

Aviation 2050 Green Paper Consultation – SASIG Response (submitted 20th June 2019)

Who Are SASIG?

1. SASIG are a Special Interest Group of the Local Government Association whose Membership comprises authorities that have an interest in aviation policy by virtue of:
 - owning (or jointly owning) an airport,
 - being the local planning authority for one or more airports, or
 - by being located sufficiently close to one or more airports that its environmental and other effects (economic, surface access) make it material to its statutory functions
2. We currently have 30 members of all different types (County, Met Borough, Unitary and District) and political persuasions spread right the way across the UK from Cornwall in the South West to Southend and Norwich in the east, Doncaster and Manchester in the North of England and the combined authorities in the West Midlands.

SASIG's Role as a Strategic Stakeholder

3. 2019 is SASIG's 20th continuous year of operation – as such it is one of the longest standing of the LGA's SIGs. Our member authorities represent 12 million people, and the airports in relation to which they have a range of statutory responsibilities and cater for more than 75% of UK airport passengers and 80% of its air freight.
4. During the course of the Aviation Strategy process we have engaged not only with DfT and its agencies (NATS, Highways England, Network Rail) and regulators (CAA) but also with a range of other Government Depts (e.g. BEIS, DCLG, DCMS) and their agencies, Airport trade associations, regional growth agencies, LEPs etc. In addition, SASIG has hosted workshops on local environmental issues relating to aviation (with a particular focus on noise), airspace change, surface access and airport related economic development. We invite external speakers to our meetings and are constantly seeking to ensure our members are well-informed and exposed to innovative thinking on aviation policy.
5. LPAs are an effective portal that allows the views and concerns of local community and business interests, surface access providers etc to be understood and reflected back to Whitehall policy makers. They also often take the lead role in bringing these organisations together at local level in relation to individual or more than one geographically proximate airports, and they have a number of important statutory responsibilities (land use planning, surface access, economic development,

environmental management) which will have a major impact on the delivery of future Aviation White Paper policy.

6. As a result, we believe that SASIG as the LGA's representative organisation on aviation policy is an important strategic stakeholder for Government:
 - (i) as a sounding board on policy (ANEG, DfT Airspace Management Board, CAA Community Forum, DEFRA's noise policy group, DCMS on the Tourism Sector Deal)
 - (ii) as statutory authorities with significant role in the oversight and approval of policy delivery; and
 - (iii) as the acknowledged representative of a collective of authorities with majority or minority shareholdings in a number of UK airports.
7. Accordingly, we trust our views on the Green Paper will be made known to Ministers.

Our Approach to Responding to the Aviation 2050 Consultation

8. The unusual format of the Green Paper (its structure is issue-focused rather than strategic and comprehensive like the 2003 consultation documents or the Davies Commission work, has the tendency to address certain topics under a number of different chapter headings and uses the same open-ended generic questions in relation to completely different subject areas), makes responding to it in structured and coherent manner difficult. We have therefore chosen to:
 - Open with our over-arching views of the content;
 - Then focus on the specific chapters we have an interest in – this excludes Chapters 5, 7 and 9; and
 - Includes as conclusions some high-level thoughts on the common generic questions.
9. In recognition of both the geographical diversity and different statutory status of our members, and that many will also be making separate submissions on behalf of their own authorities, it is important to emphasis this response is intended to reflect the 'collective' view across 30 SASIG members rather than those of each individual member authority and should be read as such.

Overarching Themes

Support for Airport Growth

10. The Green Paper is much more overt in its support for growth in UK aviation than the 2013 Aviation Policy Framework which tonally was much more focused on environmental sustainability. Whilst SASIG does not oppose further airport growth per se, because we recognise the economic value that the air transport industry generates both directly and indirectly in other sectors of the economy, we do firmly believe that:
 - It must be demonstrably sustainable at both a global and local level – it not just climate change commitments that are significant here environmental impacts on

local communities are also of sufficient importance that tackling these effectively must also be an important part of the partnership for growth.

- A coherent strategy should in our view not simply be demand responsive, but arguably needs to be overtly supportive of a strategic mission lead nationally, to improve infrastructure in the UK regions outside London and the South East, to help achieve a more balanced economy. We are concerned that if the sector's carbon budget is significantly reduced as a result of the Government's new zero carbon commitments, the third runway at Heathrow will obviate any opportunity to take advantage of growing markets and the emergence of new aircraft types, to clawback traffic originating in the UK regions by capping any scope for regional airport growth.
- This concern is reinforced by the fact the consultation document seems almost irresistibly drawn to yet further discussion of London and South East airport issues, despite (or perhaps because of) all the work undertaken by the Davies Commission and the publication of the Airports National Policy Statement. At the same time, it also appears almost deliberately averse to discussing, let alone adopting, a proactive approach towards encouraging or even prioritising the use of spare capacity in the UK regions. The categorisation of Manchester and Edinburgh as national airports is a small positive step forward, but it is not supported by detailed policy measures to help these airports develop a more substantive hub or gateway role. Nor is it particularly encouraging of growth at other regional airports (small and large) to reduce environmentally and economically catchment leakage, which is particularly significant in the South West, Wales, Northern Ireland (to Dublin) the Midlands and parts of the North of England.
- Finally, any growth proposals that are supported, should be subject to:
 - appropriate consultation, scrutiny and mitigation to ensure those affected locally are appropriately compensated by those who benefit most commercially and economically; and
 - a comprehensive and coherent strategic plan, where for example the Government contributes to the provision of strategic surface access infrastructure, safeguards airport operational areas from inappropriate development (e.g. housing in high noise environments) and recognises the financial pressures growth creates for statutory authorities in relation to social infrastructure and their other responsibilities

