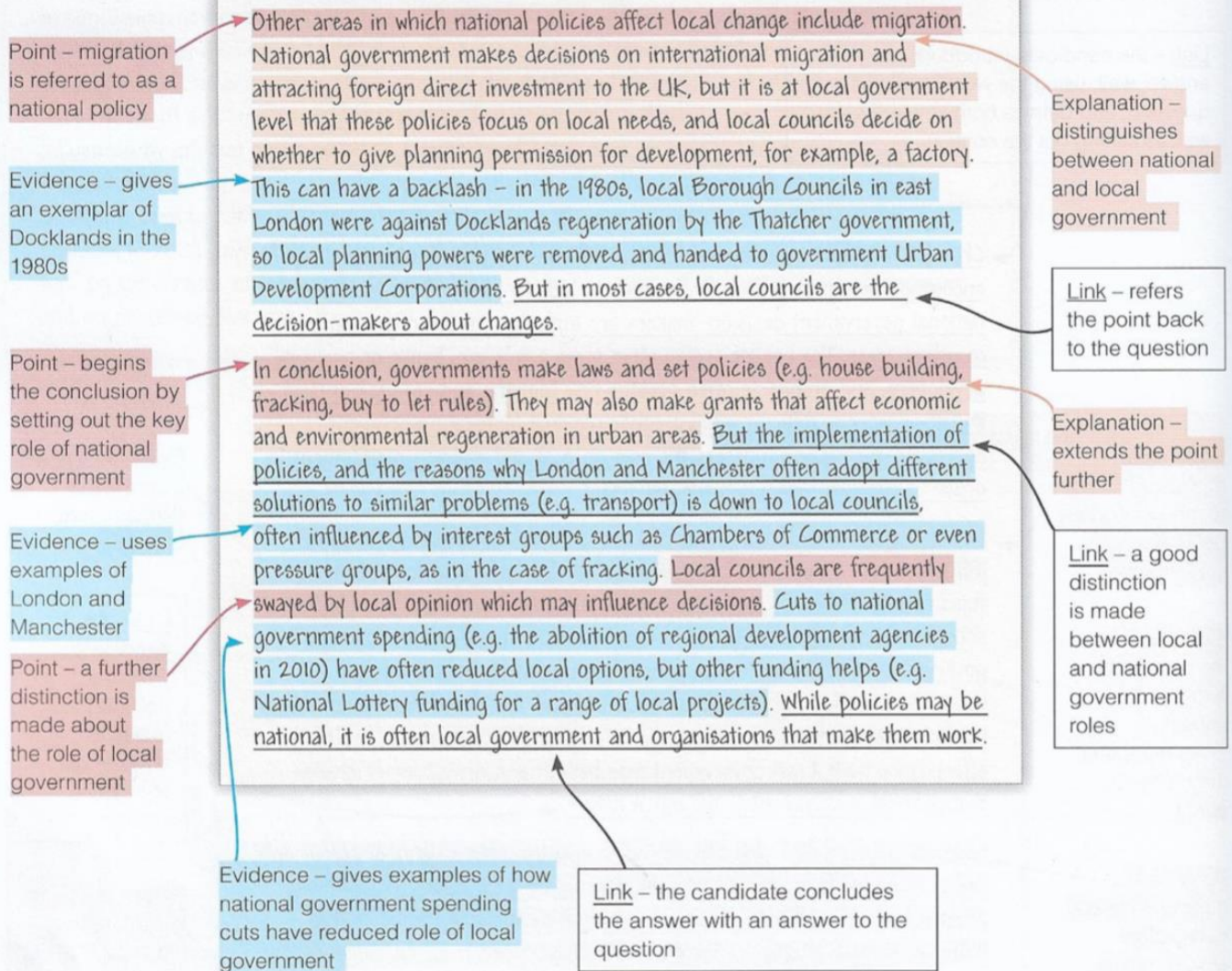
Point – the candidate switches focus from national to local government

Nonetheless, local government plays its part, which may be increasing because of national decisions to hand greater power to local assemblies and councils. Some major UK cities such as London or Manchester operate almost as mini states (e.g. the Mayor of London's office) and can take on issues at an appropriate level. London's transport network has been revolutionised by the congestion charge, which has generated income for public transport, resulting in a doubling in bus passenger numbers since 2003, extensions to the Tube network and DLR, and the introduction of night trains at weekends. Change may have been driven by national government, but it is local government which creates these changes.

