
From: Bryan Sweetland, Cabinet Member – Environment, Highways & Waste
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To: Environment, Highways & Waste Cabinet Committee

Date: 20 September 2012

Subject: KCC Response to the DfT draft Aviation Policy Framework Consultation

Classification: Unrestricted

Summary:

This report puts forward a proposed response to the Department for Transport's (DfT) current consultation on a draft Aviation Policy Framework. The draft response draws on the principles set out in the Council's discussion document *Bold Steps for Aviation*.

Recommendations:

That Members note the proposed response to the DfT's draft Aviation Policy Framework consultation and provide comment for consideration by the Cabinet Member for Environment, Highways and Waste in finalising the KCC response to DfT by 31 October.

1. Introduction

- 1.1 The Department for Transport (DfT) is currently consulting on its draft Aviation Policy Framework. This has been informed by the feedback received during the scoping exercise Government conducted in March 2011. The document sets out Government's overall objectives for aviation, discusses how existing policies and additional policy options can achieve those objectives, and seeks responses to specific policy questions. It is underpinned by the two core principles of collaboration and transparency.
- 1.2 The final Aviation Policy Framework shaped by the current consultation will be a high level strategy that sets out Government's overall objectives for aviation and the policies to achieve those objectives. It will be within this policy framework therefore, that the means of addressing the question of how to ensure retention of UK's aviation hub status will lie. The draft consultation indicated that there would be a call for evidence from Government with regard to this specific question due later this year, however following the recent Cabinet reshuffle there has been an announcement that the Government will set up a cross party Independent Commission to look at the issue of hub status. At this time it is not known whether there will be a call for evidence

associated with the work of the Commission or not. Indications are the Commission is unlikely to report until late 2014 or even post election in 2015. Whatever the eventual solution the Commission recommends in terms of hub status, it must align with the policies set out in the Aviation Policy Framework.

2. Financial Implications

- 2.1 There are no revenue or capital financial implications arising from this report as it constitutes input to Government policy formation.

3 Bold Steps for Kent and Policy Framework

- 3.1 (1) The proposed response to this DfT consultation supports the Council's Medium Term Financial plan by contributing to the objective of helping the Kent economy to grow. It does this by supporting aviation growth in a sustainable manner that will provide most benefit to Kent and draws on the position set out in the Council's discussion document *Bold Steps for Aviation*.
- 3.2 (2) The proposed response is aligned to the Council's Local Transport Plan and accords with the 20 year transport delivery plan *Growth without Gridlock*.

4. Summary of draft Aviation Policy Framework

- 4.1 The consultation document states that its aim is to establish the objectives for UK aviation and the policies to achieve those objectives. It states that the final framework will be a high level strategy. Despite this however, the consultation spends much time dwelling on a number of technical issues such as appropriate noise levels for monitoring. The consultation deals with the following topics:

- The benefits of aviation
- Climate change impacts
- Noise and other local environmental impacts
- Working together
- Planning

- 4.2 Four main objectives for aviation relating to these topics are proposed within the consultation document as follows and highlighted in bold text.

4.3 Benefits of Aviation

In terms of the benefits of aviation this objective is to **ensure that the UK's air links continue to make it one of the best connected countries in the world. This includes increasing our links to emerging markets so that the UK can compete successfully for economic growth opportunities.**

The consultation suggests that to achieve this it is important to maintain the UK's aviation hub capacity and develop links from airports which provide point-to-point services in a sustainable way.

- 4.4 It is suggested that in the short term, to around 2020, a key priority is to make better use of existing runway capacity at all UK airports and to ease the

pressure on our hub airport [Heathrow]. This includes making best use of existing capacity to improve performance, resilience and the passenger experience; encouraging new routes and services; supporting [regional] airports outside of the South East; and better integrating airports into the wider transport network. Proposals for expansion of regional airports would be judged on individual merit taking into account economic and environmental impacts.

