

## **ABTA response to the Department for Transport Draft Airports National Policy Statement – new runway capacity and infrastructure at airports in the South East of England**

### **About ABTA**

ABTA – The Travel Association - was founded in 1950 and is the largest travel trade association in the UK, with around 1,200 members and over 4,500 retail outlets and offices. Our Members range from small, specialist tour operators and independent travel agencies specialising in business and leisure travel, through to publicly listed companies and household names, from call centres to internet booking services to high street shops. ABTA's focus is ensuring that Members can operate their businesses in a sustainable and successful manner, enabling their customers to travel with confidence.

The success of ABTA Members' businesses is directly reliant on the UK's aviation infrastructure; several of ABTA's larger Members are themselves part of groups that own airlines. ABTA Members provide 90% of the package holidays sold in the UK, with Members also selling millions of independent travel arrangements. Annually, ABTA Members' turnover is in excess of £33 billion. The business of our Members is the provision of quality, efficient and competitively priced passenger travel.

### **Executive summary**

- ABTA welcomes the Government's decision for additional capacity in the South East, and urges the Government not to wait before considering a second additional runway for the South East as all London airports are expected to be full by 2040.
- Additional capacity is more important than ever – as we begin the process of leaving the EU – for ensuring that the UK remains an attractive place to visit and do business as well as remaining globally competitive.
- UK aviation benefits the UK economy and jobs; leisure aviation, which directly contributed £14.1bn (1.1% of annual GDP) to the UK economy in 2010 and accounts for about 1.2% of total UK employment, heavily depends on it.
- ABTA acknowledges the impact of expansion on communities and the environment, and welcomes the Government's work to ensure this impact is minimised.
- ABTA has long called for improved surface access to airports, which not only benefits air passengers and airport staff, but also the local population. Surface access is an instrumental part of the customer experience and is crucial in the choice of a passenger's departure airport. ABTA welcomes the Government's commitment to ensure this area remains a primary consideration during the construction of the new runway.
- The cost of delivering the new runway and associated infrastructure must be efficient, affordable and represent value for money.

## Question 1

*The Government believes there is the need for additional airport capacity in the South East of England by 2030. Please tell us your views.*

ABTA believes additional capacity in the South East is vital to UK economic growth, global competitiveness and the creation of UK jobs, as well as to passengers, allowing them to benefit from access to an increased number of airlines and destinations. It is also vital to the UK tourism mix of domestic, inbound and outbound, along with many other industries, such as creative industries and financial services, dependent on UK aviation for their survival.

Aviation operates as an 'aviation mix' with leisure, business and visiting friends and relatives (VFR) passengers all flying on the same aircraft on the same routes. The different mix of aviation models all contribute to the UK's economy: scheduled, charter, no-frills, leisure, business and freight.

With Heathrow operating at full capacity, Gatwick full at peak times, and all London airports expected to be at full capacity by 2040, the decision is long overdue. ABTA urges the Government not to wait before considering a second additional runway in the South East, as originally envisaged.

ABTA fully supported the establishment of the National Infrastructure Commission (NIC). Successive UK Governments have deferred, delayed or cancelled critically important infrastructure planning owing to political interests, which have often had a disproportionately negative impact on the UK's capacity to build and sustain the necessary infrastructure for the strategic and economic wellbeing of the UK. ABTA would not wish to see a repeat of the Airports Commission's work which we believe was unnecessarily delayed. We therefore believe that the NIC has an independent role to play vis-a-vis future capacity needs.

ABTA engaged fully with the Airports Commission's work, responding to many of the Commission's consultations and giving oral evidence, highlighting the importance of aviation to the UK economy and the need for additional capacity, as well as improved surface access, to maintain the UK's global competitive position.

The UK aviation network is the third largest in the world after the USA and China; it contributes £20bn to the UK economy per annum, and directly employs 230,000 workers. The CEBR's study for ABTA on the economic size and the impact of leisure air travel – one such sector dependent on UK aviation – on the UK economy<sup>1</sup> makes a powerful case for the importance of leisure aviation to the UK economy. Economic analysis found that in 2010, leisure aviation directly contributed £14.1bn to the UK economy, an equivalent of 1.1% of annual GDP, and £35bn (2.8% of annual GDP) when indirect and induced contributions to the wider economy are considered, through increased demand on suppliers and so on down the supply chain. Leisure aviation alone directly accounted for 289,000 workers in 2010 across the UK, and 684,000 when indirect and induced impacts are considered.

