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Airports Commission Consultation  
Freepost RTKX-USUC-CXAS  
PO Box 1492  
Woking  
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Dear Sir,

### **HITRANS Response to Consultation on Short Listed Options**

The Highlands & Islands Transport Partnership (HITRANS) is the statutory Regional Transport Partnership for the Highlands and Islands of Scotland. Working with its five constituent Councils (Highland Council; Moray Council; Orkney Islands Council; Western Isles Council and Argyll and Bute Council) HITRANS is charged with developing and delivering a strategy and promoting improvements to the transport services and infrastructure networks that serve the region. The organisation takes an integrated and inclusive approach by consulting with the local communities, stakeholder groups and the business community to achieve its objective of *"enhancing the region's viability by improving the interconnectivity of the whole region to strategic services and destinations."*

With this in mind, we are grateful for this opportunity to respond to the Independent Airports Commission's Consultation on the three options for new runway capacity in the South East short listed by the Commission in December 2013. In responding to this consultation we would like to record our thanks to the Commission on the open and engaging process that has guided its work and the invitation that HITRANS was pleased to take up in responding to a number of Discussion Papers as the Commission undertook its critically important task. We were particularly pleased that Sir Howard Davies visited Inverness at the invitation of the Scottish Council for Development and Industry on Monday 9<sup>th</sup> June 2014 which allowed the business and public sector representatives of the Highlands and Islands to stress the importance of this region's air links to London both for point to point travel and the vital role London plays for onward travel to access international markets as passengers seek to access hub airport opportunities through London.

In each of the responses HITRANS has made to the Commission's calls for evidence we have maintained our focus on making the case – anchored in evidence – for the Highlands and Islands and other Peripheral UK Regions to be included in the slot allocation following increased hub Airport capacity in the South East of England resultant from the final recommendation of the Airports Commission.

HITRANS agree that the three shortlisted options were the correct ones taking account the needs of the UK as a whole. In identifying expansion at existing airports the Commission has recognised the urgent need for increased capacity and the importance in providing this at locations that are already well connected to London and the south east by road and rail. Heathrow and Gatwick also offer the potential for good surface access for many parts of England and southern Wales

which is also welcome. As high speed rail develops there is the potential – particularly at Heathrow – to provide sub 3 hour journey time surface access to most of England. The final recommendation of the Commission must be made on the basis of the option that best serves the interests of the whole of the UK which should ensure the ability to maximise access to international markets from UK airports while still allowing all UK regions to have access to this hub.

Considering the economic imperative of delivering the increased capacity and how a new runway can best serve the interests of the economy of the whole of the UK and weighing up the scale of economic benefit that will accrue from this runway it is our considered opinion that a **Heathrow Airport** with increased capacity will do more for the UK economy than a Gatwick Airport with increased capacity.

Heathrow Airport already sits at the heart of the UK's transport network. It is the only Airport that offers a hub airport allowing people to connect by road, rail and air to the range of flights to international markets that business and tourism need if the UK economy is to remain competitive. While it is important that the UK can benefit from increased access to global markets including important markets in the EU, North America and Asia / Pacific it is equally important that this connectivity is afforded to the whole of the UK. For the Highlands and Islands, geography pre-determines that rail - even High Speed - is not the answer for the region to connect to the UK hub airport. Distance and time make air access to London essential both for point-to-point travel and onward connectivity. In adding our voice to those proposing to the Commission that Heathrow expansion is the best opportunity for the UK's air system to develop we would ask the Commission to **strongly consider** conditioning any recommendation on a new runway on the commitment from the promoter that an appropriate level of regional access will be accommodated for those UK regions who cannot access the Airport through a sub 3 hour rail journey. In the case of Inverness Airport we would consider that medium to long term requirement to be 3 rotations per day with bi-directional morning and evening rotations supported by a middle of the day slot allocation.

Air links to London are so important to the economy of the North of Scotland and that of the wider UK. Consequently it is essential that ring-fencing of new capacity for such links should form part of the Airports Commission's final recommendations to Government. Those core generic arguments bear repeating. In the case of Inverness they are:

- the absence of viable surface alternatives to London, which will remain even if HS2 is eventually extended to Scotland. The direct east coast rail service from Inverness to London takes 8 hours;
- the inconvenience and economic disadvantage of 79,500 passengers annually being forced to rely on road journeys of 3.0-3.5 hours to Scottish Lowland Airports to act as gateways for travel **to/from London Heathrow** for global connectivity while they are denied the opportunity to do so from their local airport at Inverness;
- the fact that Heathrow continues to dominate airfreight exports from the UK, making access to this form of distribution system sub-optimal for Highland based firms in the absence of service to the UK's primary air cargo hub. This is particularly significant for the high value seafood export markets that local firms would like to access, because in 2011 Heathrow accounted for 95% of UK long haul seafood exports by air.
- the disincentive to many inbound business and visitors to the Highlands of having to make the same surface journeys to a Lowland airport, or a connection between London Airports to access the Highlands direct, creating significant barriers to attracting additional international business and tourists and increasing their average length of stay and spend;
- the dominance of Gatwick in serving the point to point market between London and the Highlands, the substantive and consistent volumes it caters for, including 20% interlining traffic despite the relatively lower onward connectivity it offers;
- the material share of the Gatwick market which is business orientated, enabling external expertise to be accessed by Highland firms and providing access to both London and

- wider international markets for outward facing and exporting sectors in the region (eg Whisky Industry, Optical and Medical Equipment Manufacture and the Energy Sector);
- the need for these sectors and other new growth sectors of the Highland economy (eg life sciences) to have access to both well-established and emerging foreign markets if they are to prosper;
  - the inadequacy of other London airports (such as Stansted, Luton and London City) as an alternative because of their more limited and leisure orientated connectivity;
  - the far poorer connectivity that Gatwick, or other major UK airports to which Inverness is connected (eg Manchester and Birmingham), offer compared to Heathrow, particularly to the North American market, which is important for Highland businesses and the tourism industry; and
  - the strategic importance of not being forced to rely on foreign hubs for global connectivity in line with recent CAA advice, and the difficulty of expanding the new Amsterdam link to a sufficient level of frequency to justify such reliance because of the absence of an underlying point-to-point market on the scale available on the London market;

While we have set out the case for the Airports Commission to recommend that new runway capacity should be provided at London Heathrow this is based on the restriction set out by the Commission that only one new runway be provided in the South East at this time. However we believe the Commission's own forecasts point to an emerging capacity constraint that could place real pressure on the UK economy by 2040. We would therefore add our call to the proposal set out in the joint Highland regional response to this consultation submitted by Highlands and Islands Airports for the Airports Commission to set out a timeline for providing additional runway capacity at London Gatwick, which has become increasingly congested and risks being marginalised if it is denied the opportunity to grow.

The impact of constrained capacity in the South East air system is already being felt in the Highlands and Islands. It is therefore important that the Commission's final recommendation is backed up with strong interim measures to combat any further erosion of regional access to international markets. If increased efficiency can achieve an increase in slots at London Heathrow we would ask that consideration be given to releasing a single daily rotation for Inverness access in the short term until a new runway is provided. We would also ask that the Commission offer a strong and supportive line on the case for regions such as the Highlands and Islands to receive support to access an alternative EU hub airport in the short term and propose a solution to this issue of deploying the Regional Air Connectivity Fund to secure an intra EU PSO from Inverness to Amsterdam on a business focused morning / evening twice daily rotation.

Yours faithfully,

