Chapter 1: Executive summary

A sustainable approach to aviation

1.1   The Government's primary objective is to achieve long term economic growth. The aviation sector is a major contributor to the economy and we support its growth within a framework which maintains a balance between the benefits of aviation and its costs, particularly climate change and noise.

1.2   This is especially important for those who live close to airports and bear a particular burden of the costs. We therefore want to strengthen the arrangements for involving communities near airports in decisions which affect them.

1.3   It is equally important that the aviation industry has confidence that the framework is sufficiently stable to underpin long term planning and investment in aircraft and infrastructure.

1.4   This consultation document is the Government's draft sustainable framework for UK aviation (referred to as the Aviation Policy Framework). It has been informed by the over 600 responses we received to our scoping document.[1] It sets out our 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 two core principles:

   0 Collaboration: By working together with industry, regulators, experts, local communities and others at all levels: international, national and local. We believe we will be better able to identify workable solutions to challenges and share the benefits of aviation in a fairer way than in the past.

   0 Transparency: To facilitate improved collaboration, it is crucial to have clear and independent information and processes in place. Those involved in and affected by aviation need to have a clearer understanding of the facts and the confidence that proportionate action will be taken at the international, national or local level.

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http://assets.dft.gov.uk/consultations/dft-2011-09/consultationdocument.pdf
[1] *Developing a sustainable framework for UK aviation: Scoping document*, DfT, March 2011,

1.5 The final Aviation Policy Framework will be a high-level strategy that sets out our overall objectives for aviation and the policies we will use to achieve those objectives.

1.6 We summarise below the main elements of our Aviation Policy Framework which are covered in more detail in individual chapters.

The benefits of aviation

1.7 Chapter 2 of this document summarises aviation's benefits, particularly in helping to deliver connectivity. The UK is an outward looking nation: an island economy that for centuries has owed its prosperity to the transport and trade routes linking it with the rest of the world. With the increasing globalisation of our economy and society, the future of the UK will continue to be shaped by the effectiveness of its international transport networks.

1.8 Aviation benefits the UK economy through its direct contribution to Gross Domestic Product (GDP) and employment, and by facilitating trade and investment, manufacturing supply chains, skills development and tourism. The whole UK aviation sector's turnover in 2009 was around £49 billion and it generated around £17 billion of economic output. The sector employs over 220,000 workers directly and supports many more indirectly. Aviation also brings many wider benefits to society and individuals, including travel for leisure and visiting family and friends.

1.9 Aviation in the UK is largely privatised and operates in a competitive international market. The Government supports competition as an effective way to meet the interests of air passengers and other users. We also welcome the continued significant levels of private sector investment in airport infrastructure across the country and the establishment of new routes to developed and emerging markets. For example, a new Air China service between Gatwick and Beijing began in May 2012 and a China Southern service between Heathrow and Guangzhou began in June 2012: very important developments which clearly show that there is the potential for UK airports to attract new routes.

1.10 **One of our main objectives 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.** To achieve this objective, we believe that it is important both to maintain the UK's aviation hub capability and develop links from airports which provide point-to-point services (i.e. carrying no or very few transfer passengers). This must be done in a sustainable way, consistent with the high-level policies set out in this document.

1.11 In the short term, to around 2020, a key priority is to work with the aviation industry and other stakeholders to make much better use of existing runway capacity at all UK airports. We are pursuing a suite of measures to improve performance, resilience and the passenger experience; encourage new routes and services; support airports in Northern Ireland, Scotland, Wales and regional airports in England; and ensure that airports are better integrated into our wider transport network.

1.12 In the medium and long term beyond 2020 we recognise that there will be a capacity challenge at the biggest airports in the South East of England. Responses to the scoping document demonstrate a broad consensus on the importance of maintaining the UK's excellent connectivity, over the long term, but there was no agreement on how to do this. Although it was not the purpose of the scoping document, some respondents put forward airport-specific suggestions for addressing their view of the capacity challenge. However, these suggestions were not supported by sufficient details on key factors such as environmental sustainability and commercial viability. We need a strong basis of evidence before we can make decisions on specific solutions.

1.13 That is why we stated last November[2] that we would explore the options for maintaining the UK's aviation hub status. We intend to explore this through a Call for Evidence on maintaining the UK's international aviation connectivity with a focus on the medium and longer term. We intend to publish this later this year once stakeholders have had a chance to consider this draft framework.

[2] *National Infrastructure Plan,* HM Treasury - Infrastructure UK, November 2011, http://cdn.hmtreasury.gov.uk/national_infrastructure_plan291111.pdf

Managing aviation's environmental impacts

1.14 Aviation's environmental impacts are both global (climate change) and local (primarily noise, as well as air pollution and congestion). Chapter 3 covers aviation's climate change impacts. **Our objective is to ensure that the aviation sector makes a significant and cost effective contribution towards reducing global emissions.**

1.15 Aviation is an international sector, and global action to address a global challenge is therefore essential if we are to achieve progress on reducing its climate change impacts while avoiding competitive disadvantage to the UK. National governments have a particularly important role in pushing for effective international action. We are therefore committed to making progress through the International Civil Aviation Organisation (ICAO), the specialised agency of the United Nations which regulates international civil aviation, on a global emissions deal and more ambitious technology standards. We also

continue to work hard with our European Union (EU) partners to ensure the success of the inclusion of aviation in the EU Emissions Trading System (ETS).

1.16 At the national level, particularly in the context of the Climate Change Act,[3] we will consider, based on advice from the Committee on Climate Change (CCC) and the best available evidence, taking unilateral action to deliver our objectives, where such action is consistent with our existing international legal obligations.