Commitment to Airspace Modernisation

11. SASIG is very supportive of the Government's commitment to modernise UK airspace – this is long overdue. We are also grateful to be afforded the opportunity to contribute to the strategic oversight of this initiative through the Airspace Modernisation Board. However, we do have continuing concerns about:

- the de-coupling of the land use and airspace planning processes for major airport expansions – we think the White Paper should require that they be co-ordinated;

- its focus solely on increasing capacity/reducing delays rather than securing environmental improvements for local communities in line with Noise Action Plans which should be focused on how to reduce noise disturbance locally;
- the inability of local authorities to bring forward proposed airspace change proposals on behalf of local interests rather than NATS or airport operators – we would strongly advocate that individual or groups of authorities be enabled and assisted to do so;
- the complexity of the *airspace change process* drawn-up and overseen by CAA – the evidence is it is protracted and expensive and consideration should be given to introducing statutory timelines associated with the key gateway points; and
- how multiple overlapping airspace change proposals will be handled in terms of consultation and then decision making – concurrency or joint applications are surely the way forward here?

12. We have made, and will continue to make these points, in our interaction with DfT, CAA, airports and other strategic stakeholders – and did so already in our 11 April submission on Annex A of the Green Paper.

Concern at the Lack of Strategic Vision and Co-ordination:

13. SASIG's member authorities agree that the Green Paper evidences a number of important shortcomings in terms of scope and process:

- There is little evidence of joined-up thinking between Government departments in relation to the contribution of aviation to other Government policy (e.g. on climate change, land use planning, economic rebalancing and associated growth funding and delivery programmes) or vice versa. Airports barely have any visibility in relation to City Deals, growth funding awards or the capital programme of Network Rail and Highways England. And there is no recognition of the need to ensure Government investment in housing and surface transport will be needed to support airport growth.
- The concept of ensuring that strategies are developed at a local and regional level to maximise the economic benefits of investments in airports or the arrival of strategically important new routes (e.g. to Heathrow, other hubs or major long haul markets), as encouraged by the HS2 station Growth Partnerships, is an easy win policy which is missing.
- Acknowledgement of the importance of long-term safeguarding is conspicuously absent, whether in relation to Airport PSZ's and obstacle surface maps, noise contours, surface access corridors or for long term airport expansion and related economic development, leading to encroachment by inappropriate development.
- There has been no attempt that SASIG is aware of to bring together key public agencies and private/community interests to help build consensus around the form and scope of a structured, coherent plan. Research has been undertaken without any engagement of relevant parties, discussions are held in subject area silos or on a one to one basis.

Issues Not or Inadequately Covered

14. These include:

Forecasts

- The 2017 DfT traffic projections received substantive criticism and it is encouraging that DfT acknowledges their limitations. However, without some kind of demand and capacity framework to operate within, the scale of potential growth to be accommodated and where it will be prioritised cannot be adequately addressed or the resource implications and relative scale of environmental impacts even generically understood.
- The ASGP states that the Government intends to discuss its modelling approach with stakeholders in the first half of 2019 in order to inform future capacity decisions. Even if “stakeholders” in this context is meant to refer solely to airport operators, and it should not, we are not aware that there has been any engagement with external stakeholders (as opposed to expert practitioners) about forecast modelling and yet that is the key to securing a consensus around scenarios and a ranges of figures that can provide the necessary framework or ‘partnership’ for sustainable growth.

Land use planning

- While we welcome the invitation to engage with officials on planning issues in relation to airports, it is important that MHCLG is also engaged and that would have been made easier where the issue given more extensive treatment in the Green Paper. Issue that need careful scrutiny include:
 - The relationship between the White Paper (which is not site specific) and the NPS which is? Will another NPS for airports other than LHR be needed?
 - The meaning and suitability of the ‘making best use’ policy.
 - The interface between airport masterplans and the development plan system
 - Conflicts between housing land and major infrastructure projects
 - The suitability of the DCO process for handling major airport expansion proposals that need flexibility as to design and specification
 - Safeguarding (see above)
 - A replacement for PPG 24
 - EU Regulation 2014/598
 - Use Class Order Changes/Article 4 designations
 - S106 and CIS levies are really only allowed to relate to the development in question and not about the wider impacts.
 - Cost burden of dealing with major planning applications
 - Use of airports business rates to mitigate social infrastructure investment and operating costs

Freight

- This is a major, and in terms of the wider economy, very important part of the air transport sector and yet compared to the passenger, GA and aerospace side of the aviation industry is given very cursory treatment in the Green Paper (2 pages

on freight vs 14 pages on GA and 23 pages on a Passenger Charter). And this at a time when:

- the UK is contemplating a post Brexit future where our dependence on trading globally will have never been more important;
 - the industry is going through major structural changes (e.g. the e-commerce revolution and digitalisation/automation) which the UK is not adapting to quickly enough;
 - there are significant capacity constraints for freight at South East Airports; and
 - large volumes of UK freight with origins in or destined for the UK, is leaking to cross channel airports at a substantive environmental and economic cost to UK plc.
- Yet there is no forward looking analysis (the UK Airlines study by Steer looks at the industry today not in the future), long term forecasts or proposals for where better use can be made of existing infrastructure or new capacity added in the Green Paper, and the relationship between NPS policy on freight and what may appear in the White Paper is substantially unclear.

