

Evidence to the Airports Commission from the Aviation Environment Federation



Comments on Discussion Paper 06: Utilisation of the UK's existing airport capacity

25.7.14

The Aviation Environment Federation (AEF) is the principal UK NGO concerned exclusively with the environmental impacts of aviation. Supported by individuals and community groups affected by the UK's airports and airfields or concerned about aviation and climate change, we promote a sustainable future for aviation which fully recognises and takes account of all its environmental and amenity affects. As well as supporting our members with local issues, we have regular input into international, EU and UK policy discussions. In 2011 we acted as the sole community and environmental representative on the Government's South East Airports Taskforce. At the UN we are a leading representative of the environmental umbrella organisation ICASA, which is actively engaged in the current talks aimed at agreeing global climate measures for aviation.

AEF welcomes this consideration of the role of regional airports, especially since we have argued in favour of making best use of existing airport capacity. We are interested that the Commission's modelling suggests that travel demand at regional airports may be lower than the latest official forecasts currently predict. AEF has previously highlighted the fact that official forecasts of travel demand have historically turned out always to be too high. We are mindful nevertheless that:

1. The Government's clear policy, expressed in the Aviation Policy Framework and considered in this paper, is to support the growth of regional airports.
2. It is not yet clear whether or not the Government will in future use the Airports Commission's forecasts or whether it will retain its own model, which currently anticipates over 200% growth in passenger numbers at regional airports between now and 2050.
3. In any case, both sets of forecasts anticipate passenger growth and associated emissions levels that exceed the maximum that would be compatible with stabilising aviation emissions at their 2005 level by 2050 – the maximum level that the Committee on Climate Change advises for compatibility with the Climate Change Act – even with existing infrastructure.
4. Notwithstanding the Commission's anticipated lower levels of growth at regional airports, therefore, it will be necessary for measures to be taken to constrain aviation emissions *in addition to* (i) full coverage of aviation emissions under an international emissions trading scheme which, despite having so far proved impossible to implement, has been assumed in the forecasts to have taken place, and (ii) the maintenance of Air Passenger Duty at current levels, which has also been assumed in the forecasts. This would be the case even without the construction of new capacity. With a new runway serving long haul destinations (which would be likely to generate higher than average emissions per passenger), the issue becomes even more significant.

While the Committee on Climate Change and the Airports Commission have stated publicly that the construction of a new South East runway could theoretically be compatible with a stabilisation of aviation emissions at or around 2005 levels by 2050, there has so far been no discussion about how – in terms of specific policy measures – this could be achieved in the wider UK context.

This approach to aviation emissions appears highly anomalous. For example, while it would theoretically be possible that all drivers in the UK will go out tomorrow and buy an electric car, then drive it home in time to arrange some cavity wall insulation, no sensible Government would plan on the assumption that this will happen. In the same way, it would be unacceptable for the next Government to approve the construction of new airport capacity on the basis of assumptions about a commensurate reduction in emissions from elsewhere without demonstrating how such a reduction can realistically be brought about.

With this in mind, we recently undertook research into the potential impact on regional airports of a new South East runway given its emissions implications. This can be downloaded from <http://www.aef.org.uk/uploads/WWF-regional-airports-report2.pdf>. Based on Government and Airports Commission forecasts, and submissions by Heathrow Airport, the report estimates the likely emissions from a new runway as 8.2 Mt CO₂. It then provides 8 scenarios illustrating how restricting capacity in regional or London airports could help to bring down UK aviation emissions to a level compatible with the Climate Change Act. The study finds that if a new runway is built, even taking implausible steps such as consolidating all airport traffic into four airports or restricting regional airports to current levels of traffic would still be insufficient to constrain emissions to 37.5 Mt.

Our work relies on publicly available forecasts and does not seek to model accurately the implications in terms of demand distribution of actual potential policy approaches. Instead it serves to highlight the scale of the challenge of constraining emissions to a sustainable level while building a new runway. While in theory other policy levers could be deployed either alongside or instead of controls on airport capacity, very few are likely to be both effective and politically feasible. A reliance on carbon pricing or other market based measures, for example, would require unrealistically high costs to be generated, as illustrated by the Commission's finding that a price or £600 per tonne of CO₂ would need to be charged by 2050 in order to keep aviation emissions at or below 37.5 Mt if airport capacity was unconstrained.