1.17 Chapter 4 covers noise and other local environmental impacts. **Our overall objective is to aim to limit and where possible reduce the number of people in the UK significantly affected by aircraft noise.** To achieve this, we want to incentivise noise reduction and mitigation, and we also want to encourage better engagement between airports and local communities and greater transparency to facilitate an informed debate. In particular, we want independent and transparent monitoring and enforcement, realistic noise limits linked to penalties which incentivise noise reduction and reflect the severity of noise disturbance and effective use of non-regulatory instruments such as differential landing fees.

1.18 For aviation's other local environmental impacts, such as air pollution, our overall objective is to ensure appropriate health protection by focusing on meeting relevant legal obligations.

1.19 Chapter 5 focuses on the theme of working in partnership, particularly at a local level. It covers Airport Consultative Committees (ACCs), airport master plans and Airport Transport Forums (ATFs). **Our objective is to encourage the aviation industry and local stakeholders to strengthen and streamline the way in which they work together.**

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[3] Climate Change Act 2008: http://www.legislation.gov.uk/ukpga/2008/27/contents

Other aviation objectives

1.20 This Aviation Policy Framework focuses on the benefits of aviation and its environmental impacts, as responses to the scoping document confirmed that these were the priority areas that needed to be addressed. The following paragraphs summarise the Government's other high-level policy objectives for aviation, which support and are consistent with this Framework but are being taken forward separately.

Competition and regulation policy

1.21 We believe that the role of the Government should be largely confined to facilitating a competitive aviation market within a proportionate

international and domestic regulatory framework to ensure a level playing field and the maintenance of high standards of safety and security. We will continue to work with the EU on regulatory proposals to promote and protect UK interests. We are also committed to reducing unnecessary domestic regulation, and recently launched the *Red Tape Challenge* for aviation.[4]

1.22   The Civil Aviation Bill currently going through Parliament will modernise the economic regulatory regime for airports and replace the current economic regulation duties of the Civil Aviation Authority (CAA) with a single primary duty to promote the interests of users of air transport services (i.e. current and future passengers and owners of cargo). It will also give the CAA more flexibility to regulate airports deemed to have substantial market power, encourage investment in airport facilities and provide passengers and other airport users with more information about airline and airport performance. The Bill also proposes to confer certain aviation security functions on the CAA, and would allow reform of the Air Travel Organisers' Licensing (ATOL) scheme to provide greater clarity for consumers and a more consistent regulatory framework for businesses.

[4]The *Red Tape Challenge* for aviation started on 21 June 2012. The *Red Tape Challenge* is an initiative

Airspace

1.23   The Government remains a strong supporter of the Single European Sky (SES) initiative, which has the potential to deliver real benefits in terms of tackling delays and reducing fuel consumption and emissions, therefore contributing directly to our aviation objectives. We also support the development of the CAA's Future Airspace Strategy (FAS),[5] which is considering strategic airspace issues for the UK over the medium and long term with the overall aim of modernising the UK's airspace system in the context of SES objectives. The implementation of the FAS can also play a significant role in delivering our economic and environmental objectives in relation to aviation, for example by improving our use of capacity and providing opportunities to improve fuel efficiency.

http://www.redtapechallenge.cabinetoffice.gov.uk/home/index

Safety

1.24   Air transport is one of the safest forms of travel and the UK is a world leader in aviation safety. Maintaining and improving that record, while ensuring that regulation is proportionate and cost-effective, remains of primary importance to the UK. Since 2003, rules and standards for aviation safety in Europe have increasingly been set by the European Aviation Safety Agency (EASA). The UK will continue to work closely

to open up regulation to public and stakeholder scrutiny, and consider which regulations should be retained, amended or abolished. More information can be found at [5]*Future Airspace Strategy,* CAA, June 2011, http://www.caa.co.uk/docs/2065/20110630FAS.pdf

with EASA to ensure that a high and uniform level of civil aviation safety is maintained across Europe. In 2009, the UK was one of the first countries to publish a State Safety Programme, in line with new ICAO standards. The CAA published its own Safety Plan[6] in 2011 outlining the additional action it will be taking to improve UK aviation safety performance out to 2013.

[6] *Safety Plan 2011-2013*, CAA, 2011, http://www.caa.co.uk/docs/978/CAA_Safety_Plan_2011.pdf

Security

1.25 The threat to UK aviation remains high. To keep pace with the rapidly changing nature of the threat, the Government is seeking to move to an outcome-focused, risk-based regime for aviation security regulation, modelled on the Safety Management System approach already in widespread use by the aviation industry and its safety regulators. We believe this will provide even better aviation security by enabling more responsive and flexible approaches to new and emerging threats. It should also provide the industry with greater scope for innovation and efficiency in delivering security processes, potentially enabling security outcomes to be delivered in more passenger-friendly way.

Timings and process

1.26 We recognise the importance of setting out a clear and structured approach to developing this Aviation Policy Framework. Following this consultation, we intend to adopt the Framework by March 2013. More details on how to respond to this consultation are set out below.

1.27 Alongside this consultation, we are publishing a summary of responses to the scoping document and a draft impact assessment of the Aviation Policy Framework, which will be developed further in the light of responses to this consultation.

How to respond to this consultation

1.28 The deadline for responses to this consultation is 31 October 2012. Response forms are available on the Department for Transport (DfT) website at http://www.dft.gov.uk/consultations/dft-2012-35 and any inquiries should be sent to aviation.policyframework@dft.gov.uk or

Aviation Policy Framework Department for Transport Great Minster House (1/24) 33 Horseferry Road London SW1P 4DR.

1.29   We will be holding consultation events in the coming months. Details will be posted on the DfT website.

1.30   Please note that we will make every effort to ensure that late responses and responses that fall outside the scope of this consultation are read, but these responses may not be taken into account in the publication of results and any final decisions.