Surface Access

- Only 2.5 pages on an issue most local authorities (and airports) would regard as fundamental to enhancing accessibility, improving the customer experience and achieving financial and environmental sustainability. The support for ATF's is welcome although the status of proposals in ASAS and masterplans remains opaque, but there is a major disconnect between a policy that supports airport growth and wills their use as local transport hubs. This is not their primary purpose and it is either inefficient or expensive to adapt them in this way, and so initiatives to do at the behest of local authorities will probably need to attract match funding from public sector sources (e.g. growth funding or DfT local transport sources). Not unlike airspace planning, which an airport also needs to operate efficiently, the Government's 'hands-off approach, prevents long term joined-up planning and ironically imposes constraints on the growth of airports it purports to support.
- It is hard not to reach unfavourable conclusions about a Government policy that does not provide the means to deliver the strategic objectives it articulates. The 'case by case' approach to project funding is an abrogation of statutory responsibilities to ensure the national infrastructure is properly integrated and operates efficiently. The claim that Government investment on strategic highways and rail networks would fail 'state aid' tests is asserted in the Green Paper and not supported by any evidence; nor does it match experience on the continent (where Government's frequently finance strategic surface access enhancements to airports) or even historically in the UK (e.g. Manchester Ground Interchange, FARRs Project in Doncaster, the tram to Edinburgh, the station re-development at Gatwick).
- 'Last mile' connections from the strategic network to the terminal door or the airport car park are legitimate projects to expect airports to invest in. Increasingly, the Government emphasises the importance of seamless travel

from “door to door” as a measure of journey quality. But if “airports are part of the national infrastructure¹” – and the TENS network, the Airports Commission and previous Government policy has acknowledged this, then Government should be willing to play a major role in funding the strategic network enhancements needed to facilitate airport growth. It has been willing to do this via the HIF fund for strategic housing sites and in relation to HS2 stations; why then not airports rather than leaving to operators/local authorities who can’t afford it and typically will only secure a small amount of the total benefit.

- Government should be setting out in the Green Paper:
 - the strategically important surface access projects (these could be single or groups of schemes) it considers necessary before growth can go ahead at each airport;
 - the high priority projects it will commit to funding over the next ten years;
 - those which are desirable but of lower priority and will need compete on a value for money basis for any residual funding; and
 - those which an airport operator or local authority would normally be expected to finance.

Generic Approach and Outputs

15. More generally, SASIG is concerned that the Government is struggling to plot the right course between:

- standing aside and allowing market forces to set the direction of travel for the industry on the one hand and pro-active targeted interventions to ensure it secures the economic outcomes it is seeking;
- drawing up final strategy document that effectively balances the need for air transport growth, made more urgent by Brexit related trading ambitions, and its environmental commitments;
- providing a coherent ‘top down’ strategy², offering a clear vision that regional or local partnerships can then coalesce around and deliver within clearly defined environmental envelopes and the support of the local communities that are most affected.

16. We don’t believe this is an impossible task - in Ireland Airport Local Area Plans are used to translate national and regional and county development plans into local frameworks within which airport masterplans and planning applications can then be drawn up with confidence level. And HS2 style Growth Partnerships anchored by LPAs and LEPs offer a model way forward for ensuring the economic benefits of airport investment and enhanced route connectivity is are maximised for the benefit of local and regional economies

17. Our hope is that these important shortcomings will be addressed during the preparation of the White Paper, and that as a result the final Aviation Strategy 2050 document will be - strategic, comprehensive, joined-up, consensual and contain a

¹ Para 4.57 of the Air Transport White Paper (2003)

² Which could include Guidance for local and regional partnerships

commitment that the Government recognises it will need to contribute towards its future delivery and will ring-fence resources to enable it to do so.

Chapter 2: Build a Global and Connected Britain

18. SASIG recognises and supports the significance of UK aviation (taken here to mean the air transport and aerospace sectors combined) within the UK economy, both directly in terms of jobs and GVA they create and indirectly in terms of the operational efficiencies, trade, inward investment, tourism opportunities and positive national profiling they help to facilitate.
19. The importance of the White Paper in maintaining and extending the influence of UK aviation should therefore not be underestimated – whether by helping to enhance global connectivity from all parts of the UK (i.e. not just London and the South East as has been the traditional focus of DfT), or retaining global prominence and influence through investment in innovation, nurturing and exporting aviation expertise, education and training and promoting UK thought leadership in policy, procedural controls and original academic and applied research.
20. As an industry ‘champion’ and strong voice for local communities SASIG would like to see UK leadership continue in:
 - Safety and security
 - Economic regulation
 - Capacity utilisation
21. But be expanded:
 - Through support for R&D into technological solutions that help to move the global component of aviation climate change impacts to zero by 2050 or 2060;
 - By requiring all UK airports to be carbon neutral by 2030; and
 - Funding leading edge noise research and ICCAN so that it is globally respected
 - In the digitalisation of air cargo (not just online booking and tracking, but automation and AI)
 - In terms of policies and initiative to maximise the local and regional economic benefits of air transport; and
 - Improve public transport access to airports

Chapter 3: Ensure Aviation can Grow Sustainably

Environmental impacts:

22. Even though SASIG is not an anti-aviation, anti-growth organisation, we are nevertheless firm adherents to the idea that future aviation growth must be demonstrably sustainable, and that the UK should take a global leadership role in developing technologies, protocols and processes to ensure this is achieved. To our mind, and having regard to the local nature of our policy focus, we consider the following are the environmental issues that the White Paper should focus on – and probably given priority in the order shown:
- a. *Noise*: (but especially night noise), concentration vs dispersion, overflight of sensitive receptors
 - b. *Air quality*: delivery of air pollution standards (even if aircraft emissions are of secondary importance to surface access and background non-airport emissions)
 - c. *Secondary impacts*: imposing costs on authorities without access to resources – pressure on housing and labour markets, social infrastructure, light pollution.
 - d. *Climate emissions*: statutory obligations for LAs; prioritising aviation CO2 budget, encouraging technology solutions rather than demand constraints

