



**Campaigning by the
Railway Development Society Ltd**

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

please reply to:

'Clara Vale'
Thibet Road
Sandhurst
Berkshire
GU47 9AR

aviation.policyframework@dft.gov.uk

chris.page@railfuture.org.uk

30th October 2012

Consultation on Draft Aviation Policy Framework

Dear Sir,

We are pleased to submit this consolidated national response on behalf of **railfuture**, which has been prepared by the Policy Group, with contributions from individual branches and groups. The document has been reviewed and approved by the Group.

Railfuture is a national voluntary organisation structured in England as twelve regional branches, and two national branches in Wales and Scotland.

We would like to see a level playing field for competition between air and rail for UK and European transport and greater use of rail for access to airports. Our responses primarily reflect these objectives.

If you require any more detail or clarification please do not hesitate to get in touch.

Yours faithfully

Chris Page

Chris Page
Railfuture
Policy Group

www.railfuture.org.uk www.railfuturescotland.org.uk www.railfuturewales.org.uk
www.railwatch.org.uk

Response to Draft Aviation Policy Framework consultation.

Railfuture call for a level playing field for competition between air and rail for UK and European transport and greater use of rail for access to airports.

Chapter 2: The benefits of aviation

Connectivity:

- *Do you agree with our analysis of the meaning and value of connectivity, set out in Chapter 2?*

Railfuture supports better connectivity. However this should not be achieved by maximum flight frequency, if this means that smaller aircraft operate a service more frequently, and therefore utilise more valuable airport slots at either Heathrow and Gatwick, than if the same total weekly capacity can be achieved by operating less frequent larger aircraft instead. We therefore support the intentions outlined in Paras 2.35 and 2.52.

Fifth freedoms:

- *Do you support the proposal to extend the UK's fifth freedom policy to Gatwick, Stansted and Luton? Please provide reasons if possible.*

Railfuture supports extension of the UK's fifth freedom policy at Gatwick, Stansted and Luton.

- *Are there any other conditions that ought to be applied to any extension of the UK's fifth freedom policy to Gatwick, Stansted and Luton?*

Fifth freedom should not be granted where alternative international rail routes are or will be feasible.

Airports outside the South East:

- *Do you agree that the Government should offer bilateral partners unilateral open access to UK airports outside the South East on a case-by-case basis?*

Yes, especially if this would encourage provision of more direct international services avoiding the need to travel via airports in the South East.

Any other comments:

- *Do you have any other comments on the approach and evidence set out in Chapter 2?*

ECONOMIC BENEFITS

Railfuture acknowledges that in a global economy good transport links to the outside world are essential as they aid exports and business, bringing inward investment and helping to create jobs. However, it is equally true that the two way effect can create a downside to the economy. This is particularly true in the case of aviation as good connections to other parts of the world can encourage outward investment that is not always beneficial to our economy and can cause job losses.

For example, the advent of budget airlines and cheap flights to holiday destinations in the sunshine has created a net aviation tourism deficit (the difference between what British people spend abroad and what foreign visitors bring in to the UK) which has been estimated to cost the economy around £18bn per year. It has also been said that about one million jobs have been lost in the British tourist industry for the same reason. The low cost of such flights accentuates this anomaly and is made possible by reason of tax benefits enjoyed by the aviation industry, notably tax free fuel and zero rating for VAT which enables airlines to reclaim all their input

taxes while paying nothing. We would welcome consideration in the change in tax status for VAT from zero rated to exempt.

Interestingly, two recent studies have highlighted these effects. The first was a report on the economic effects of aviation in the North West of England by Prof John Whitelegg carried out for CPRE in 2003 and the other concerning the economics of expansion of Heathrow airport was carried out by CE Delft in 2008.

Both studies concluded that claims for economic benefits and job creation, particularly indirect jobs, credited to aviation activity had been over stated and that an element of double counting was evident. This was largely because it had been assumed that retail activity in airports would not have happened had the airport not existed but in reality, much of the money so spent would have been spent elsewhere on purchases of goods or alternative activities.

Evidence indicates that advantage is taken of low Air Passenger Duty (APD) applied to short haul flights to nearby airports on the European main land so that journeys to long distance destinations can be undertaken by inter-lining without paying the appropriate level of APD.

Railfuture considers that these issues have not been adequately covered in the consultation document and that claims for economic benefits therefore need to be tempered with caution.

CAPACITY

Predictions for aviation passenger growth should be viewed with caution as rising oil prices will have an increasing influence on the cost of air fares. In a sane world, better use of existing capacity would be made instead of new runway construction. For example, Stansted airport has capacity for 35m passengers a year but is currently used by fewer than 18m. Luton is increasing passenger capacity from 10m to 20m passengers a year.

We note that 40% of international trade by value is by air with Heathrow taking the largest proportion. The use of Heathrow for freight and mail flights absorbs capacity or adds to noise at night, so these flights should be rerouted to alternative airports where a freight hub exists or could be created, for example Southend, Stansted, East Midlands or Carlisle.