Evidence – exemplars are given about the role of local urban government and transport

Explanation – compares the role of national and local government

Link – the comparison links directly back to the question



Examiner feedback

This is a strong answer. The descriptor for Level 4 applies to all parts:

- Demonstrates accurate and relevant geographical knowledge and understanding throughout (AO1). The candidate's knowledge is wide ranging and accurate about economic changes
- Applies knowledge and understanding of geographical information/ideas logically, making relevant connections/relationships (AO2). The candidate's argument about the relative importance of local versus national government is excellent.
- Applies knowledge and understanding of geographical information/ideas to produce a full and coherent interpretation that is relevant and supported by evidence (AO2). There is strong use of evidence of economic changes and who introduced these to support the arguments. Social changes are less of a focus.
- Applies knowledge and understanding of geographical information/ideas to make supported judgements about the significance of factors throughout the response, leading to a balanced and coherent argument (AO2). Strong and coherent links are made back to the question, to produce a final answer.

By meeting the Level 4 descriptors fully, the answer earns 18 marks. To reach full marks, the candidate needs to have distinguished more between economic and social changes – economic changes are strongly evidenced but social changes need greater reference.

<https://www.theguardian.com/society/2008/oct/01/city.urban.branding>

‘Brand of Gold’

Which cities have successful brands?

Most great cities have a brand that's developed organically — Paris around romance, or Hong Kong around trade. For many cities, it's impossible to sum up the brand in a word — they're multi-dimensional and also changing. So trying to create city brands artificially is a dangerous and, sometimes, presumptuous business. New York has succeeded at this with "I love New York" and the more recent NYC work. So has Glasgow.

RJ

New York is probably the world's greatest branded city. The brand key is integration and direction. That is driven by a combination of single-minded leadership about what New York is: an eclectic mixture of people, all of whom, regardless of sex, age or creed, have the potential to realise their dream — if they work at it. NYC means a "can-do" attitude that manifests itself in everything from towering skyscrapers to customer service. This combination is so admired that it seamlessly gets branded on anything from a baseball cap to a coffee mug.

JG

Liverpool, Edinburgh and Paris are successfully branded cities. They ooze the most culture. Liverpool has had an incredible turnaround in terms of its politics and physical deprivation. It's such a thriving city — with clubs and bars, a financial centre and retail — so there's something for everyone. Any tourist or business visitor wants to have a sense of where a city's heartbeat is, and that's what I get from these cities, along with a sense of pride and dramatic architecture.

MH

Sydney has maximised what it could from hosting the 2000 Olympics but did so in a coordinated way across business, tourism and in developing a profile for the whole city. New York and Glasgow have both, over decades, used a series of campaigns to get people to reassess what they're about. The roots of "I love NY" was in the 1970s when the city wanted to instil pride in itself and get across the idea that New York was somewhere you'd want to visit.

MM

Which cities have failed as brands?

Belfast has recently announced a logo, but it's not clear what the brand idea behind it is.

RJ

As a Londoner, I am ashamed to mention London. Everything about brand London is turning into a disaster. From unfocused brand values — what exactly does London stand for in 2008? — to poorly managed transport, policing and environment, and disenfranchised communities. New York's brand reflects progress; Brand London speaks of

uncertainty. That was best exemplified by the logo for the 2012 Olympics: disjointed and crude.

Jerusalem also needs a rebrand. The ancient "golden crown" capital city of the world's major religions has become synonymous with the centre of the world's biggest question mark. Rather than try to be everything to all people, every brand must have a single-minded purpose. In Jerusalem's case, anyone who shouts loud enough somehow feels entitled to have a claim on Jerusalem's brand meaning.

JG

Advertisement

There's lots on offer in Birmingham, but it's still in the shadow of Manchester and Leeds. Bristol's got a fantastic location, with access to London, the south-west and Wales, with a mixture of tourism, industry and large corporations based there, but it's not really exploited its assets.

MH

Toronto doesn't have a strong identity and is dwarfed in branding terms by other cities like Vancouver and Montreal. The city's brand, Toronto Unlimited, was launched in 2005, but it hasn't really linked the different faces of the city — its tourism and its business — nor capitalised on its nature as a 24-hour city.

MM

What are your tips for branding a city?

Start by working on reality, not image — do the regeneration, the investment, the transformation first, and only when change is visible should you start to "brand" it.

RJ

Branding a city is not just about the logo but the intricate details — as small as clean streets and as deep as getting a city's residents to feel proud to be brand ambassadors. When citizens are proud, visitors are encouraged to find out what the fuss is all about and then tell the world.

JG

Look at the key assets. The magic formula is to make something about the city tangible and make people switch on to that — location, for example.

MH

Branding isn't just about one logo or a strapline, it's about coordinated activity and a joined-up approach to attract all the city's audiences. Your brand needs to address the tourist who may come one year and then next year have a child who is due to study there. Photography is also difficult because it's hard to capture the spirit of a place. Visit Britain, the tourism agency, has done some great work in building up a special and freely accessible photo library that captures the essence of personality and place.

MM