Partnership for Sustainable Growth

23. We are not clear, in practical terms, what the ‘partnership for sustainable growth’ proposed in the Green Paper means, who they will engage (its notable that local communities are not mentioned even though community engagement is one of the proposed strands of work) and how it will deliver Government objectives. Clearly much detail remains to be worked out, but subject to clarification, we are willing to give a cautious welcome to the conceptualisation of a new partnership approach as the basis of a modus operandi to move the industry forward through the difficult challenges that lie ahead.
24. Para 3.8 of the Green Paper refers to the partnership approach being key to ensuring that necessary conditions are met for growth in respect of infrastructure, community investment and environmental measures. But any partnership approach must be able to provide a truly robust outcome that balances the benefits of aviation growth against the effects on local communities, and not just act as a “rubber stamp” for growth. With this in mind we are keen to see a series of local or regional partnerships not just a national one and it is essential that local authorities as the statutory representatives of local communities are included as stakeholders on all of them.

Noise

25. The draft Aviation Strategy proposes the following new measures to help reduce the potential for future growth to increase noise impacts associated with aviation:

- set a new objective to limit, and where possible, reduce total adverse effects on health and quality of life from aviation noise
- develop a new national indicator to track the long-term performance of the sector in reducing noise
- routinely set noise caps as part of planning approvals (for increase in passengers or flights)
- require all major airports to set out a plan which commits to future noise reduction, and to review this periodically (para 3.115).

26. SASIG recognises that these proposals are an attempt to balance local planning and aviation policy, but their drafting contain areas of ambiguity which we think could be eliminated by a more ambitious and quantifiable goal to reduce total effects – not just those associated with growth or underlying baselines – and that this should be linked with the requirement to produce future noise reduction plans for all airports above a certain size (say 6 mppa) or impacted population (say 10,000 within the 57DbA contour) with special circumstances which require a more noise sensitive approach (e.g. city airports in urban areas like London City or Belfast City) also taken into account.

27. We recognise that Noise Action Plans (NAPs) are an EU requirement for airports with over 50,000 aircraft movements per year but the draft Aviation Strategy suggests that there should also be a requirement for noise reduction plans to airports that do not have an NAP or a noise cap approved through the planning system. We think our proposed approach is fairer and simpler to understand.

28. We support the Green Paper's intention to seek improved noise monitoring and a mechanism to enforce plan targets, but only provided that resource implications for local authorities are resolved on a cost neutral basis, or better by the agreed hypothecation of airport business rates to the relevant local authority.

29. The draft Aviation Strategy is proposing to develop guidance for housebuilding in noise sensitive areas near airports (as a replacement for PPG24 – Planning and Noise). Although spoken about for some time, SASIG have repeatedly urged DfT to develop this guidance, little progress has been made – perhaps because of turf battles over responsibility between DfT, DEFRA and MHCLG. And yet this is an issue where the industry and local authorities find themselves at one and it is essential therefore that the White Paper sets out a clear timescale for its completion.

30. The development of noise policy guidance will also provide an opportunity to review new permitted development rights for conversion of buildings to dwelling houses without the need to apply for planning permission, in the vicinity of airports. Permitted Development rights exist under the General (Permitted Development) Order for conversion from retail/betting offices, amusement arcades/centres, casinos, offices, storage/distribution and agricultural buildings to dwelling houses. Although there are aspects on which local planning authorities can require prior approval, this does not include exposure to external noise above defined limits that would impact on the amenity of the dwelling. This appears inconsistent with the proposed new noise objective (para 47) and SASIG would be keen to work with Government to find a sensible resolution.

Air Quality

31. SASIG notes that the Green Paper seeks the introduction of cleaner aircraft into service and cleaner fuels. It also recognises the need for cleaner airside operations through the use for example of fixed electrical ground power to avoid on-stand aircraft emissions and reduced engine taxiing. SASIG supports the proposed measures the Green Paper sets out but considers sanctions should also be capable of being applied for non-compliance with local air quality targets. SASIG requests, however, that:

- Government consults on the guidance on the scope and content of reports and the minimum criteria to be included as targets in air quality plans.
- In relation to air quality plans, clarification is provided as to what the Government defines major airports as it is these airports that will be required to develop air quality plans to manage emissions. Whilst we would not as a matter of principle advocate smaller airports being required to develop air quality management plans, one exception might be where an airport is in close proximity to an Air Quality Management Area (AQMA).

Secondary Impacts

32. At a local level, one of the areas of impact which seems to slip through the assessment net when aviation projects are being environmentally appraised, are what we in SASIG have termed 'Secondary Impacts'. These include for example:

- the pressures placed on social infrastructure like GP and dental practices, schools and hospitals;
- access to housing, particularly affordable housing, in overheated property markets resulting in social housing being forced into unsuitable locations for noise/air quality;
- overheating of the local job market so that small local businesses find it difficult to recruit and retain employees in areas where the airport is a dominant employer;
- the loss of green and quiet spaces; and
- the need for investment in transport infrastructure whose primary purpose is local or strategic but is at levels of utilisation where even small increments of growth from an airport can cause it to stress and malfunction.

33. All of these impacts have practical and often financial consequences, for which local and health authorities have responsibility, but without the power or financial resources to address properly. This appears to get recognition from Government, or understandably from airports themselves, for whom these affects are outwith their control, being the consequences of broader economic growth and inadequate core infrastructure. And yet we see the Government is making significant funding available to help address the infrastructure investment needed for large housing schemes, but there is no equivalent scheme for airports. Since it is known that housing development is typically far more profitable than investment in airports this juxtaposition is inexplicable and really needs to be addressed. In our view, there

would be one simple and easy mechanism to do this, namely allow relevant local authorities to retain airport related business rates and invest it on a hypothecated basis to address problems that arise from secondary impacts.

