



Agenda Item:	Reference: HACC.474
Date: January 18 2007	
The Future of Air Transport Progress Report	

Report by the Technical Adviser

1. On 14 December 2006, the Secretary of State for Transport presented to Parliament his "The Future of Air Transport Progress Report" . This was to fulfil a commitment made in the December 2003 "Future of Air Transport" White Paper; **that** document set out a sustainable long-term strategy for the development of air transport out to 2030 and demonstrated the essential role that aviation plays in the UK economy and continued prosperity.
2. The main thrust of the White Paper was to propose the construction of a second runway at Stansted Airport and of a third, short, runway at Heathrow.
3. The HACC has been kept informed of progress being made in development of the policy set out in that White Paper by the regular reports it has received about the Project for the Sustainable Development of Heathrow (PSDH).
4. The Department for Transport is supplying a copy of the Progress Report for each member of the HACC and this report is written on the basis that each of them has a copy available for reference during the debate. It takes the reader through the Report drawing attention to some of the main points of interest affecting Heathrow.

THE FOREWORD

5. Page 5 of the Report sets out the major items which Government believes it has delivered since publication of the White Paper . These include the strengthening of legislation to control aircraft noise and local air quality, the progress made by the industry in those fields and the improvement of passenger facilities through terminal development improvements in engagement with local communities.

CHAPTER 1 – OVERVIEW

6. This section summarises the comprehensive strategy of the White Paper and some major developments which have occurred since 2003. It points to the Stern Review of the global problem of climate change and its recommendations to tackle the complex pattern of carbon emissions together with details of Government action to implement controls. These point to inclusion of aviation in the European Union emissions trading scheme, a forthcoming consultation on the development of a new emissions cost assessment, the simplification of passengers responsibility for the carbon emissions they cause and a doubling of Air Passenger Duty from February 1 2007.
7. Commenting on local environmental challenges, the Report records that the Civil Aviation Act 2006 introduces new powers for airports to be able to control noise and local air quality. It goes on (page 32) to "**recommend that airport consultative committees monitor how well the new powers in the Civil Aviation Act are being implemented by airports**".

8. The report (para 1.8) welcomes the leadership of those airport operators who are taking steps to improve local air quality and re-iterates that at Heathrow, **"... reducing air pollution levels is vital before the airport can expand further"**.
9. Para.1.10 recognises the important contribution of aviation to the UK economy supporting around 200,000 jobs directly and many more indirectly. It points out that other major European hub airports have already expanded capacity to cater for future demand and examples Amsterdam and Paris with five and four runways respectively and a planned fourth runway for Frankfurt. It points to the prospective growth of air travel from and within China which is to invest \$17.5 billion on launching 71 airport expansion projects, including relocating 11 airports and building 49 new airports.
10. **Summarising progress since 2003 (para 1.12) in the delivery of a new runway at Heathrow in the period 2015 to 2020 if noise and air quality limits are met, Government says it expects to consult in detail during 2007 on whether the environmental impact of making more use of existing runways, or building a third runway, would be acceptable.**
11. This can be expected to include the delayed consultations on the possible introduction of Mixed Mode operations at Heathrow and the future of the Cranford Agreement which imposes severe limitations on the use of the northern runway when airport operations are in an easterly direction.
12. **Government intends to issue a further report on progress in delivering it's aviation policy in three to five years time.**

## CHAPTER 2 -THE GLOBAL CHALLENGE OF CLIMATE CHANGE

13. The Chapter starts with a stark warning that "Climate Change is the biggest single issue that we face" and records the Government's commitment to responding effectively to the threats and challenges that climate change poses.
14. The Chapter relates a history of international measures and agreements to control climate change and points to the inability of others to be effective in view of the vast changes which have occurred in the aviation industry since they were first promulgated. The role of the International Civil Aviation Organisation (ICAO) is acknowledged but this is embodied in the Chicago Convention of 1944 and, despite a number of revisions, it is now very out of date.
15. **Government says that it will work with European and international partners to press for the modernisation of the Convention and of ICAO.**
16. Government has made progress in arguing for the inclusion of aviation in the European Union emissions trading scheme and expects the European Commission to make detailed proposals to achieve this. **It calls on the German and Portugese Presidencies to make agreement of the necessary legislation a high priority during 2007.**
17. The Chapter goes on to describe work on developing a clearer policy framework supporting work by industry and cites examples of best practice in energy efficiency at airports.

