

## Purpose

This note sets out the results of analysis which considers the impact of reducing Heathrow Express fares on passenger mode share at Heathrow Airport.

## Background

In May 2014, Heathrow Airport Ltd (HAL) prepared a technical submission to the Airports Commission setting out its proposals to expand Heathrow. This included an assessment of surface access demand to and from the airport in 2030 and 2040, based on HAL's Surface Access Strategy. This was assessed using HAL's strategic surface access modelling suite.

The Airports Commission has asked HAL to undertake a sensitivity test on its assessment, which considers the impact of reducing Heathrow Express fares. The analysis has been undertaken using our LASAM model, which is our surface access forecasting tool for airport passengers.

The analysis compares the 2030 model run submitted to the Airports Commission with the sensitivity test of removing the premium fare on Heathrow Express. The analysis assumes that all other elements of the service proposition remain the same.

## Modelling results

The table below sets out the results of the model run:

Mode	2030		2030 Sensitivity test		Difference	
	Mode share	Pax (millions)	Mode share	Pax (millions)	Mode share	Pax (millions)
Underground	10.4%	6.7	9.2%	5.9	-1.2%	-0.8
Bus/Coach	16.4%	10.6	16.2%	10.5	-0.2%	-0.1
Heathrow Express	10.4%	6.7	14.3%	9.2	+3.9%	+2.5
Crossrail	10.5%	6.8	9.1%	5.9	-1.4%	-0.9
Other Rail	4.6%	3.0	4.2%	2.7	-0.4%	-0.3
<b>Public transport</b>	<b>52.3%</b>	<b>33.8</b>	<b>53.1%</b>	<b>34.3</b>	<b>+0.8%</b>	<b>+0.5</b>
Taxi	21.1%	13.7	20.7%	13.4	-0.4%	-0.3
Kiss and Fly	17.1%	11.1	16.9%	10.9	-0.2%	-0.2
Park and Fly	9.4%	6.1	9.3%	6.0	-0.1%	-0.1
<b>Private Total</b>	<b>47.7%</b>	<b>30.8</b>	<b>46.9%</b>	<b>30.3</b>	<b>-0.8%</b>	<b>-0.5</b>

The results show that a reduction in Heathrow Express fares results in a modest increase in public transport use, with half a million additional passengers choosing public transport. The main abstraction is from taxis

It shows that Heathrow Express would also abstract two million passengers from other public transport services, with the largest reduction in passenger numbers on the Underground and Crossrail.