We are disappointed both that the Commission has taken the step of recommending new airport capacity before addressing this critical issue, and that your consideration of regional airports does not include any discussion about possible capacity restrictions associated with the requirements of the Climate Change Act. We hope that detailed consideration will be given to this issue in the context of considering individual airport scheme proposals. Critically, alongside any recommendations for new runway capacity, the Commission must, in our view, make explicit recommendations on what package of policy measures would be required in order to avoid exceeding the sustainable level of aviation CO₂ emissions indicated by the CCC's assumptions and with legislated carbon budgets, namely 37.5 Mt CO₂. We have previously set out why we consider this to be an unduly lenient target which may – if anything – require tightening in future. Our arguments in relation to this are included in our recent publication.

Many of the Commission's questions in Discussion Paper 6 are more suited to industry respondents. We have responded only to those questions that fall within the scope of our own expertise.

Is the Commission's analysis of the multiple factors influencing domestic air connectivity between London and the UK regions accurate? Of the factors outlined, which are the most significant or important for explaining how the market has developed?

We were interested in the Commission's suggestion that among the factors contributing to lower than anticipated domestic aviation demand are improvements in rail services (both in terms of punctuality and on-board experience). A similar trend has been apparent historically on intra-European routes that are now well connected by rail, for example London-Paris and London-Brussels, as noted in the Commission's interim report. Both sets of evidence support our view that 'connectivity' should be understood in the broadest sense as including, for example, connectivity through rail, videoconference and indeed through use of foreign hubs, rather than focussing purely on the UK airports system.

Yet the role and potential of rail continues, in our view, to be underplayed in the Commission's consideration of South East airport capacity. Discussion Paper 2 on 'Connectivity and the economy', for example, mentioned rail travel only to dismiss its relevance for UK tourism and included no discussion at all of the current and possible future role played by rail (including intra-European rail) in providing business connectivity to the UK.

We note that the Commission has elsewhere undertaken analysis of the potential impact of rail on aviation passenger demand, concluding in the interim report that "in carbon capped scenarios, the use of alternatives to aviation is unlikely to reduce aviation demand overall. This is because in these scenarios the carbon cap is the constraining factor on aviation demand."¹ But even if this is true, the Government's aim should not simply be to cater to all consumer demand but to balance the UK's need for good connectivity with environmental duties including in relation to noise, greenhouse gas emissions and air quality.

A consideration, therefore, of how the development of improved rail services could help to improve UK connectivity without building new capacity would provide an important part of the overall picture to be considered by the next Government, particularly in light of the Commission's analysis – presented in this paper – on the attractiveness of rail for domestic travellers, and we would urge the Commission to consider additional work on this topic.

In the longer term, what is an appropriate, adequate or ideal shape for the UK's airport system? Is consolidation of the airport network desirable, inevitable, both or neither?

AEF has members all around the UK with concerns about a wide range of existing local environmental issues, and we cannot offer a view as to precisely how demand would be best distributed around the UK's airports without an analysis of the associated impacts. Our recent paper

¹ Interim report, 4.40.

on regional airports (discussed above), however, argues that some constraints on airport capacity will be required to ensure that aviation emissions do not exceed 37.5 Mt even without the construction of a new runway, and that if a new South East runway were to be built, very significant constraints on other airport capacity would be required.

Our analysis concludes that the next Government will face a choice either to allow aviation expansion in the South East and heavily constrain regional airports or to let regional airports grow within the capacity they already have but not to build any new runways, but that the need to reconcile airports policy with the Climate Change Act means that it won't be possible to do both. While we have not undertaken a full review of how the economic, social and environmental impacts of these two options compare, there are two reasons for favouring the latter:

- (i) Political feasibility: it is simply not credible to think that a future Government will impose on regional airports the kind of sweeping closures or restrictions that would be required to compensate for the extra emissions from a South East runway
- (ii) Construction impacts: building the infrastructure for a new runway – including for associated surface access requirements – anywhere in the South East will inevitably have significant environmental impacts

In relation to noise, assessment of the impacts of any potential airport closure would need to include consideration of the possible displacement of general aviation flights to other airports or rural airfields and of the implications of this in terms of people unexpectedly exposed to aircraft noise.

Has the Commission correctly identified the major options to support or bolster the regional airports sector? Of the options here explored, which have the potential to be most beneficial?

We note that one of the options considered by the Commission is the provision of public funding to support regional airport growth. AEF is broadly opposed to aviation receiving public subsidies and in particular to the use of state aid to support regional airports except in exceptional circumstances under the Public Service Obligation.

