

PRESS RELEASE
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**£2.4m AIRPORT REVAMP WILL BE 'NO RISK TO THE TAXPAYER'
GLOUCESTERSHIRE AIRPORT BOSS DEFENDS REVAMP**

GLOUCESTERSHIRE Airport's boss has rubbished claims taxpayers will pick-up the tab if its revamp fails. Mark Ryan has promised that the Staverton-based operation will cover every penny of a £2.4 million loan, which is about to be taken out on its behalf by local authorities.

Both Cheltenham Borough and Gloucester City Councils are seeking approval from elected members before each applying for half the amount from the Public Works Loan Board (PWLB). The cash would then be used to make the transport hub safer and more profitable, by improving the runway, and attracting more corporate jet-setters.

Council chiefs have already promised that the regeneration won't cost taxpayers anything.

But a Down Hatherley resident, who did not wish to be named, has attacked the way the scheme might be financed. He said: "How can it not be taxpayers' money? "The PWLB stresses that 'Loans are automatically secured by statute on the revenues of the authority'. "I would have thought that this means that in the event of any default or loss, local taxpayers foot the bill. "Even if you disregard the economics of the business case – which would seem, at best, to be presented in overly optimistic terms – there is a major concern about the airport's ability to manage its current operations."

Responding to those comments Mr Ryan, the airport's director, said that only two per cent of the airport's 85,000 flights resulted in a complaint. He said: "We meet regularly with residents of Down Hatherley to discuss concerns and progress. But the person who's commented never attends – despite the fact that we've invited him to several times. "All I can say is that our banks are more than happy to lend us the money needed, based on the strength of our business case. But it appears the local authorities involved want to borrow the money from the PWLB." He added should Gloucestershire Airport's business plan fail, its liabilities would be its own and there would be no comeback to either council regarding the loans. "There's no risk to the taxpayer whatsoever. This has gone through several scrutiny processes in both Cheltenham and Gloucester," he said. "The local authorities are just facilitating the transaction. "It's also been ratified by independent valuers. "We're going to pay back the loan, its interest, and a dividend – there's no money coming out of the public purse." If approved, council chiefs believe the enterprise would generate about five times its current income. Each authority owns a 50 per cent stake in the venture, which is operated by a private business. After a decade, each expects to make at least £123,000 a year from the scheme.

The borough council's strategic director, Pat Pratley, has already promised the blueprint would not affect operating times, the number of flights, nor the range of routes.