

Item:

20



Report to Partnership Meeting 26 April 2013

CONSULTATION

Airports Commission

Purpose of Report

This report advises Members of the timetable for submissions to be made to the Airport Commission that will identify and evaluate how any need for additional Airport capacity should be met in the short, medium and long term to allow the UK to remain a global aviation hub.

Background

HITRANS have had a long standing concern about the erosion of Inverness's key air links to London. These concerns are shared with our neighbouring RTP for the North East of Scotland (Nestrans) for their region.

This shared agenda saw the two RTPs coordinate our efforts in responding to the Department for Transport's earlier Aviation Policy Framework consultation aimed at highlighting our real concerns about the prospects for retaining high quality air links to London in the medium to long term, if the Government maintains its agreed policy stance of not supporting the development of any new runways in the South East of England. In the increasingly constrained capacity environment that would result from this approach slots at the UK's two most important gateway airports, Heathrow and Gatwick (LHR and LGW), would be at a premium. Those currently used by domestic services would be under severe pressure from airlines seeking slots for new long haul services that offer the prospect of higher margins.

HITRANS and Nestrans commissioned MVA and Northpoint Aviation Services to prepare an 'evidence based' case for the retention, and in HITRANS case expansion, of services to these gateways from Aberdeen and Inverness. Based on detailed analysis of current schedules and markets for air travel between London and the North of Scotland and an assessment of the role of such connectivity for the principal economic sectors in the North of Scotland, this 'Evidence Note' formed HITRANS response to the Department for Transport's consultation on its 'Sustainable Aviation Framework for the UK'.

The full HITRANS consultation response was submitted to the Department for Transport in October 2012 and can be accessed at - [http://www.hitrans.org.uk/Documents/Response to Aviation Policy Framework Consultation by the Department for Transport.pdf](http://www.hitrans.org.uk/Documents/Response_to_Aviation_Policy_Framework_Consultation_by_the_Department_for_Transport.pdf)

Independent Airports Commission

On 7 September 2012 the UK Government announced its intention to create an independent commission, chaired by Sir Howard Davies, to identify and recommend to government options for maintaining the UK's status as a global aviation hub.

The commission's role is to identify and evaluate how any need for additional capacity should be met in the short, medium and long term whilst maintaining a UK-wide perspective. The commission will need to ensure it undertakes a thorough assessment of all the issues by considering all relevant factors including the economic, environmental and social costs and benefits and where necessary, the operational and technical deliverability.

The Commission will seek evidence and proposals relevant to its remit through three main channels. These are:

- A guidance document, to be published early in 2013, for those intending to make proposals for meeting the UK's international connectivity needs, setting out how and when submissions can be made and the factors that the Commission will wish to take into account in considering them. These could comprise proposals for making best use of existing airport capacity, for new capacity, or for other approaches, and could include short-, medium- and long-term options.
- A series of working papers on thematic issues relevant to the Committee's remit. It is intended that these will summarise the current evidence base and will provide an opportunity for interested parties to make their views known to the Commission and submit additional evidence for consideration. The first of these working papers will focus on aviation demand forecasting and will be published in January 2013. Future working papers are expected to cover issues including (but not restricted to) the economic benefits of aviation, the climate change impacts of aviation, aviation industry operating models, the local environmental effects of aviation including noise and air quality, and aviation technology development.
- Public evidence sessions at which the Commission will take evidence from invited expert witnesses on key issues, informed by the Commission's working papers and evidence provided in response. These hearings will usually be chaired by Sir Howard Davies and reports of each session will be published on the Commission website.

Timetable

The guidance document 'Submitting evidence and proposals to the Airports Commission' was published on 2 February 2013 and can be accessed at – <https://www.gov.uk/government/publications/submitting-evidence-and-proposals-to-the-airports-commission>

The Guidance Document sets out the timetable that the Commission intend to follow in gathering evidence for their work. This timetable will include the development of an Interim Report by the end of 2013 that will cover the following areas:

- The Commission's assessment of the evidence on the nature, scale and timing of the steps needed to maintain the UK's global hub status
- The recommendations for immediate actions to improve the use of existing runway capacity in the next 5 years - consistent with credible long term options

The Commission will make its final report in the summer of 2015.