Climate Change

34. SASIG accepts the Committee on Climate Change's (CCC) current recommendation that emissions from UK-departing flights should be at or below 2005 levels in 2050, which in turn will should keep up the pressure on other sectors covered by the Climate Change Act to compensate for the aviation emissions planning assumption of 37.5MtCO₂. In this regard we note that the Government is committed to ensuring that the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) is successfully implemented as widely as possible³. Whilst there are uncertainties around the availability and cost of robust carbon units within the scheme, we are aware that CCC does recognise CORSIA as an interim measure – even if it notes that the capping of emissions at the 2020 level until 2035 is not compatible with achieving net zero emissions globally – and we accept it as a legitimate stepping stone. We are, however, unconvinced that even in an expanded form it would be able to deliver the new zero carbon targets the Government is now appears to be in the process of adopting. This would reduce the carbon budget for the sector to closer to 31-32 MtCO₂ and assumes that the other sectors retain the capacity to facilitate continued and potentially additional aviation carbon offsetting.
35. The recommendations of the CCC in relation to the latest developments are awaited with interest, but we do see the likely need for the introduction of biofuels and electric aircraft technologies to be speeded up over the next ten years and for the industry as a whole to accept that it will have to de-carbonise dramatically over the next 30 years if it is to be able to grow. Ideally the UK industry should not be forced to do this in isolation and potentially become uncompetitive, and unable to support the broader economy's needs during the period of transition as a result.
36. It is important, therefore that the Government continues to pursue international action as the priority for tackling international aviation emissions and continues with its current policy not to mandate sector specific emissions reduction targets allowing reductions to be made "*wherever it is most cost effective across the economy*" (para 3.86). Ultimately, we accept that the aviation sector may need to be included in the formal UK national carbon budget, but only when other options for driving down emissions at an international level have been exhausted. We are wary of knee-jerk policy making as an emotional or political response to well organised protests, preferring it to be evidenced based and coherent (i.e. targets should only be set that are achievable). Protest movements are a legitimate basis for asking questions about current policy but should not be the sole basis for changing it. SASIG believes we should advocate positive action, but guard against taking it forward independently and in so doing disadvantaging the UK sector against its international peers. We should act unilaterally, only when we have developed and are in a position to roll out the new technologies that will allow UK aviation to continue compete an equal, but lower carbon footing, with its European and international counterparts.
37. Finally, a related policy proposed in the Green Paper is to encourage progress along the term vision and pathway towards a low or zero carbon economy is to:

³ CORSIA was agreed by ICAO in 2016, runs from 2021 to 2035 and creates an obligation for carbon-neutral sector growth from 2020.

“require planning applications for capacity growth to provide a full assessment of emissions, drawing on all feasible, cost-effective measures to limit their climate impact, and demonstrating that their project will not have a material impact on the government’s ability to meet its carbon reduction targets” (para 3.96).

38. While fine in theory, SASIG does not consider that there is a sufficiently developed methodology to allow this kind of assessment to be undertaken on small scale schemes on a sub-national basis. We are highly sceptical of DfT’s modelling suit capability to deliver such analysis accurately or reliably, especially since the forecasts produced in 2017 were widely accepted to be of value only at a very high level of aggregation and that the input assumptions to generate CO2 emissions were extremely questionable (e.g. the level of biofuel that could be introduced over the next 10-20 years and the scope for introduction of carbon free propulsion technologies by 2050. We would not, therefore support the introduction of such assessments:

- for schemes delivering capacity increments of less than 5 mppa or 0.5 MT of cargo (on the grounds they are insufficiently large to be material); or
- until a broad consensus has been built around modelling methodologies, assumptions and outputs.

Chapter 4: Support Regional Growth and Connectivity

Recognising Market Failure

39. It is good to see that the Green Paper acknowledges the significant economic benefits that airports can generate for their local and regional economies and recognises that further growth will allow these direct, indirect, induced and catalytic effects to also increase and that where that is sustainable it should be encouraged. Our issue is not with the aspiration or strategic objectives, but with the rather anaemic and ill-defined nature of the policy framework that will facilitate this. The former we think is due to some misplaced shibboleths that DfT Ministers appear particularly wedded to. For example:

- Aviation is a highly competitive market where market forces operate efficiently, with little if any evidence of market failure;
- It is privately owned and run, profitable and therefore financially self-sustaining;
- Readily accessible to 97% of the population across at an appropriate level of service across the whole UK; and
- Therefore, does not require anything but the most limited amount of Government intervention in the form of policy frameworks, regulation or subsidy.

40. We consider this view of the UK industry, which appears to be associated with the slightly self-congratulatory tone of the Green Paper, which we and many others consider misleading and an unsuitable basis from which to develop policy. First, the notion that UK aviation is privately owned ignores the extensive shareholdings in airports held by national and Crown Dependency Governments and local authorities up and down the country. Second, the idea that because the sector as a whole is growing it is all in rude health is either ill-informed or faux naïve because it ignores:

- regular airline failures recently and imminent danger to the UK's regional airline sector;
- smaller regional airports running at losses, closing or unable to invest;
- large tracts of the country not being able to access reasonable levels of air service within an hour's surface travel time;
- the poor air connectivity available from the UK regions compared with London and the South East;
- large quantities of UK originating or destined air freight having to cross the channel to use near European airports because of lack of suitable capacity in the UK;
- a failure to maximise the potential economic benefits of airports or have a strategy in place to do so; and
- a planning system which is not fit for purpose in relation to airports.