Competition Commission rules and the airlines themselves restrict the ability to re-allocate routes to regional or underused airports as they all want to go to Heathrow. Heathrow airport has lost 20% of its routes in the last twenty years because less popular routes have been transferred to other London airports; this has actually had the effect of reducing the connectivity of Heathrow. As a result there are currently 33 flights per day between Heathrow and New York alone, indicating a lot of duplication.

There is capacity to transfer more routes to other London airports, but one in three passengers at Heathrow are inter-lining. Rather than concentrating activity on Heathrow, greater use of regional airports should be made for long distance flights to new routes such as Birmingham (which is currently having its runway extended), Manchester and Edinburgh. This would help to reduce the north/south divide, boost the economy of the regions, and reduce the need for inter-lining at Heathrow.

Apart from being damaging to the UK economy, use of Heathrow for budget price leisure flights to the sunshine wastes valuable capacity and trivialises use of the airport for more important long distance international flights to new destinations. Such leisure flights should use airports with spare capacity. Therefore we believe that smaller aircraft should pay the same take-off and landing fees at Heathrow (and possibly Gatwick too) as the largest aircraft, a policy which would probably persuade many airlines to replace their operations there with bigger aircraft. This would have the effect of reducing the frequency of those services operated by smaller craft at too frequent intervals, and thereby release valuable slots needed for other services, mainly long haul. This in our view would also assist in eliminating any justifiable demand for new airports or airport expansion in the South East.

Whilst there is exceptionally good connectivity from the southeast's 5 airports with 6 runways which compare very favourably with rival cities in Europe, we are concerned at the lack of scheduled services at the provincial airports. There are complaints for better access from people living outside the natural catchment area for better access to Heathrow which implies a dearth of services from airports nearer home.

INTEGRATING WITH THE WIDER TRANSPORT NETWORK

Greater use and development of rail services to and between airports is necessary to maximise the proportion of travel to/from the airport by public transport, to reduce the need for domestic connecting flights at international airports, and to support the development of London and the UK as an international transport hub.

If Air Passenger Duty applied to short haul flights were to be raised to reflect its environmental impact, it would be economically viable to replace short haul flights with high speed rail services. This will soon be possible between London and Amsterdam, for example; we would support international train services from London via HS1 to more European destinations. Carbon emissions and noise would be reduced and more capacity for more valuable long haul international flights would be released.

We support the desirability of HS2. However its effects will be most on Luton and Stansted and to some extent Gatwick as few internal flights go to Heathrow.

Even without HS2, it would be possible to link Stansted airport with Heathrow using Crossrail and Birmingham and Manchester airports could be linked to Heathrow with competitive journey times on existing routes. If correctly marketed, with express as well as metro services, these links could improve connectivity between flight destinations and so reduce the demand from all airlines to use Heathrow.

Airports should integrate with all forms of transport from within their natural catchment area. We have indicated in our response to the Thameslink, Great Northern & Southern franchise consultation that the services from Gatwick should go through the Thameslink core thus widening the effective catchment area to include larger areas of North London and East Anglia to cover areas like Cambridge and Peterborough, and providing access to the City for business travellers. As many Thameslink all stations trains as possible should terminate at Luton rather than St Albans and should travel to suburban destinations south of the river in order to widen the catchment area of Luton Airport.

Changing trains from Euston to St Pancras for people with luggage travelling to and from Airports via London is cumbersome. We strongly support re-instatement of direct train services from Gatwick to Watford, Milton Keynes and Northampton as a means of connecting to West Coast services.

The proposed new western link from the Great Western Main line to Heathrow is welcome but it is imperative that a new link is also developed from the South. Stansted airport needs to have the rail link to Braintree restored to widen its catchment area with East Anglia.

Airport freight hubs should be rail-connected so that international freight can be connected to national freight and mail distribution networks. This would also support the development of enterprise zones around airports.

Chapter 3: Climate change impacts

- *Do you have any further ideas on how the Government could incentivise the aviation and aerospace sectors to improve the performance of aircraft with the aim of reducing emissions?*

Tax free fuel does not encourage development of low emission technology. In the absence of aviation fuel tax, APD should be seen as a carbon tax and so calculated according to the type of aircraft used.

As an alternative to APD, Landing Slot tax would tend to influence more efficient use of airport capacity and could also be so arranged to reflect environmental issues through slightly lower rates for quieter and energy efficient aircraft. The advantage of Landing Slot tax is that incentivises the airline to make best use of the slot, and so the rate should not vary with aircraft capacity; this will encourage the airlines to use larger planes, and therefore also increase the effective capacity of airports such as Heathrow. The level of landing slot tax should be set so that the total tax take is no less than that currently taken as APD; we would prefer the tax take to be higher, to offset the higher environmental impact of air travel when compared with rail. This would help to level the playing field for air and rail on short-haul routes such as to Glasgow, Edinburgh, Paris, Brussels, Amsterdam and Cologne. With competitive journey times under 4 hours and comparable fares, the transfer of traffic to high speed rail would significantly reduce emissions.