18. In para.2.21, **BAA airports are singled out as one of the UK's top 20 industrial consumers of energy and because it already participates in the EU Emissions Trading Scheme.** BAA has a group objective to achieve a 15 per cent reduction in absolute CO<sub>2</sub> emissions from fixed sources by 2010 compared to 2007.
19. Government proposes (para 2.34) to introduce a new emissions cost assessment to inform its decision on major increases in aviation capacity. This assessment would consider whether the aviation sector is meeting its external climate change costs **and there will be a consultation on the development of the assessment in the first half of 2007.**
20. The areas in which it is anticipated work will be taken forward **are listed in para.2.37 and, in addition, airport operators are invited to publish environmental statements alongside their master plans with the aim of achieving carbon neutrality as quickly as possible.**

### CHAPTER 3 – LOCAL ENVIRONMENTAL CHALLENGES

21. This chapter opens with the Government objective of striking a fair balance between the local and national benefits that can be gained from airport expansion and the local costs that might be imposed on the people who live nearest to airports. It summarises progress that have been made in meeting these objectives since 2003.
22. The Civil Aviation Act of 2006 gave airports generally statutory powers to introduce noise control schemes and to fine aircraft that breach noise controls. Heathrow Airport is, of course, already designated by the Secretary of State for noise control purposes which he formulates. The Act allows charges to be made for pollution generated by aircraft in a way that Heathrow already does.
23. New night flying restrictions to apply from October 2006 until October 2012 have been put in place, about which the report says "... the outcome represents an appropriate balance between the need to protect local communities from excessiv<sup>4</sup> noise and the economic benefits that night time air services can bring."
24. **There is reference to the associated "... criteria to determine which residents should be offered sound insulation to be paid for, or contributed to, by the airport.....BAA is currently finalising the details of its insulation scheme."**
25. Master plans for airports across the country have acted as catalysts for the introduction of schemes to deal with generalised blight and the report encourages other airport to follow these examples. At Heathrow of course, BAA has introduced schemes to deal with aspects of blight and the Consultative Committee has been much involved with these.
26. The White Paper has emphasised the importance of providing surface access to airports to minimise environmental congestion and local impacts and the Progress Report continues to support that. The Project for the Sustainable Development of Heathrow has a **Surface Access Group on which the HACC is represented and it is expected to meet in the next few weeks to discuss progress since its last meeting in February 2006.**
27. The remainder of this Chapter (pp30-32) deals with Landscape, Biodiversity and Heritage, with Re-cycling and Environmental Performance, Social Responsibility and Public Health and Safety.

28. The next steps envisaged (p.32) include **a review of the current Public Safety Zones (PSZs) at Heathrow to ensure that the level of risk has not changed with a note of encouragement for other airports to look at how they communicate information about environmental impacts citing East Midland's internet tracking system for aircraft noise.**
29. The desirability of Heathrow having such an internet based tracking system which would, for example, allow those disturbed by a particularly noisy aircraft to follow its track and to identify it, was put to BAA several years ago by HACC through the Noise and Track Keeping **Group. It is understood that work is in hand to progress implementation of this.**