41. Outside Heathrow and a number of the other larger airports whose market power shields them from the vicissitudes of economic and other shocks, the sector is largely, and for much of the time, struggling to stay afloat let alone expand, and would both welcome and is desperately seeking positive and supportive policy interventions from Government.

Policy for Aviation Outside London and the Home Counties

42. It is from that perspective, rather than the more complacent approach adopted by the Green Paper, that SASIG would like to see the following policy enshrined in the final White Paper.

- a. An explicit recognition of the important strategic role of small and medium sized regional airports in contributing to:
 - strategic national needs (e.g. non-passenger activities – military access, emergency services, diversions, pilot training, aircraft testing, spaceports and UAVs, locations for aerospace activities); and
 - boosting regional economic growth, by providing enhanced market connectivity, economic anchors/employment clusters, high skilled jobs, strong agglomeration and spillover effects and other major catalytic benefits.

And explicit promotion of growth funding and a supportive planning regime to help them achieve that

- b. Articulation of policy that:
 - Explicitly recognises the importance of accessibility to and connectivity from regional airports for the competitiveness of the towns, cities and sub regional/regional hinterlands they serve.
 - Understands the need for co-ordinated approach between local partners to maximise benefits of new routes and airport investment.
 - Is enthusiastic about the potential for regional aviation, not just Heathrow, to increase trade, inward investment, inbound tourism.
 - Wants to facilitate the creation of airport employment and airport/aerospace technology/innovation clusters away from large congested airports.
 - Is willing to promote Airport cities, business quarters/corridors, campuses, logistic/business parks, EZs/Free Trade Zones to attract investment/HQs;
 - And is willing to combine the foregoing with targeted investments to support regional route development, airport related development and in skills training at academies, colleges and universities through apprenticeships and grants or low interest loans for those undertaking commercial pilot or air traffic control training.
- c. Commitment of funding to help achieve these outcomes in the form of:
 - Investment in strategic surface access infrastructure serving airports
 - Airports being eligible and encouraged to participate in growth funding bids and future city deals, through Growth Partnerships modelled on those set up by HS2 and anchored by LPAs and LEPs
 - Consideration of regional airports for Tourism Sector Deal funding to enable inbound visitors to access tourism hotspots outside London and the Golden triangle (i.e. Bath and Oxford/Bicester)

- Introduction of an Air Transport Sector Deal to incentivise enhanced route connectivity from regional airports, stimulate investment in aviation related environmental technologies, underwrite skills and training and aviation professions where there are recruitment problems (see below), the creation of additional Enterprise Zones and new Free Trade Areas and schemes to help the UK industry market its products and expertise overseas.

Regional Employment, Training and Skills

43. SASIG notes the challenges that need to be addressed within the aviation work force (para 4.54), in particular:

- the cohort issues facing engineering related trades
- the shortage of Science, Technology, Engineering and Mathematics (STEM) school leavers and graduates
- the absence of sufficient tailored courses to allow students to make the next step in the sector, facilitate conversion from other sectors or expand the capabilities of those already there,
- and the potential disruption that could occur because of the lack of trained pilots and air traffic controllers.

44. We welcome the Government's intention to work with the Aviation Industry Skills Board to create a careers map for the aviation industry. It is important that the final White Paper supports this and facilitates technical and professional training at advanced levels, creating a locally responsive system that can respond to the needs of employers and learners.

45. However, we do not think that this should be funded by an employer's levy, at least not of firms with less than 1000 staff, as they are simply incapable in most cases of paying for it. Rather this should be Government and major employer funded.

46. It is also recommended that growth also become contingent upon airports agreeing to work with appropriate partners to allow access to training for staff. The Green Paper includes reference to London Stansted Aerozone and Stansted Airport College, which was facilitated by funding from both South East Enterprise Partnership, Essex County Council and Uttlesford DC.

47. SASIG believes that following the employer-led curriculum model MAG have developed at Stansted, to address future skills provision is a good starting point and will have the benefit of developing employer-led curriculum models to establish and steer fit for purpose provision, aiding the promotion of the counties regional, national and international competitiveness.

48. The final White Paper should be mindful of the barriers to FE provision, not least funding, and should outline mechanisms to overcome those barriers – including Government financed apprenticeships - not least because of aviation's potential to deliver social mobility.

Chapter 8: Encourage innovation and technology

49. SASIG keenly supports new technologies that:

- help address environmental impacts of aviation – noise, emissions, etc.
- keeps the UK aviation sector globally competitive;
- allows faster journey times or spaceflight using non-fossil fuels (e.g. Hypersonic engines based on hydrogen)

50. Policy on aviation related technology should also cover:

- the need for all aircraft (including drones) to have either in-built constraints on the airspace they can use or a requirement to carry transponders so they can be readily identified.
- supporting better information being made publicly available about the industry on a statutory/voluntary basis.
- Encouraging better engagement between the industry, statutory authorities, community representatives and the public about the value/problems with new technologies and how they should be regulated. (See 7 generic answers on P1 – 2 additional questions and SASIG responses below).

51. SASIG is pleased that Chapter 8 of the Green Paper has chosen to highlight electric aircraft as an important future technology. We also believe that electric propulsion will become the fuel of choice for jet propulsion in the future and that biofuels will simply be a transition technology that allows use of existing aircraft engines to continue for another 15-25 years.

52. We note also that the Green Paper has referenced that other countries are beginning to encourage hybrid flights and move towards carbon neutral airports. We think the Government should therefore take a ‘mission-orientated’⁴ approach to sectoral leadership in these new technologies⁵ and this starts by setting ambitious Government targets such as:

- All UK domestic flights to be electric by 2040
- all UK originating international flights to be kerosene free by 2050
- All UK airports offering commercial air transport services (including business aviation) to be carbon neutral by 2030

53. But then also providing research grants and match-funding in the form of equity and low interest loans for R&D and product development projects that academics and innovative companies can bid for that can help to achieve these goals. And then assist with finding export markets or securing partnership with key OEM’s when new emergent technologies are ready to bring to market.