The escalating costs of oil prices will also encourage aircraft efficiency and we would be concerned at moves to shield operators from this escalation.

The Government should resist attempts to scrap the EU Emissions trading Scheme. Railfuture notes that production of biofuels can actually increase carbon emissions and are not a suitable substitute to fossil fuels.

Any other comments:

- *Do you have any other comments on the approach and evidence set out in Chapter 3?*

Railfuture notes that carbon emissions from inbound flights to the UK are not considered.

The consultation document makes brief mention of the undesirable effects of contrails and emissions released at high altitude but it is widely acknowledged that the latter are at least 1.9 times more damaging than the same emissions would be at ground level (source: the Stern Report). We therefore feel the consultation should emphasise this point.

Whilst we welcome initiatives to reduce the need for travel, we recognise that travel promotes social cohesion and economic benefit globally. The government should use regulatory and fiscal mechanisms to offset the higher environmental and noise impact of air transport compared to other modes – this will create a level playing field between transport modes and pressure to improve. An example might be carbon trading between rail and air operators to fund high-speed but low carbon rail development.

Chapter 4: Noise and other local environmental impacts

- *Do you agree that the Government should continue to designate the three largest London airports for noise management purposes? If not, please provide reasons.*

We agree, noting that the noise impact from Heathrow exceeds all of the other airports in Europe combined.

- *Do you agree with the Government's overall objective on aviation noise?*

We would welcome initiatives to divert domestic and European journeys from air to rail as a means of reducing noise impact.

- *Do you agree that the Government should retain the 57 dB $L_{Aeq,16h}$ contour as the average level of daytime aircraft noise marking the approximate onset of significant community annoyance?*

- *Do you think that the Government should map noise exposure around the noise designated airports to a lower level than 57 dBA? If so, which level would be appropriate?*

Railfuture supports noise reduction from aircraft and the routine provision of 54dB $L_{Aeq,16h}$ contours as a fairer indication of noise disturbance.

- *Do you agree with the proposed principles to which the Government would have regard when setting a noise envelope at any new national hub airport or any other airport development which is a nationally significant infrastructure project?*

We suggest that it would be feasible to create a computer model with which to calculate a metric which integrates the noise profile of each individual aircraft at each point on its path, over the number of people impacted at each point, the length of the path and the number of flights each day.

- *Do you agree that noise should be given particular weight when balanced against other environmental factors affecting communities living near airports?*
- *What factors should the Government consider when deciding how to balance the benefits of respite with other environmental benefits?*
- *Do you agree with the Government's proposals in paragraph 4.68 on noise limits, monitoring and penalties?*

It is perverse to apply noise limits only to departing aircraft. Whilst it is true that engines are on full thrust and thus making maximum noise when taking off planes gain height rapidly and veer away from the line of take off thus reducing the impact. However planes landing fly quite low in a straight line over the same approach from many miles away, with engines on reverse thrust, every 90 seconds at Heathrow for example. Noise limits should also be applied to landing.

- *In what circumstances would it be appropriate for the Government to direct noise designated airports to establish and maintain a penalty scheme?*
- *In what circumstances would it be appropriate for the Government to make an order requiring designated airports to maintain and operate noise monitors and produce noise measurement reports?*
- *How could differential landing fees be better utilised to improve the noise environment around airports, particularly at night?*
- *Do you think airport compensation schemes are reasonable and proportionate?*
- *Do you agree with the approach to the management of noise from general aviation and helicopters, in particular to the use of the section 5 power?*
- *What other measures might be considered that would improve the management of noise from these sources?*
- *Do you have any further ideas on how the Government could incentivise the aviation and aerospace sector to deliver quieter planes?*
- *Do you believe that the regime for the regulation of other local environmental impacts at airports is effective?*

Where airports have control over the various forms of pollution and emissions these should be published and affected residents notified of the rules.

- *Do you think that noise regulation should be integrated into a broader regulatory framework which tackles the local environmental impacts from airports?*

Chapter 5: Working together

- *Do you think Airport Consultative Committees should play a stronger role and if so, how could this be achieved?*

- *Is there a case for changing the list of airports currently designated to provide consultative facilities?*
- *Do you agree that the Civil Aviation Authority should have a role in providing independent oversight of airports' noise management?*
- *Do you agree with the Government's overall objective on working together?*

Is the high-level guidance provided in Annex E sufficient to allow airports to develop local solutions with local partners?

Challenging targets should be set for airports to increase the proportion of surface access by public transport (for passengers and employees) and by rail (for freight). The master plan must clearly state how these targets will be achieved. Airport operators should be required to invest in infrastructure development to achieve the targets; use of public funds should be seen as a subsidy. By contrast, when the rail route to Alloa was restored, the cost of a new road link was charged to the rail budget.

Potential rail routes for surface access to airports should be safeguarded.

- *Do you agree that master plans should incorporate airport surface access strategies?*

Whether or not the airport surface access strategy is incorporated in the airport master plan, it must be given equal weight.

- *Do you agree that, where appropriate, the periods covered by master plans and noise action plans should be aligned?*