- 4.5 Given that, the five London airports were at 78% capacity in 2010, forecast to be 91% full in 2020 and totally full by around 2030, in the medium term and long term, beyond 2020, it is recognised that there will be a capacity challenge at the biggest airports in the South East. There needs to be a strong evidence base before decisions can be made on specific solutions. Solutions will be explored through the work of the Independent Commission the Government have indicated they are setting up later this year.
- 4.6 National strategies for aviation and high speed rail will be aligned so that they can complement one another and provide improved connectivity. There will be encouragement for domestic and short haul European journeys to be made by train instead of air transport. The development of HS2 will help to ease the pressure on our hub airport [Heathrow], although it is acknowledged that even with HS2, beyond 2020, there will be a capacity challenge at the biggest airports in the South East.
- 4.7 Managing aviation's environmental impacts
To address the environmental impacts the stated objectives are:
- **To ensure that the aviation sector makes a significant and cost effective contribution towards reducing global emissions and;**
 - **To aim to limit and where possible reduce the number of people in the UK significantly affected by aircraft noise.**
- 4.8 To achieve these it is proposed that in the absence of any global emissions trading agreement the UK continues to work with the EU to ensure the inclusion of aviation in the EU Emissions Trading System (ETS). In addition, in the context of the Climate Change Act (2008), based on advice from the Committee on Climate Change (CCC), it is stated that delivery of objectives in the policy framework will be consistent with the UK's existing international legal obligations on climate change.
- 4.9 The objective on noise will be achieved by incentivising noise reduction and mitigation with realistic noise limits linked to penalties which reflect the severity of noise disturbance; and the effective use of differential landing fees with independent and transparent monitoring and enforcement. It is recognised that there is also a need for better engagement between airports and communities with transparency to inform debate.
- 4.10 The consultation proposes that other than at the three largest London airports, consistent with the Government's localism policy, noise controls should continue to be agreed locally and in the absence of any conclusive evidence,

views are sought on the most appropriate noise contour measurement marking the approximate onset of significant community annoyance.

4.11 Working together

The stated objective for this aspect is **to encourage the aviation industry and local stakeholders to strengthen and streamline the way in which they work together**. The proposals around this objective involve reviewing Airport Consultative Committees (ACCs), airport master plans, airport surface access strategies (ASASs) and Airport Transport Forums (ATFs) to ensure that there is no duplication of activity and to improve existing arrangements.

4.12 The Executive Summary of the consultation document is attached as Appendix A and the full consultation can be viewed at <http://www.dft.gov.uk/consultations/dft-2012-35/>

5. Summary of Draft response

5.1 The following provides a summary of the key points made in response to the set consultation questions. The full response is attached as Appendix B.

5.2 Key consultation proposals that KCC would support:

5.2.1 KCC agrees that the number of destinations and frequency of flights constitute an appropriate definition of connectivity. KCC does however request an additional weighting to be added to this in recognition of the value of a particular connection to the UK economy.

5.2.2 KCC agrees with the objective of continuing to make the UK one of the best connected countries in the world and believes this can be achieved by encouraging better utilisation of existing under used regional airports supported by improved surface connections, particularly high speed rail links.

5.2.3 KCC supports expansion of the UK's fifth freedom policy (allowing airlines from one country to land in the UK and pick up passengers to carry them onto a third country. This currently operates at airports outside London) to Gatwick, Stansted and Luton.

5.2.4 KCC agrees that Government should offer bilateral partners (rights to fly into UK on basis of reciprocal rights for UK airlines to fly to that country) unilateral open access (no reciprocal agreement required). The draft Framework proposes this is applied to airports outside the South East. KCC strongly advocates that this should be amended to "airports outside the London system" thus allowing airports such as Manston and Lydd to enjoy the potential benefits.

5.2.5 KCC welcomes the Government's support for Local Enterprise Partnerships to develop local strategies to maximise the catalytic effects of airports to attract businesses and support growth. KCC

however again advocates that the definition of other airports “outside the South East” should be changed to “outside the London system”.

- 5.2.6 KCC welcomes the Draft Aviation Policy Framework’s emphasis on rail access to airports. In this respect KCC would like to see a direct connection between Ashford International and Gatwick Airport and a new Thanet Parkway station at Manston.
- 5.2.7 KCC welcomes the Government’s intention to ensure that its national strategies for aviation and high speed rail are aligned so that the two modes can complement each other.
- 5.2.8 Kent County Council fully supports all Government initiatives to incentivise the aviation and aerospace sectors to improve the performance of aircraft with the aim of reducing emissions, but not without appropriate investment.
- 5.2.9 KCC supports tax relief for research and development (R&D) relating to the development of cleaner engines acknowledging that Discovery Park Enterprise Zone in Kent would welcome further incentives for inward investment on low emission aviation engine R&D.
- 5.2.10 KCC strongly advocates the better use of airspace in the London system to reduce stacking and proposes investigation of a potential environmental tax linked to stacking to help incentivise efficiency in this respect.
- 5.2.11 KCC supports continuing to designate the 3 largest London airports for noise management purposes but goes on to request a more consistent approach to designation is taken (for example, all airports with over 50,000 annual air transport movements). This will result in a total of 12 airports being noise designated.
- 5.2.12 KCC supports the Government’s objective on noise of limiting and where possible, reducing the number of people exposed to aircraft noise.
- 5.2.13 KCC supports the retention of the 57dB LAeq as the level indicating the onset of significant community annoyance, however goes on to request more research into this.
- 5.2.14 KCC recommends Government should map noise around noise designated airports to 54 dBA level reduced from the existing 57 dBA.
- 5.2.15 KCC supports the use of differential landing fees to improve the noise environment around airports, particularly at night and proposes that fees during the night time period should not be less than the lowest day time charge.