⁴ Mazzucato, Mariana and Penna, Caetano, eds. (2015) *Mission-oriented finance for innovation: new ideas for investment-led growth*. Policy Network and Rowman & Littlefield International, London ; New York. ISBN 9781783484959

⁵ Rolls Royce announced on 18 June that it had bought Siemens electric propulsion business

Conclusions

54. To conclude rather than summarise what we have set out earlier in the response, we have chosen to outline our preferred approach to the development of the White Paper in the form of answer to the main generic questions in the consultation document.

Q1. How could the policy proposals be improved to maximise their impact and effectiveness in addressing the issues that have been identified?

55. We recognise that there is likely to be the need for some further airport growth, but we also believe there will also come a time when reasonable limits will need to be imposed on airport operations to ensure they do not become intolerable on local communities. We would like to see more discussion, perhaps through growth partnerships, of when and in what form those limits might arise and to see reliable measures and metrics, that reflect real experience, introduced to help determine when those limits are approaching and what if any real mitigation measures can be put in place to delay them arriving

Q2. How should the proposals described be prioritised, based on their importance and urgency?

56. SASIG believes strongly that Government policy should avoid a 'one size fits all' approach. Smaller airports have less impact in absolute terms than larger airports and therefore Government should be careful not to discriminate against the smaller regionals by imposing the same requirements of mitigation and compensation. The focus in terms of environmental management needs to be on larger airports; however, we are also persuaded by RABA's arguments that Government regulation has generated disproportionate costs that hold back smaller airports efforts to serve their local catchments.

57. Smaller regional airports can make an important contribution to their local and regional economies, by improving connectivity and generating substantial economic benefits. This potential will be stifled unless the White Paper takes steps to end the market distortions the Government's own interventions and policy has created. It is essential that it now recognises this problem and commits itself to introducing practical policies that will help to deliver a level playing field for all airports to compete on.

Q4. What implementation issues need to be considered and how should these be approached?

58. A new Aviation Strategy needs to be clear on how requirements are to be prioritised and resourced and also how these requirements are to be administered. There should be clarity on links with other industry stakeholders and how they dovetail with one another in order to deliver a joined-up government UK policy.

59. This might require a new high level inter-departmental Board to help manage the process of rolling out post White Paper follow-up policy and then ensure the process of implementing key initiatives is properly underway. A stakeholder forum is also likely to be needed to ensure key external stakeholders are engaged in this oversight

and delivery role. DfT used to have an External Advisory Panel chaired at a Ministerial level. Perhaps that could be revised. SASIG was a member of that and would expect to be again.

Q5. What burdens, both financial and regulatory, are likely to need to be managed and how might those be addressed?

60. As indicated above, SASIG is concerned to ensure the regulatory burden falling on the operators of smaller airports is adequately addressed. A number of our members own, or support such airports locally, and will therefore be taking a direct interest in how Government tackles this issue.

61. Government also needs to explain and make clear commitments as to the funding it is willing to put behind the delivery of the White Paper. There is something of a disconnect between the Green Papers pro-growth aspirations, and the emphasis it places in many other parts of the document, on airports and the wider industry paying for more and more Government intervention and regulation, even in relation to functions that are quite clearly the responsibility of the state (e.g. Border Force, Economic Regulation, Homeland Security).

62. To make the investments that are needed to deliver growth in a form that is environmentally sustainable, the industry needs to be profitable or receive targeted support of the kind that other core infrastructure (e.g. the roads, railways and broadband roll out) receive. The Government needs to think more carefully about the fiscal regime that is required to achieve that and certainly needs to get a better understanding of:

- the overall burdens it is imposing on businesses of different size in different segments of the industry; and
- the real profitability of the industry it is expecting to fund its ever-increasing impositions.

Q6. Are there any options or policy approaches that have not been included in [your response] that should be considered for inclusion in the Aviation Strategy?

63. Perhaps there is mileage in investigating how military and civilian organisations with an interest in aviation (e.g. the MoD and regional airports) could co-operate in mutual beneficial ways to the advantage of the overall and resilience of the quality of the UK's infrastructure in peacetime and during periods of conflict.

Q7. Looking ahead to 2050, are there long term challenges which need to be addressed?

64. Several:

- Zero carbon operations across the air transport sector by 2050
- Carbon neutrality for airports by 2030
- Securing a better balance between regional and London airport capacity to the benefit of the wider economy
- Government taking seriously its need to invest in supporting infrastructure for airports (i.e. airspace modernization and surface access)

- Carefully managing the use of drones and limiting access for V-Tol within built up urban areas.
- The need to achieve a comprehensive 3 hour airport to airport accessibility target for 99% of all domestic air journeys
- A similar 4-hour door-to-door journey covering the Europe and a 24 hr target for journeys across the globe
- Making the UK the first country to achieve IATA's universal 5-day target for air cargo delivery and reducing our reliance on overseas airports to move air freight with an origin or destination in the UK.

SASIG response to Annex A: Aviation 2050: the future of UK aviation

(submitted: 11th April 2019)

1. Introduction

The aviation strategy sets out the government's vision for aviation to 2050 and includes proposals to:

- develop a partnership for sustainable growth which meets rising passenger demand, balanced with action to reduce environmental and community impacts
- enhance the passenger experience
- build on the UK's success to establish new connections across the world and create greater choice for consumers

This consultation has been extended, and now closes on 20th June 2019. This is with the exception of the questions posed in 'Annex A: Legislation to enforce the development of airspace change proposals', which closed for responses on 11th April 2019. Below is the SASIG submitted response.