To help in its assessment of 'need' the Commission will be publishing a series of papers summarising the evidence, the first was issued with the guidance document and covers demand forecasting.

With regards to milestones, key dates are as follows:

- **17 May 2013**
Evidence and ideas on making the best use of existing capacity in the short and medium term to be received. Submissions should ideally not exceed 15 A4 sides!
- **19 July 2013**
Receipt of outline proposals giving an overview of the level of additional capacity that would be provided, along with some of the key economic, social and environmental considerations. (40 pages max)
- **December 2013**
Publication of interim report
- **By Summer 2014**
Each of the listed proposals to be developed into a draft proposal (to include draft impact assessments) which will then be subject to public scrutiny as well as expert analysis to then be developed into final proposals during Q1 2015

HITRANS Response to the Airports Commission

The Airports Commission will determine how the UK Government addresses the issue of future airport capacity in the South East of England. There will no doubt be lobbying for a range of solutions to this.

The important outcome for HITRANS is that the Highlands and Islands need for access to the main UK hub airport in particular and London airports generally is protected and enhanced in whatever final solution the Commission recommends.

HITRANS have already alerted the Commission of our intention to submit evidence to the Airports Commission in accordance with the timescales set within the guidance document. It is our intention to submit evidence at three levels:

Regional level

Evidence at HITRANS level to demonstrate the importance of aviation to the economy of the north of Scotland with particular reference to:

- The impact that increased Airport charging at London Airports is having on squeezing regional carriers access to these Airports.
- The importance of the national hub at Heathrow to our economy and hence the UK economy and the impact that our lack of service to this hub is having in constraining our region's sustainable economic growth.
- The geography of the UK and the peripherality of the north of Scotland compared to other parts of the country – and the different needs for access to the hub that this generates

North of Scotland level

Along with colleagues at our counterpart organisation for the North East of Scotland, Nestrans, we intend to present evidence from a north of Scotland perspective.

Joint Regional Transport Partnership Chairs – Scotland level

A paper has been agreed by the joint RTP Chairs group that a joint RTP basis to support and supplement individual Regional Transport Partnership responses to the Airports Commission. RTP Chairs will seek to work with the Scottish Government and CoSLA on this response to create a strong and consistent Scottish message is presented to the Commission.

Peripheral Regions level

Building on the north of Scotland perspective, we are in discussions with colleagues in Northern Ireland to determine whether we can put together evidence based on the peripheral regional airports' case for access to Heathrow. This involves Aberdeen, Inverness and Belfast airports as different regional airports due to geographical constraints.

The Evidence

The evidence we intend to submit is not directly in relation to developing the south east of England

airports. We will be making a case for suggesting that the peripheral regional airports' requirements

for access to the London airports (and in particular the national hub) requires to be taken into account in determining whichever solution the Airports Commission choose to consider and develop. This is the case for both the short/ medium and long term scenarios.

In particular we would intend to provide evidence in relation to:

- Economic factors
 - The impact of aviation on the economy
 - Access to international markets
 - UK trade in goods and services
 - Tourism
 - Employment
 - Business location and regional strategies
 - Inward investment and exports
- Social factors
 - Alignment with regional development policies
 - Employment
 - The extent to which proposals enhance or impair access to air travel for our communities
- Accessibility
 - Access to aviation from our key business district, heavily reliant on international connectivity
 - Impacts on internal connectivity within the UK and consequent access to international aviation services with particular reference to the peripheral regional areas.
 - Surface transport integration and associated infrastructure development
 - We will make particular reference to high speed rail proposals and the particular geography of the peripheral regions meaning these areas will not benefit from high speed rail

Recommendations

Members are asked to:-

1. Note the timetable for evidence to be submitted to the Airports Commission;
2. Agree that HITRANS should submit evidence to the Airports Commission;
3. Agree that HITRANS work with partners in other regions to develop the case making on a North of Scotland; Scotland; and Peripheral Regions level for protected access to London for hub connectivity.

Risk	Impact	Comment
RTS delivery	√	This work supports RTS objectives.
Policy	√	This work is designed to support delivery of our Aviation policy.
Financial	√	The cost of research to support the response to the Airports Commission is included within the Business Plan.
Equality	-	No impact on Equalities issues.

Report by: Ranald Robertson
Designation: Partnership Director
Date: 29th March 2013