

Seeking views on the Airports Commission's emerging thinking on airport capacity in the UK.

31/10/13

These views are the views of the Nestrans Board. Nestrans is the statutory Regional Transport Partnership for the North East of Scotland covering the areas of Aberdeen City and Aberdeenshire Councils. This equates to just under 10% of both Scotland's mass and population. The issue of the Commission's emerging thinking was discussed at our Board meeting yesterday.

Nestrans has contributed to earlier calls for evidence. We won't repeat the evidence we have given previously.

In general Nestrans supports the views of the Commission as expressed in Sir Howard Davies speech.

In particular Nestrans agrees with the comments summarised as:

- pressure on the UK's busiest airports is likely to continue to grow even if we take a more conservative view of future aviation demand than the DfT has in the past. This is likely to see levels of future demand in excess of capacity in the south east of England airport system.
- importantly, this appears to be the case even if future aviation demand is constrained in order to meet the government's legislated climate change objectives.
- it is difficult to see how the market alone could resolve the capacity / demand imbalance in the south east. Regional airports are already serving their local markets effectively but it is difficult to see how they can absorb all the excess demand. The tools available to government to influence the location of flights are also very limited.

Taken together, these considerations **point to the need for new runway infrastructure in the south east of England** in the coming decades.

We also agree in particular with the comments made in the speech below:

- Our provisional view, therefore, is that additional capacity will need to be provided, alongside an overall framework for managing emissions growth, if we are to deliver the best outcomes in both environmental and connectivity terms.
- We have been given a clear message from many regional stakeholders that while their local airports are important to their economies, so is access to the international connectivity available in London and the south east.
- Links to other European hubs from regional airports provide an alternative to some degree, but this is not always the best solution either for passengers or for the environment.
- Distributing demand to some destinations across a number of airports could see a higher number of smaller flights being needed to achieve the same degree of national connectivity. We will say more on this point later.
- An attempt to rely only on runways currently in operation would be likely to produce a distinctly sub-optimal solution for passengers, connectivity and the economy.

We would note however three issues that we believe could have an impact on the Commission's thinking.

Seeking views on the Airports Commission's emerging thinking on airport capacity in the UK.

31/10/13

1. The propensity to fly from our region is very high at 5.1. Although from a relatively small catchment population this propensity does lead to a significantly high volume of passengers between Aberdeen International Airport and Heathrow. This traffic accounts for just under a quarter of all Scottish traffic to Heathrow for a catchment of only 10% of the Scotland's population. A very high percentage of this (65%) is business traffic with a high percentage also interlining – essential to keep our economy growing and keep jobs across the country based on international business earned for the UK.
2. The High Speed Rail papers recently released show that our region will be the most negatively impacted area of the country with a figure of -£220m/ annum suggested by HS2 Ltd. We recognise that our size and distance from the central belt of Scotland mean that HSR will not reach our part of the country. We do however believe that for such a significant investment by the country mitigation measures should be in place to remove these negative impacts. In our case we believe that the scale of these potential losses (albeit lost potential growth as opposed to direct losses) could be mitigated by guaranteeing access to Heathrow for our current level of service – provided an airline company is willing to use those slots for the Aberdeen – Heathrow service.
3. We do not believe that the issue of guaranteeing slots is or should be an insurmountable problem. There are currently mechanisms in place (PSO etc.) that could be used if necessary. We do believe though that the current EU review of slots regulations provides an opportunity to amend the regulations to permit such a guarantee scheme and would ask that the Commission gives consideration to this proposal and considers discussing this with the UK Government and EU Commission.

[REDACTED]