The wider UK aviation network directly affects the leisure aviation's impact on the UK economy and on the job market, and additional capacity is crucially beneficial to this sector, as well as the wider

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<sup>1</sup> [Value of Leisure Aviation](#) (July 2013)

economy and UK global competitiveness, allowing UK businesses and leisure travel to thrive, and making the UK an accessible place to do business and invest.

This is ever more crucial as we begin the process of exiting the European Union, ensuring that the UK is not left behind its European and global competitors. The proposals set out in the draft Airport NPS would, in addition to ensuring that the UK remains competitive, allow passengers to benefit from access to an increased number of airlines and destinations.

## **Question 2**

*Please give us your views on how best to address the issue of airport capacity in the South East of England by 2030. This could be through the Heathrow Northwest Runway scheme (the Government's preferred scheme), the Gatwick Second Runway scheme, the Heathrow Extended Northern Runway scheme, or any other scheme.*

ABTA welcomes the Government's choice of a new Northwest runway at Heathrow. Heathrow offers the best economic benefit – both to the UK economy and, crucially, to the consumers. However, to achieve the full benefits the runway must be cost-efficient and deliver increased competition. These outcomes will result in lower costs for consumers and greater benefits for UK plc.

The cost of delivering the new runway and associated infrastructure must be efficient, affordable and represent value for money, given the contribution airlines will inevitably have to make to these costs. ABTA has serious concerns that the high costs will lead to higher passenger charges and therefore, increased fares, contradicting the Government's intention and assurances that a new runway would bring cheaper fares.

It is also essential that the increased capacity delivers greater competition and connectivity to ensure that the full benefits are realised through lower ticket prices, and consequently more people travelling. This would bring significant associated economic benefits for the UK tourism sector.

Further, it is essential that users should not be required to meet the cost of delivering the scheme as a whole until the new runway is operational.

We would urge that the customer experience is continually improved, particularly in the interim before the new runway and associated infrastructure become operational.

## **Question 3**

*The Secretary of State will use a range of assessment principles when considering any application for a Northwest Runway at Heathrow Airport. Please tell us your views?*

ABTA is concerned that all the assessment criteria seem primarily focussed on aspects either to restrict or to prevent development, rather than focussing on aspects which support the need for particular development. Whilst we understand the logic of spelling out that any development must meet certain identified criteria, we are concerned that these assessment criteria should simply constitute factors to be taken into account in undertaking any development. We urge the

Government to be realistic in applying any assessment criteria, to ensure that implementation of those criteria do not add disproportionately to the costs of development, and therefore the overall affordability of the proposal.

#### **Question 4**

*The Government has set out its approach to surface access for a Heathrow Northwest Runway scheme. Please tell us your views.*

ABTA believes that effective, efficient, high quality and resilient surface transport to airports benefits not just air passengers and airport staff, but the local population, and is an integral part of the sustainable growth of any airport. It is an important aspect of the passenger experience and is instrumental in the choice of a passenger's departure airport. A modern integrated transport system can play a decisive role in attracting international investment, offering greater accessibility for Passengers of Reduced Mobility (PRMs), a growing percentage of the population, and easing surface transport disruptions for the local population near transport hubs.

Accessible flights and holidays have been an important sector of the travel market for many years, and ABTA has continued to work to raise awareness amongst ABTA Members, and make it easier for PRMs to fly. We therefore welcome the requirement for Heathrow Airport Limited (HAL) to include clear details of how its plan will include designs that addresses the accessibility needs of all those who use, or are affected, by any of the surface access infrastructure.

ABTA welcomes the work that continues to be undertaken by HAL to increase the number of passengers and staff accessing the airport by public transport. We therefore welcome the Government's confirmation that surface access forms an integral part of the consultation process and that HAL will be required to provide details of how it would meet its obligation for a surface access strategy when it lodges its planning application.

In 2015, following the recommendation of the 2013 Aviation Policy Framework, HAL published a blueprint for the next five years of how it would improve surface access to Heathrow and encourage more use of public transport. Work is well underway to address the concerns related to surface access, and HAL has committed to increasing the use of public transport by passengers from 40% in 2013 to over 45% during 2019 – 2024, improving the quality of passenger end-to-end journeys.

Work underway includes the introduction of direct access to Heathrow of Crossrail (the Elizabeth line) in 2018; upgrading of the Piccadilly line; and direct rail access to the Great Western Main Line as part of the National Infrastructure Plan. ABTA welcomes the Secretary of State's plans to accelerate the development of a new Southern Rail link to Waterloo and the South West trains network, which will be taken into account as part of the next funding period.

ABTA notes that HAL has committed to meet the costs of surface access schemes and pay for changes to roads in the airport vicinity due to the new runway expansion, as well as contributing to the Western and Southern Rail schemes that will benefit not only passengers travelling to the airport but the wider communities.