89. Should government legislate for powers to direct individual ACPs identified as necessary in a masterplan to be taken forward?

The question as summarised here is ambiguous because it is not specific about the reference to a masterplan. If this is a reference to the South of England airspace masterplan the Government has asked NERL to prepare then **yes, we support this proposal**; but it could equally apply to 'other' as yet unspecified airspace masterplans for other parts of the UK, or even to airport masterplans.

Our support is conditional solely to airspace masterplans, and the reasons for it are:

1. Airports may be reluctant to bring forward ACPs that they consider are not in their economic interests.
2. Some smaller airports may not have the resources to take an ACP, as all the evidence suggests it is a significant process both in term of time and cost. In these cases, then we support the SoS being able to appoint a third party to do the work objectively, transparently and thoroughly in their behalf.
3. ACPs that are co-dependent need to come forward in a timely manner so that consultation on these can be carried out in a coordinated and not a piecemeal way. The CAA's Airspace Modernisation Strategy identifies as many as 16 different sponsors in the south of England that could be putting forward co-dependent ACPs.

It is worth flagging here an issue the consultation simply ignores, namely the resource implications for third parties with relevant statutory responsibilities, such as local authorities acting on behalf of communities within their boundaries that are impacted. The scale of what is likely to be required under the AMS process, even in just the initial South of England phase (let alone the rest of the UK), could potentially affect a significant number of SASIGs members and have substantive impacts on those Local Authorities resources. There is no evidence that the Government has recognised this let alone been willing to make provisions for it in future local authority spending allocations; the plans to legislate to 'enforce' the ACP process makes such provision even more important, and SASIG would like to engage with Government about how this resource is to be redressed – the additional burden assessment to accompany the legislation must endeavour to quantify and set out proposals to mitigate this issue.

4. The CAA's Airspace Modernisation Strategy sets a timescale of 2024 to implement the Future Airspace Strategy in the south of England. The progress summary in the document makes it clear that all stages of the process (terminal airspace redesign, new procedures and new tools for controllers) all need attention if this timescale is to be met. Delay in submitting ACPs does not therefore appear to be an option.

However, this alternative mechanism, also raises a broader issue, which is why this approach could not also be used to allow third parties such as local authorities to bring forward alternative ACPs, using the resources Government is clearly willing to bare. This possibility should therefore also be included in the legislation. It might also for example also allow and airport and the relevant local authority to jointly promote an ACP where this was considered the best way of securing wider support.

Our strongly held view is that it is essential, therefore, that the views of local and regional stakeholders are engaged in producing such a roadmap(s). Annex A seems to envisage circumstances that only aviation stakeholders can sponsor the airspace changes the roadmap identifies would be involved. This is unacceptable. LPA's must be involved from the outset in all such deployment plan production.

90. What are your views on the above two proposals?

The first option to direct airports and ANSPs to bring forward proposals seems straightforward, where they have the resources to be able to respond.

The second option to direct handover to NERL or a third party to take forward the proposal on the airport/ANSPs behalf seems pragmatic in relation to smaller airports either on cost, expertise or appropriate resource (e.g. management/SATCO time) – making the criteria/circumstances clear for this option to be used should form part of the legislation and hence the Government's commitment?

91. Do you agree that option a) should be the lead option?

- Yes
- x No –
- Don't know

Comments:

No – Because both will be needed, and the optimum way forward will depend on the circumstances and the needs of the wider ASM programme.

92. What are your views on the scope for the use of the powers?

SASIG agrees with the scope set out in Annex A, but with the caveat that additional proposals set out in italics in previous answers (above) also be accommodated in the legislation.

SASIG particularly notes that two of the policy considerations set out in the annex are noise reduction and improvements to air quality. It is presumed that it is the Government's intention that direction powers could be used in relation to these two policy considerations where no growth is being proposed. The alternative is to allow specified third parties such as local authorities, the MoD or other statutory agencies like Devolved Administrations, National Parks etc to promote ACPs that will address environmental issues, rather than solely additional capacity.

93. What are your views on the use of the triggers for using the legislative powers?

SASIG supports the proposed triggers, which correlate with the comments it has made in answering Q89 above. The annex does set out a support and engagement strategy that would be put into place before use of the powers is considered, and it is understood that the powers would be a last resort. This is sensible.

94. What are your views on the proposed sanctions and penalties regime?

The sanctions and penalties should not apply to smaller airport ACPs – the process should instead be Government stepping in to ask NERL or a third party to take the ACP process forward in consultation with the airport concerned. To determine where this might apply and the criteria to be used discussion is needed with organisations like RABA and SASIG to determine where the cut off for such exemptions should be. Our initial view is airports with 3mppa or less that do not want to take forward the process themselves.

Where an airport or other ACP promoter is clearly resourced to undertake the work then issuing of a contravention notice would only be a prior warning of the possibility of further action. In order to be effective, the notice would clearly need to set out what needs to be done and by when in order to avoid sanction. The proposed financial penalty (or threat thereof) for non-compliance should be effective.

95. The government proposes that the airport/ANSP would be able to appeal in relation to the following matters: the validity or terms of an enforcement order the imposition of a financial penalty the timing of the payment of a penalty the amount of the penalty What are your views on the grounds for appeals?

The grounds of appeal set out in the annex would seem to be reasonable and in accordance with natural justice.

96. What are your views on the best approach to funding an airspace change where a small airport may need financial support to do so?

See comments above. The Government must take the lead here or resource a third party to make the application on its behalf. If it is willing so to do, then it should also be willing to resource proposals from specified types of third parties.