#### CHAPTER 4 – ECONOMIC BENEFITS OF AIR TRAVEL

30. This Chapter incorporates new forecasts for passenger growth and national air travel demand has been revised downward from 490 million a year in 2030 to 465 million. **A more detailed technical note on forecast methods and results is to be published in 2007.**
31. Much of the data in this Chapter is derived from the Oxford Economic Forecasting report of December 2006 which is the subject of a separate report being presented concurrently to the HACC meeting of February 7.
32. **Air freight continues to grow and about a quarter of UK visible trade by value goes by air with 2.3 million tonnes carried in 2005 (para 4.17).**
33. Attention is drawn to the increasingly broad range of destinations and services available (para 4.18). On average, airports have increased the number of overseas routes they offer by 44% between 2003 and 2005. This does not reflect the position where more destinations are now available from Gatwick than from Heathrow. Much of the increase in routes is due to the growth of the Low Cost Carriers such as Ryanair and EasyJet which do not operate from Heathrow.
34. The Committee will be debating at its meeting on February 7, a report on an "Attitudes to Air Travel" survey. The Progress Report uses some of the information from that survey to record why a continuing growth in air travel is to be expected, particularly from regional airports. Within the growing number of journeys taken, the proportion of leisure travellers has risen so that in the South East, it increased from 62% to 65% on all flights from Heathrow.
35. The Chapter concludes with a summary of action taken by Government to protect access to air travel for all, to strengthen the rights of disabled persons travelling by air and draws attention to **a new duty for the Secretary of State in the Civil Aviation Act 2006 requiring him to safeguard the health of those on board aircraft. Government will work closely with the aviation industry to manage the implementation of new security measures at airports.**

#### CHAPTER 5 – PROGRESS SINCE 2003

36. This Chapter, together with its Annexes A and B, summarises the progress made on work to implement the White Paper policies by Government, airport operators, local authorities and other industry and non-governmental organisations.

37. Since publication of the White Paper, some airport operators have decided that there is not sufficient justification to take forward the proposals in the timescale envisaged in 2003 and it cites Birmingham, Edinburgh, Bristol and Leeds-Bradford airports.
38. Better use of airspace is a key component of increased capacity and **new guidance on environmental assessment is to be published by the Civil Aviation Authority in Spring 2007**. The National Air Traffic Service (NATS) has made good progress in developing new airspace designs for existing traffic levels in the South East and is on target to implement these changes in 2009. This is accompanied by a reminder that this will only go so far in supporting longer term capacity at Stansted and Heathrow.
39. The situation regarding a second runway at Stansted, which would relieve for a time, pressure at Heathrow, is summarised in pages 43-45. **BAA now envisages that such a new runway would not be operational before 2015**.
40. Explaining the continuing support for a third runway at Heathrow, subject to environmental constraints, the report points out that demand is now far in excess of runway capacity and that over the past five years, passenger growth at Heathrow was just 5% compared with 27% at UK airports overall. **It concludes that Heathrow is in an increasingly uncompetitive position in relation to other major European airports which have greater runway capacity**.

	No. of runways	No. of passengers per year (millions)	Efficiency of runway use-average no. of passengers per flight	Current ATMs per hour (and targeted)
Heathrow	2	67.7	146	80
Frankfurt (Main)	3	51.9	113	80 (120)
Paris (CDG)	4	53.5	113	120
Amsterdam	5	44.1	112	90(120)

41. In relating environmental assessment undertaken since 2003 (p.47) the report accepts that Heathrow is currently the only airport in the UK where both national and European air quality limits and values are being exceeded. This situation results from high levels of NO<sub>x</sub> emissions from road traffic near the airport, as well as the contribution from aircraft.
42. **The provisional environmental assessment for Mixed Mode operations is said to suggest that the noise contour limit (57dBA Leq and 127km<sup>2</sup>) could be met if extra movements were phased in gradually as noisier aircraft were retired**. This would necessitate ending of the Cranford Agreement restrictions on easterly takeoffs, some loss of runway alternation and the long promised review of "Westerly Preference" which favours Heathrow operating in a Westerly direction when weather conditions permit.
43. **BAA would need to prepare proposals for Mixed Mode operations within current traffic levels as a planning application would be necessary to increase the current 480,000 limit on annual aircraft movements as well as additional facilities for passengers and aircraft**.

#### FURTHER DEVELOPMENT AT HEATHROW

44. BAA issued its interim master plan, with indicative plans for a third runway and sixth terminal, in 2005 and this has been supported by ongoing design and analysis work. With a third runway, the airport could eventually support up to 720,000 aircraft movements (around 128 million passengers a year).

45. **The complete PSDH environmental assessments will not be finalised before Spring 2007.**

#### NEXT STEPS

46. **A full public consultation on the future development of Heathrow Airport is planned for 2007, once the environmental assessment work is complete. Policy conclusions on this future development could not be reached until the end of 2007 and this would have to be followed by further detailed design work and the preparation of planning applications.**

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