However, agreement with stakeholders on the funding mechanism and cost scrutiny of any such schemes is essential.

## **Question 5**

*The draft Airports National Policy Statement sets out a package of supporting measures to mitigate negative impacts of a Heathrow Northwest Runway scheme. Please tell us your views. Are there any other supporting measures that should be set out? In particular, please tell us your views on:*

- 5.1. Air quality supporting measures*
- 5.2. Noise supporting measures*
- 5.3. Carbon emissions supporting measures*
- 5.4. Compensation for local communities*

The industry acknowledges aviation's environmental impact, and has played a significant role in ensuring that noise and environmental impacts are minimised.

Noise from individual aircraft has greatly decreased over the years due to the work of Sustainable Aviation, airlines, airports and the aerospace industry to introduce quieter aircraft, as recognised in the draft NPS. Noise is expected to continue to decrease as new quieter aircraft replace older designs. UK airlines' fleet modernisation programmes demonstrate their commitment to reducing carbon emissions, noise reduction and improving local air quality. Airlines should be further encouraged in continuing to make this investment in sustainable aircraft. Aircraft today are 70% more fuel efficient than 40 years ago with airlines adopting a voluntary fuel-efficient goal to reduce fuel and CO<sub>2</sub> emissions by at least 25% by 2020.

Since the development of the Sustainable Aviation Noise Road-Map in 2013, there has been a 14% reduction in airport noise contour areas, with 359 cleaner and quieter aircraft currently on order with UK airlines. ABTA welcomes the ongoing work of the Sustainable Aviation, in collaboration with local authorities, to minimise noise sensitive developments near airports, as well as the Government's commitment to strike a fair balance between the negative impacts of noise and the positive economic impacts of flights. ABTA also support the requirement for HAL to put forward plans for a noise envelope tailored to local authorities, to be designed with local communities and relevant stakeholders, with oversight from the new Independent Commission on Civil Aviation Noise proposed in the UK Airspace Policy currently under consultation.

It is worth noting that aviation contributes 1.6% of global greenhouse gas emissions, a relatively small impact. However, this does not mean that the industry is complacent about its environmental and noise impact. Indeed, more sustainable operating procedures are also being introduced including the trialling of dispersed Noise Preferential Routes to provide residents with respite on a regular basis, Continuous Descent Approaches and Continuous Climb techniques, and flying a steeper angle of descent. These trials have all been carried out with the full engagement of the airports' local communities.

ABTA supports the Government's commitment to deliver expansion at Heathrow within legal air quality requirements.

ABTA believes that it is vital for HAL and airlines to work with the local communities affected by expansion. We welcome the introduction of a new Community Engagement Board. This will ensure that HAL engages with local residents and stakeholders throughout the planning process and construction phase to minimise environmental and noise impacts. The Heathrow Airport Consultative Committee also has a role to play.

#### **Question 6**

*The Government has set out a number of planning requirements that a Heathrow Northwest Runway scheme must meet in order to operate. Please tell us your views. Are there any other requirements the Government should set out?*

ABTA agrees with the planning requirements that must be met in order for Heathrow Northwest Runway to operate. Please see ABTA's response to question 5 above for our views on the requirements which must be met in order for the scheme to operate.

#### **Question 7**

*The Appraisal of Sustainability sets out the Government's assessment of the Heathrow Northwest Runway scheme, and considers alternatives. Please tell us your views*

ABTA believes that the 12 topics under which the preferred scheme will be assessed are sufficiently detailed, clear and easily readable. In particular, ABTA welcomes that the Appraisal of Sustainability has been published in a non-technical format for the benefit of non-specialist readers.

The Government has said it expects Heathrow to put in place significant mitigation package to ensure that significant effects are avoided, reduced or offset, wherever possible. The report clearly outlines the expected impact of a new Northwest runway and enhanced supporting measures for an expanded Heathrow Airport, some of which will be subject to additional consultation.

#### **Question 8**

*Do you have any additional comments on the draft Airports National Policy Statement or other supporting documents?*

ABTA would reiterate the need for the new runway and associated infrastructure schemes to be cost efficient and affordable. As mentioned above, users should not be required to meet costs for delivering the scheme as a whole until the new runway is operational.

#### **Question 9**

*The Government has a public sector equality duty to ensure protected groups have the opportunity to respond to consultations. Please tell us your views on how this consultation has achieved this.*



ABTA believes the consultation achieves this. It is effective in relation to both the length of consultation period and the comprehensiveness of the consultation and associated documents.

The 20 national and regional events - attended by over 4,000 people, have complemented the consultation process.

#### **Further information**

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