Our views on this are set out in our response to the European Commission's recent consultation on revision of state aid guidelines². In addition, AEF is a member organisation of the European Federation for Transport and Environment, which submitted a response to the consultation on behalf of all its members, titled *Money for nothing and your runways for free*³. In brief our views are that:

- The historic granting of state aid to regional airports (the vast majority of which have been regular beneficiaries according to the European Commission) and successful low cost carriers has been largely unjustified, resulting in both a requirement for those who do not fly to pay for those who do, and contributing to the doubling of aviation emissions in Europe between 1990 and 2005.

² http://www.aef.org.uk/uploads/State_aid_response.doc

³

http://www.transportenvironment.org/sites/te/files/publications/2014%2005%20state%20aid%2023%20airports_final.pdf

- Provision of state aid to aviation affords it an unjustified competitive advantage over alternative means of achieving connectivity, many of which – such as rail and videoconference – have significantly lower environmental impacts.
- There is very little evidence that subsidies to regional airports effectively promote economic growth. The CE Delft study on this question in 2013⁴ found that while there is some limited evidence of a two-way causal relationship between aviation activity and regional economic performance, it is not clear whether there is an increase in total economic activity or whether regions with airports grow at the expense of surrounding regions without airports. No evidence was found that aviation activity causes an increase in economic activity at a national level.

Are there particular pros and cons to airport developments moving through the NSIP or Town and Country Planning process for a) developers or b) communities?

While we are not able to comment on the pros and cons of either process for developers, our concern in relation to communities is that it appears that their opportunities for meaningful participation in planning decisions will be more restricted under the NSIP process, creating some tension with the Government's policy of 'localism'. Nevertheless there may be cases where consideration of planning applications by a central authority is considered by some community groups to be more appropriate than decision-making by local planning authorities, as for example in the case of Luton Airport where the airport operating company was owned by the same local authority as that determining the planning application.

Could either the NSIP or Town and Country planning process be improved, either the process itself or development of supporting policy, to support developers and meet the needs of local communities?

There are a number of ways in which the planning process could be improved to work better for local communities. Three examples are provided below:

- (i) Better guidance is required either from Government or from an alternative expert body to ensure that local planning authorities are fully equipped to tackle some of the more technical issues in relation to aviation's environmental impacts. For example, we know of a number of cases in recent years in which Government policy in relation to Third Party Risk has been misapplied in the planning process with the result that risk has been underestimated.
- (ii) Neither the NSIP nor the Town and Country Planning Process is able effectively to implement Government policy on climate change, with climate concerns deemed to be for national Government to tackle separately and local communities prevented from raising climate concerns. Yet the piecemeal construction of infrastructure such as runway or terminal extensions, or changes in planning permissions that increase movement numbers, could lead to increases in aviation CO2 that are not compatible with the Climate Change Act, as argued elsewhere in this submission. The problem could be tackled, for example, by requiring

⁴ http://www.aef.org.uk/uploads/CE_Delft_2013_Aviation_Policy_Development_Framework.pdf

planning decisions that would result in increases in aviation activity above a given threshold to be scrutinised by an expert body for compatibility with the Climate Change Act.

- (iii) The implications of planning approvals in terms of flight path changes are often not adequately dealt with by the planning process. Future flight paths are sometimes not effectively mapped, communities likely to be affected are not always consulted, and – in contrast to the compensation arrangements under the Land Compensation Act arising from infrastructure changes on the ground - there is no legal right to compensation for people experiencing a loss of property value as a result of flight path changes. A combination of more comprehensive guidance on dealing with likely flight path changes in the context of planning applications, together with revision of the Land Compensation Act, would be required to address this problem.

Is there a current case for lifting planning caps for any airports in London or the South East? If not now, when should these caps be reviewed?

While apparently a crude measure in comparison, for example, to quota count limits or possible 'noise envelopes', our members consistently find planning caps to be the most reliable and predictable way of controlling aviation's environmental impacts, particularly in relation to noise. For communities to have a good relationship with nearby airports they need as much certainty as possible about likely future impacts. It is precisely the constantly moving goalposts and history of broken promises in relation to Heathrow airport development that many consider to be at the heart of community opposition to the airport's expansion. Noise levels at many of the UK's airports are unacceptable, and we see no case for lifting planning caps at any of the London or South East airports in the near future.

Our analysis in relation to the need to control airport capacity as a means of keeping UK aviation emissions to a maximum of 37.5 Mt CO₂ provides an additional reason for existing planning caps to be retained unless and until alternative policy levers have been developed to constrain emissions to the required level.