5.2.16 KCC agrees that the Civil Aviation Authority (CAA) should have a role in providing independent oversight of airports' noise management.

5.3 Key consultation proposals that KCC would reject:

5.3.1 KCC disagrees that noise should be given particular weight when balanced against other environmental factors affecting communities living near airports, however goes on to state that where there is no conflict with mandatory EU air quality targets, this could indeed be the case.

5.4 Other KCC comments on the consultation document:

5.4.1 KCC puts forward the view that due to technology advances, the traditional hub and spoke model for aviation could change over the medium to long term. The implications of such a scenario are that the need to have one national airport operating as a hub is less likely to be the key factor critical to ensuring excellent connectivity. Instead we could see a number of airports across the country offering a wide range of flight type and operating to significant numbers of destinations providing the level of connectivity we would expect a 'hub' airport to provide.

5.4.2 The draft Framework proposes measures that will both relieve existing capacity issues as well as generate aviation growth. KCC makes the point that the measures to facilitate aviation growth need to be focused on airports that can cater for this growth over the short to medium term in order to ensure that capacity issues at Heathrow are not exacerbated and the UK's global competitiveness eroded.

5.4.3 KCC advocates a transparent market based approach to slot allocation at Heathrow. This could operate to better distribute flights across the UK.

5.4.4 While KCC supports inclusion of aviation in the European Emissions Trading System (EU ETS), a likely impact of this will be higher costs for passengers. KCC therefore requests that Air Passenger Duty, currently the highest in the world, is fully reviewed as to how it will work in combination with the EU ETS to ensure UK passengers are not unfairly penalised whilst ensuring airlines are incentivised to reduce emissions.

5.4.5 KCC puts forward that climate change adaptation is not fully evidenced in the consultation and asks Government to undertake further research. We also request stronger links to the national adaptation programme, national climate change risk assessment and for elaboration on how reporting power will be implemented to ensure actions to build resilience.

- 5.4.6 KCC proposes that a penalty scheme should be mandatory for all noise designated airports.
- 5.4.7 KCC expresses disappointment that the impact of aviation on the natural environment is given little more than a passing reference and requests that the protection of the environment is adequately catered for.
- 5.4.8 KCC advocates a stronger role for Airport Consultative Committees (ACC) and makes some suggestions on how this could be achieved. KCC also supports revising the airports required to have an ACC to a those over a specified threshold for air transport movements.
- 5.4.9 The consultation document highlights that the National Planning Policy Framework states that local planning authorities should 'identify and protect, where there is robust evidence, sites and routes which could be critical in developing infrastructure to widen choice'. This could apply to airport infrastructure. KCC points out that safeguarding potential sites for new or expanded airports could lead to considerable property blight and suggests that this is not realistic until Government has decided where new runway capacity will be provided.
- 5.4.10 In relation to surface access, KCC urges that there is consideration of public funding for a Thanet Parkway rail station to connect Manston Airport to the rail network for high speed services to London.

6. Conclusions

- 6.1 This report summarises KCC's suggested response to DfT's Draft Aviation Policy Framework consultation which will form the policy context under which future decisions on UK aviation capacity and how this is provided for will be taken. The full response is attached as Appendix B.

7. Recommendations

- 7.1 That Members note the proposed response to the DfT's draft Aviation Policy Framework consultation and provide comment for consideration by the Cabinet Member for Environment, Highways and Waste in finalising the KCC response to DfT by 31 October.

8. Background Documents

DfT Draft Aviation Policy Framework, July 2012

Bold Steps for Aviation discussion document May 2012

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